

**INM Technologies Private Limited****Part - I - Standalone Balance Sheet**

(All amount are in Indian Rupees, in thousands unless otherwise stated)

PARTICULARS	Note	As at	
		31-Mar-20	31-Mar-19
<b>ASSETS</b>		<b>Audited</b>	<b>Audited</b>
<b>Non Current Assets</b>			
(a) Property, Plant & Equipment	2	78,376.90	148,241.29
(c) Other Intangible Assets	3	424.30	783.57
(d) Financial Assets			
i) Investments	4	100.00	100.00
ii) Loans	5	48,190.67	18,522.56
iii) Other Financial Assets	6	2,005.00	3,778.02
(e) Other Non-current Assets	7	37.15	76.45
(f) Deferred Tax Assets (net)	8	25,728.46	30,459.77
<b>Total Non-Current Assets</b>		<b>154,862.48</b>	<b>201,961.66</b>
<b>Current Assets</b>			
(a) Inventories	9	624.13	474.99
(b) Financial Assets		-	-
(i) Trade Receivables	10	778.99	8,420.53
(ii) Cash and Cash Equivalents	11	3,486.59	1,410.70
(c) Other Current Assets	12	35,077.60	18,301.43
<b>Total Current Assets</b>		<b>39,967.30</b>	<b>28,607.66</b>
<b>TOTAL ASSETS</b>		<b>194,829.78</b>	<b>230,569.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A) Equity</b>			
(a) Equity Share Capital	13	15,000.00	15,000.00
(b) Other Equity	14	(342,841.58)	(303,986.98)
<b>Total Equity</b>		<b>(327,841.58)</b>	<b>(288,986.98)</b>
<b>B) LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables			
(ii) Other financial liabilities	15	517,088.15	404,114.61
(b) Long Term Provisions	16	1,125.42	2,666.91
<b>Total Non-Current Liabilities</b>		<b>518,213.57</b>	<b>406,781.51</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables		-	-
-due to other than micro enterprises & small enterprises	17	1,734.82	6,021.38
-due to micro enterprises & small enterprises	17	-	147.80
(ii) Other financial liabilities	18	775.04	104,213.98
(b) Other Current Liabilities	19	1,662.91	1,574.49
(c) Provisions	20	285.02	817.14
<b>Total Current Liabilities</b>		<b>4,457.79</b>	<b>112,774.79</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>194,829.78</b>	<b>230,569.32</b>

Note Nos 01 to 43 forms an integral part of financial statements

As per our even report attached  
**for Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
Firm's registration No.008127S/S200013

For and on behalf of the Board of Directors

**CA.Pankaj Kumar Bohara**  
Partner  
M.No: 215471

**Vishnukant C Bhutada**  
**Director**  
DIN No.01243391

**Ramakant Innani**  
**Director**  
DIN No.03222748

Place/Camp : Raichur  
Date: 11.06.2020

**Sushil Bajaj**  
**Chief Financial Officer**  
M.No.206501

**INM Technologies Private Limited****Part - II - Standalone Statement of Profit and Loss***(All amount are in Indian Rupees, in thousands unless otherwise stated)*

Particulars	Note	For the Period ended 31-Mar-20	For the Period ended 31-Mar-19
		Audited	Audited
<b>Revenue</b>			
Revenue from operations	21	38,139.32	18,784.02
		<b>38,139.32</b>	<b>18,784.02</b>
Other income	22	29,065.60	425.61
<b>Total Revenue</b>		<b>67,204.92</b>	<b>19,209.62</b>
<b>Expenses</b>			
a) Purchases of stock-in trade		7,299.32	2,184.02
b) Employee Benefits Expense	23	11,555.68	57,344.56
c) Depreciation and Amortisation Expense	2	16,538.97	21,853.74
d) Finance Cost	24	26,030.14	30,534.39
e) Other Expenses	25	41,777.42	49,439.95
<b>Total expenses</b>		<b>103,201.53</b>	<b>161,356.66</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(35,996.61)</b>	<b>(142,147.03)</b>
Exceptional (Income) / Expense		-	-
<b>Profit / (Loss) before tax after exceptional Item</b>		<b>(35,996.61)</b>	<b>(142,147.03)</b>
<b>Tax expense</b>			
i) Current Income tax		-	-
ii) Add: Deferred Tax		4,257.24	(36,683.05)
		4,257.24	(36,683.05)
<b>Profit / (Loss) for the Period</b>		<b>(40,253.85)</b>	<b>(105,463.99)</b>
<b>Other Comprehensive Income</b>			
A) Items that will not be reclassified profit or loss		-	-
- Actuarial Gain / (Loss) for defined benefit plan (net)		1,399.26	80.60
<b>Total Comprehensive income for the year (A+B)</b>		<b>(38,854.59)</b>	<b>(105,383.39)</b>
<b>Basic and Diluted EPS per share of Rs.10/- each</b> (Refer Note No.33)			
Earning per share	29	(25.90)	(70.26)

Note Nos 01 to 43 forms an integral part of financial statements

As per our even report attached  
**for Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
 Firm's registration No.008127S/S200013

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

**CA Pankajkumar Bohara**  
**Partner**  
**M.No.215471**

**Vishnukant C Bhutada**  
**Director**  
 DIN No.01243391

**Ramakant Innani**  
**Director**  
 DIN No.03222748

Place/Camp : Raichur  
 Date: 11.06.2020

**Sushil Bajaj**  
**Chief Financial Officer**  
 M.No.206501

**INM Technologies Private Limited**  
**Standalone Statement of Cash Flow for the**  
 (All amount are in Indian Rupees, in thousands unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	(35,996.61)	(142,147.03)
<b>Less: Adjustments</b>		
Interest received	3,350.68	280.62
Notional Interest on Securit Deposit	125.23	-
Unrealized Exchange Gain	-	149.09
Profit on sale of Fixed Assets	10,799.59	-
Balance Written off	1,312.84	(108.51)
	(51,584.94)	(142,468.23)
<b>Add: Adjustments</b>		
Provision for Gratuity	351.42	907.70
Provision for Dividend on Cumulative Redeemable preference shares	26,030.14	30,534.39
Notional Rent under IND AS	146.93	220.40
Depreciation & Amortisation	16,538.97	21,853.74
<b>Operating profit before working capital changes &amp; Other Adjustments</b>	(8,517.48)	(88,952.00)
<b>Adjustments for Increase / (Decrease) in Operating Liabilities</b>		
Trade Payables	(3,117.17)	3,961.08
Other financial liabilities	(16,495.53)	1,418.49
Long Term Provisions	-	-
Other Current Liabilities & Short Term Provisions	(463.28)	(1,726.23)
<b>Adjustments for (Increase) / Decrease in Operating Receivables</b>		
Inventories	(149.14)	171.08
Trade Receivables	7,637.18	16,131.63
Other financial Assets	1,898.25	(380.77)
Other Non-current Assets	39.30	1,478.04
Short Term Loans & Advances & Other Current Assets	(16,505.19)	(4,689.40)
	(35,673.06)	(72,588.09)
Less: Income Taxes (Net)	(417.91)	(1,662.79)
<b>Net Cash