

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Skisen Labs Private Limited

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of Skisen Labs Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, its loss, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

## **Responsibility of Management for the Ind AS Financial Statements**

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 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 the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (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 adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, provisions of section 197 read with Schedule V of the Act are applicable to the Company for the year ended March 31, 2021. However, no managerial remuneration has been paid/provided by the Company to its directors during the year;

- (h) 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 derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Nishant Mankodi**  
Partner  
Membership Number: 107515  
UDIN: 21107515AAAAAT2364  
Place of Signature: Mumbai  
Date: May 25, 2021

**Annexure 1 referred to in paragraph 1 of our report of even date under the heading "Report on Other Legal and Regulatory Requirements"**

**Re: Skisen Labs Private Limited ("the Company")**

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) (a), (b), and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company does not have any inventories during the year. Accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly, the provisions of clause 3(iv) of the Order is not applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products of the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company and hence not commented upon.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, goods and services tax, cess and custom duty are not applicable to the Company.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, goods and services tax, sales-tax, custom duty, excise duty, value added tax, cess and other statutory dues, wherever applicable were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, goods and services tax, service tax, custom duty, excise duty, value added tax and cess, wherever applicable, which have not been deposited on account of any dispute.

- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) In our opinion, provisions of section 197 read with Schedule V of the Act are applicable to the Company for the year ended March 31, 2021. However, no managerial remuneration has been paid/provided by the Company to its directors during the year.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3(xiv) of the Order is not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

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- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Nishant Mankodi**  
Partner  
Membership Number: 107515  
UDIN: 21107515AAAAAT2364  
Place of Signature: Mumbai  
Date: May 25, 2021

## **Annexure 2 to the Independent Auditor's Report of even date on the Ind AS financial statements of Skisen Labs Private Limited**

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

We have audited the internal financial controls over financial reporting of Skisen Labs Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.



## **Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Ind AS Financial Statements**

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with Reference to these Ind AS Financial Statements**

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

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Nishant Mankodi**  
Partner  
Membership Number: 107515  
UDIN: 21107515AAAAAT2364  
Place of Signature: Mumbai  
Date: May 25, 2021

**SKISEN LABS PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2021**

Amount ₹

| Particulars  | Notes | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|--|-------|-------------------------|-------------------------|
| <b>ASSETS</b>  |       |                         |                         |
| <b>Non-current assets</b>  |       |                         |                         |
| (a) Financial assets   |       |                         |                         |
| (i) Investments  | 3     | 25,034                  | 26,992                  |
| <b>Total non-current assets</b>  |       | <b>25,034</b>           | <b>26,992</b>           |
| <b>Current assets</b>  |       |                         |                         |
| (a) Financial assets   |       |                         |                         |
| (i) Cash and cash equivalents  | 4     | 7,148                   | 45,668                  |
| <b>Total current assets</b>  |       | <b>7,148</b>            | <b>45,668</b>           |
| <b>TOTAL ASSETS</b>  |       | <b>32,182</b>           | <b>72,660</b>           |
| <b>EQUITY AND LIABILITIES</b>  |       |                         |                         |
| <b>Equity</b>  |       |                         |                         |
| (a) Equity share capital   | 5     | 163,600,000             | 163,600,000             |
| (b) Other equity   | 6     | (163,871,308)           | (163,796,568)           |
| <b>Total equity</b>  |       | <b>(271,308)</b>        | <b>(196,568)</b>        |
| <b>LIABILITIES</b>   |       |                         |                         |
| <b>Non current liabilities</b>   |       |                         |                         |
| (a) Financial liabilities  |       |                         |                         |
| (i) Borrowings   | 7     | 270,096                 | -                       |
| <b>Total non-current liabilities</b>                                       |       | <b>270,096</b>          | <b>-</b>                |
| <b>Current liabilities</b>   |       |                         |                         |
| (a) Financial liabilities  |       |                         |                         |
| (i) Borrowings   | 8     | -                       | 217,517                 |
| (ii) Trade payables  |       |                         |                         |
| Total outstanding dues of micro and small enterprises                      | 14    | -                       | -                       |
| Total outstanding dues of creditors other than micro and small enterprises |       | 33,394                  | 48,190                  |
| (b) Other current liabilities  | 9     | -                       | 3,521                   |
| <b>Total current liabilities</b>   |       | <b>33,394</b>           | <b>269,228</b>          |
| <b>TOTAL LIABILITIES</b>   |       | <b>303,490</b>          | <b>269,228</b>          |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>32,182</b>           | <b>72,660</b>           |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No. : 324982E/E300003

**For and on behalf of the Board of Directors of  
SKISEN LABS PRIVATE LIMITED**

**per Nishant Mankodi**  
Partner  
Membership no. : 107515  
Mumbai, May 25, 2021

**Rakeshchandra J. Sinha**  
CFO and Whole-time Director  
DIN: 07340998  
Mumbai, May 25, 2021

**Chandrakant K. Agrawal**  
Whole-time Director  
DIN: 02525499  
Mumbai, May 25, 2021

**Meetal Sampat**  
Company Secretary  
Membership No.: A18249  
Mumbai, May 25, 2021

**SKISEN LABS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Amount ₹

| Particulars   | Notes | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---|-------|--------------------------------------|--------------------------------------|
| <b>(I) Income</b>   |       |                                      |                                      |
| Revenue from operations   |       | -                                    | -                                    |
| <b>(II) Total income</b>  |       | -                                    | -                                    |
| <b>(III) Expenses</b>   |       |                                      |                                      |
| Finance cost  | 10    | 19,673                               | 10,209                               |
| Other expenses  | 11    | 55,067                               | 63,670                               |
| <b>(IV) Total expenses</b>                                      |       | <b>74,740</b>                        | <b>73,879</b>                        |
| <b>(V) Loss before tax (II - IV)</b>                            |       | <b>(74,740)</b>                      | <b>(73,879)</b>                      |
| <b>(VI) Tax expenses</b>  | 12    | -                                    | -                                    |
| <b>(VII) Loss for the year (V - VI)</b>                         |       | <b>(74,740)</b>                      | <b>(73,879)</b>                      |
| <b>(VIII) Other comprehensive income</b>                        |       | -                                    | -                                    |
| <b>(IX) Total comprehensive loss for the year</b>               |       | <b>(74,740)</b>                      | <b>(73,879)</b>                      |
| <b>Loss per equity share (face value per equity share ₹ 10)</b> | 13    |                                      |                                      |
| Basic and Diluted (in ₹)  |       | (0.00)                               | (0.00)                               |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E/E300003

**For and on behalf of the Board of Directors of  
SKISEN LABS PRIVATE LIMITED**

**per Nishant Mankodi**

Partner

Membership no. : 107515

Mumbai, May 25, 2021

**Rakeshchandra J. Sinha**

CFO and Whole-time Director

DIN: 07340998

Mumbai, May 25, 2021

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DIN: 02525499

Mumbai, May 25, 2021

**Meetal Sampat**

Company Secretary

Membership No.: A18249

Mumbai, May 25, 2021

**SKISEN LABS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

Amount ₹

| Particulars   | Equity share capital | Other equity         | Total            |
|---|----------------------|----------------------|------------------|
|   |                      | Reserve and surplus  |                  |
|   |                      | Retained earnings    |                  |
| <b>Balance as at April 1, 2019</b>                  | <b>163,600,000</b>   | <b>(163,722,689)</b> | <b>(122,689)</b> |
| Loss for the year                                   | -                    | (73,879)             | (73,879)         |
| Other comprehensive income for the year, net of tax | -                    | -                    | -                |
| <b>Total comprehensive loss for the year</b>        | <b>-</b>             | <b>(73,879)</b>      | <b>(73,879)</b>  |
| <b>Balance as at March 31, 2020</b>                 | <b>163,600,000</b>   | <b>(163,796,568)</b> | <b>(196,568)</b> |
| Loss for the year                                   | -                    | (74,740)             | (74,740)         |
| Other comprehensive income for the year, net of tax | -                    | -                    | -                |
| <b>Total comprehensive loss for the year</b>        | <b>-</b>             | <b>(74,740)</b>      | <b>(74,740)</b>  |
| <b>Balance as at March 31, 2021</b>                 | <b>163,600,000</b>   | <b>(163,871,308)</b> | <b>(271,308)</b> |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E/E300003

**For and on behalf of the Board of Directors of**

**SKISEN LABS PRIVATE LIMITED**

**per Nishant Mankodi**

Partner

Membership no. : 107515

Mumbai, May 25, 2021

**Rakeshchandra J. Sinha**

CFO and Whole-time Director

DIN: 07340998

Mumbai, May 25, 2021

**Chandrakant K. Agrawal**

Whole-time Director

DIN: 02525499

Mumbai, May 25, 2021

**Meetal Sampat**

Company Secretary

Membership No. : A18249

Mumbai, May 25, 2021

**SKISEN LABS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021**

Amount ₹

| <b>PARTICULARS</b>  | <b>For the year ended<br/>March 31, 2021</b> | <b>For the year ended<br/>March 31, 2020</b> |
|---|--|--|
| <b>A) Cash flow from operating activities</b>                         |  |  |
| Loss before tax   | (74,740)                                     | (73,879)                                     |
| Adjustments for:  |  |  |
| Share of loss in LLP  | 1,958  | -  |
| Finance costs   | 19,673                                       | 10,209                                       |
| <b>Operating loss before working capital changes</b>                  | <b>(53,109)</b>                              | <b>(63,670)</b>                              |
| <b>Movement in working capital:</b>                                   |  |  |
| Increase / (decrease) in trade payable                                | (14,796)                                     | 48,190                                       |
| Increase / (decrease) in other current liabilities                    | (3,521)                                      | (124,491)                                    |
| <b>Cash used in operations</b>  | <b>(71,426)</b>                              | <b>(139,971)</b>                             |
| Income tax paid (net of refund)                                       | -  | -  |
| <b>Net cash used in operating activities (A)</b>                      | <b>(71,426)</b>                              | <b>(139,971)</b>                             |
| <b>B) Cash flow from investing activities</b>                         | -  | -  |
| <b>Net cash flows from investing activities (B)</b>                   | -  | -  |
| <b>C) Cash flow from financing activities</b>                         |  |  |
| Proceeds from borrowings  | 270,000                                      | 155,000                                      |
| Repayment of borrowings   | (217,517)                                    | -  |
| Interest paid   | (19,577)                                     | -  |
| <b>Net cash generated from financing activities (C)</b>               | <b>32,906</b>                                | <b>155,000</b>                               |
| <b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b> | <b>(38,520)</b>                              | <b>15,029</b>                                |
| Cash and cash equivalents at beginning of the year                    | 45,668                                       | 30,639                                       |
| <b>Cash and cash equivalents at the end of the year</b>               | <b>7,148</b>                                 | <b>45,668</b>                                |

| <b>Cash and cash equivalents comprises of : (refer note 4)</b> |                                 |                                 | Amount ₹ |
|--|---------------------------------|---------------------------------|----------|
| <b>Particulars</b>   | <b>As at<br/>March 31, 2021</b> | <b>As at<br/>March 31, 2020</b> |          |
| Balances with banks -In current accounts                       | 7,148                           | 45,668                          |          |
|  | <b>7,148</b>                    | <b>45,668</b>                   |          |

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E/E300003

**For and on behalf of the Board of Directors of**

**SKISEN LABS PRIVATE LIMITED**

**per Nishant Mankodi**

Partner

Membership no. : 107515

Mumbai, May 25, 2021

**Rakeshchandra J. Sinha**

CFO and Whole-time Director

DIN: 07340998

Mumbai, May 25, 2021

**Chandrakant K. Agrawal**

Whole-time Director

DIN: 02525499

Mumbai, May 25, 2021

**Meetal Sampat**

Company Secretary

Membership No. : A18249

Mumbai, May 25, 2021

**1. General Information**

Skisen Labs Private Limited ("the Company") is a private limited company incorporated and domiciled in India, having its registered office at Acme Plaza, Andheri-Kurla Road, Andheri (East), Mumbai, Maharashtra - 400 059. The Company is a 100% subsidiary of Sun Pharmaceutical Industries Limited.

The financial statements were approved for issue in accordance with a resolution of the directors on May 25, 2021.

**2. Summary of significant accounting policies**

**2.1 Statement of compliance**

The Company has prepared financial statements for the year ended March 31, 2021 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, together with the comparative period data as at and for the year ended March 31, 2020.

**2.2 Basis of preparation and presentation**

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

**A. Current vs Non-current**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**B. 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.

**Financial Assets**

**i. Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date.

**ii. Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**iii. Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**iv. Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

**v. Equity instruments**

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

**Financial liabilities and equity instruments**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**a. Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**b. Compound financial instruments**

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument

**i. Initial recognition and measurement**

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

**ii. Subsequent measurement**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

**Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by the group that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For non-held-for-trading financial liabilities designated as at FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. These gains/ loss are not subsequently transferred to profit or loss. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item

**C. Income tax**

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.



**D. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements.

**E. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**F. Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**G. Borrowings costs:**

Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**2.3 Recent Accounting pronouncements:**

Standards issued but not yet effective and not early adopted by the Company:

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

SKISEN LABS PRIVATE LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE : 3

NON-CURRENT INVESTMENTS

Amount ₹

| Particulars   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2021 | March 31, 2020 |
| Unquoted (at cost)<br>In capital of Limited Liability Partnership (LLP)<br>Silverspot Trading LLP |                |                |
|   | 25,034         | 26,992         |
|   | <b>25,034</b>  | <b>26,992</b>  |

NOTE : 4

CASH AND CASH EQUIVALENTS

Amount ₹

| Particulars                                | As at          |                |
|--|----------------|----------------|
|  | March 31, 2021 | March 31, 2020 |
| Balances with banks<br>In current accounts |                |                |
|  | 7,148          | 45,668         |
|  | <b>7,148</b>   | <b>45,668</b>  |

NOTE : 5

EQUITY SHARE CAPITAL

Amount ₹

| Particulars   | As at             |                    | As at             |                    |
|---|-------------------|--------------------|-------------------|--------------------|
|   | March 31, 2021    |                    | March 31, 2020    |                    |
|   | Number of shares  | (₹)                | Number of shares  | (₹)                |
| <b>Authorised share capital</b><br>Equity shares of ₹ 10 each             | 17,000,000        | 170,000,000        | 17,000,000        | 170,000,000        |
|   | <b>17,000,000</b> | <b>170,000,000</b> | <b>17,000,000</b> | <b>170,000,000</b> |
| <b>Issued, subscribed and fully paid up</b><br>Equity shares of ₹ 10 each | 16,360,000        | 163,600,000        | 16,360,000        | 163,600,000        |
|   | <b>16,360,000</b> | <b>163,600,000</b> | <b>16,360,000</b> | <b>163,600,000</b> |

(a) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of reporting period

| Particulars                  | As at             |                    | As at             |                    |
|------------------------------|-------------------|--------------------|-------------------|--------------------|
|                              | March 31, 2021    |                    | March 31, 2020    |                    |
|                              | Number of shares  | (₹)                | Number of shares  | (₹)                |
| Opening balance              | 16,360,000        | 163,600,000        | 16,360,000        | 163,600,000        |
| Add : Issued during the year | -                 | -                  | -                 | -                  |
| Closing balance              | <b>16,360,000</b> | <b>163,600,000</b> | <b>16,360,000</b> | <b>163,600,000</b> |

(b) Details of shareholders holding more than 5% in the Company / Shares held by the Holding Company

| Particulars                           | As at            |     | As at            |     |
|---------------------------------------|------------------|-----|------------------|-----|
|                                       | March 31, 2021   |     | March 31, 2020   |     |
|                                       | Number of shares | %   | Number of shares | %   |
| Equity shares                         |                  |     |                  |     |
| Sun Pharmaceutical Industries Limited | 16,360,000       | 100 | 16,360,000       | 100 |

(c) Rights, preference and restrictions attached to equity shares:

The equity shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

(d) No equity share have been issued as bonus or shares issued for consideration other than cash or bought back during the period of five years immediately preceding the reporting date.

SKISEN LABS PRIVATE LIMITED  
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

NOTE : 6

OTHER EQUITY

Amount ₹

| Particulars                             | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
| <b>Reserves and surplus</b>             |                         |                         |
| <b>Retained earnings</b>                |                         |                         |
| Balance as at the beginning of the year | (163,796,568)           | (163,722,689)           |
| Loss for the year                       | (74,740)                | (73,879)                |
|   | <b>(163,871,308)</b>    | <b>(163,796,568)</b>    |

Refer statement of changes in equity for detailed movement in other equity balance.

NOTE : 7

BORROWINGS (NON CURRENT)

Amount ₹

| Particulars                                      | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|--|-------------------------|-------------------------|
| Unsecured  |                         |                         |
| Loan from related parties (refer note 18 and 19) | 270,096                 | -                       |
|  | <b>270,096</b>          | <b>-</b>                |

NOTE : 8

BORROWINGS (CURRENT)

Amount ₹

| Particulars                               | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
| Unsecured                                 |                         |                         |
| Loan from related parties (refer note 18) | -                       | 217,517                 |
|   | <b>-</b>                | <b>217,517</b>          |

NOTE : 9

OTHER CURRENT LIABILITIES

Amount ₹

| Particulars           | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-----------------------|-------------------------|-------------------------|
| Statutory remittances | -                       | 3,521                   |
|                       | <b>-</b>                | <b>3,521</b>            |

NOTE : 10

FINANCE COST

Amount ₹

| Particulars  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Interest expense for financial liabilities carried at amortised cost | 19,673                               | 10,209                               |
|  | <b>19,673</b>                        | <b>10,209</b>                        |

NOTE : 11

OTHER EXPENSES

Amount ₹

| Particulars  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Share of loss in LLP   | 1,958                                | -                                    |
| Rates and taxes  | 2,500                                | 2,550                                |
| Legal and professional fees                                    | 32,909                               | 43,420                               |
| Payment to auditors (net of input credit, wherever applicable) | 17,700                               | 17,700                               |
|  | <b>55,067</b>                        | <b>63,670</b>                        |

**SKISEN LABS PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

**NOTE : 12**

**TAX RECONCILIATION**

Amount ₹

| Particulars  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| <b>Reconciliation of tax expense</b>                             |                                      |                                      |
| Loss before tax  | (74,740)                             | (73,879)                             |
| Enacted income tax rate (%) *                                    | 25.168%                              | 25.168%                              |
| Income tax calculated at income tax rate                         | (18,811)                             | (18,594)                             |
| Effect of expenses that are not deductible                       | 18,811                               | 18,594                               |
| <b>Total</b>   | -                                    | -                                    |
| Total tax expense recognised in the Statement of Profit and Loss | -                                    | -                                    |

\* During the year ended March 31, 2020, the Company had elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, tax rate used for reconciliation above is the corporate tax rate of 25.168% (including surcharge and health & education cess).

**NOTE : 13**

**LOSS PER EQUITY SHARE**

Amount ₹

| Particulars  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Loss for the year attributable to the equity share holders ₹ | (74,740)                             | (73,879)                             |
| Number of equity shares of ₹ 10/- each                       | 16,360,000                           | 16,360,000                           |
| Loss per equity share - Basic and Diluted ₹                  | (0.00)                               | (0.00)                               |

**NOTE : 14**

**DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. The company has not received any memorandum ( as required to be filed by the suppliers with notified authority under the Micro, Small and Medium Enterprises Development Act 2006) from vendor claiming the status as micro or small enterprise, hence no disclosures have been made.

**NOTE : 15**

**CATEGORIES OF FINANCIAL INSTRUMENTS AND FAIR VALUE HIERARCHY**

Amount ₹

| Particulars               | As at March 31, 2021                    |  |                |
|---------------------------|---|--|----------------|
|                           | Fair value<br>through profit<br>or loss | Fair value<br>through other<br>comprehensive<br>income | Amortised cost |
| Financial assets          |   |  |                |
| Investments               | -                                       | -  | 25,034         |
| Cash and cash equivalents | -                                       | -  | 7,148          |
| Financial liabilities     |   |  |                |
| Borrowings                | -                                       | -  | 270,096        |
| Trade payables            | -                                       | -  | 33,394         |

Amount ₹

| Particulars               | As at March 31, 2020                    |  |                |
|---------------------------|---|--|----------------|
|                           | Fair value<br>through profit<br>or loss | Fair value<br>through other<br>comprehensive<br>income | Amortised cost |
| Financial assets          |   |  |                |
| Investments               | -                                       | -  | 26,992         |
| Cash and cash equivalents | -                                       | -  | 45,668         |
| Financial liabilities     |   |  |                |
| Borrowings                | -                                       | -  | 217,517        |
| Trade payables            | -                                       | -  | 48,190         |

**NOTE : 16**

**FINANCIAL RISK MANAGEMENT**

Commensurate with the size of the Company, its risk management assessment, policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

**Market risk**

The Company does not have any market risk such as foreign exchange risk and interest rate risk.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides details regarding the contractual maturities of significant undiscounted financial liabilities :

| Particulars    | Amount ₹         |                |                   |                      |
|----------------|------------------|----------------|-------------------|----------------------|
|                | Less than 1 year | 1 - 3 years    | More than 3 years | As at March 31, 2021 |
| Borrowing      | -                | 270,096        | -                 | 270,096              |
| Trade payables | 33,394           | -              | -                 | 33,394               |
|                | <b>33,394</b>    | <b>270,096</b> | -                 | <b>303,490</b>       |

| Particulars    | Amount ₹         |             |                   |                      |
|----------------|------------------|-------------|-------------------|----------------------|
|                | Less than 1 year | 1 - 3 years | More than 3 years | As at March 31, 2020 |
| Borrowing      | 217,517          | -           | -                 | 217,517              |
| Trade payables | 48,190           | -           | -                 | 48,190               |
|                | <b>265,707</b>   | -           | -                 | <b>265,707</b>       |

**NOTE : 17**

As on March 31, 2021, the Company's accumulated loss of ₹ 163,871,308 (March 31, 2020 : ₹ 163,796,568) exceeds the shareholders' funds. As the Company is assured of continuing operational and financial support from its holding company, these financial statements have been prepared on the 'going concern' assumption.

**NOTE : 18**

**Disclosure pursuant to Ind AS 24 'Related party disclosures':**

**(A) Name of related parties and description of relationship:**

**(i) Holding Company:**

Sun Pharmaceutical Industries Limited

**(ii) Fellow subsidiary:**

Sun Pharma Laboratories Limited

**(iii) Key Management Personnel**

**Name**

Mr. Rakeshchandra J. Sinha (w.e.f. November 01, 2020)

Mr. Mangesh R. Tahmane (upto October 31, 2020)

Mr. Chandrakant K. Agrawal

Mr. Sanjay Jerry (w.e.f. October 31, 2020)

**Designation**

Chief Financial Officer (CFO) and Whole-time Director

Chief Financial Officer (CFO) and Whole-time Director

Whole-time Director

Additional Director

**(B) Summary of the transactions with related parties as per Ind AS 24**

Amount ₹

| Name                                  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| <b>Loan taken from:</b>               |                                      |                                      |
| Sun Pharmaceutical Industries Limited | -                                    | 155,000                              |
| Sun Pharma Laboratories Limited       | 270,000                              | -                                    |
| <b>Loan repaid to:</b>                |                                      |                                      |
| Sun Pharmaceutical Industries Limited | 217,517                              | -                                    |
| <b>Interest on loan taken from:</b>   |                                      |                                      |
| Sun Pharmaceutical Industries Limited | 19,577                               | 10,209                               |
| Sun Pharma Laboratories Limited       | 96                                   | -                                    |

**(C) Outstanding balance with related parties as per Ind AS 24**

Amount ₹

| Particulars                           | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---------------------------------------|-------------------------|-------------------------|
| <b>Loan taken from:</b>               |                         |                         |
| Sun Pharmaceutical Industries Limited | -                       | 217,517                 |
| Sun Pharma Laboratories Limited       | 270,096                 | -                       |

**(D) Terms and conditions of transactions with related parties:**

The transactions with related parties are made on an arm's length basis. Outstanding trade balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

**NOTE : 19**

Unsecured loan from related party of ₹ 270,096 (March 31, 2020: ₹ Nil). The loan is repayable by March 29, 2024. The loan has been availed at 6.50%

**NOTE : 20**

Previous year's figure has been regrouped / reclassified, wherever necessary, to conform to this year's classification.

As per our report of even date

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No. : 324982E/E300003

**For and on behalf of the Board of Directors of  
SKISEN LABS PRIVATE LIMITED****per Nishant Mankodi**

Partner

Membership no. : 107515

Mumbai, May 25, 2021

**Rakeshchandra J. Sinha**

CFO and Whole-time Director

DIN: 07340998

Mumbai, May 25, 2021

**Chandrakant K. Agrawal**

Whole-time Director

DIN: 02525499

Mumbai, May 25, 2021

**Meetal Sampat**

Company Secretary

Membership No.: A18249

Mumbai, May 25, 2021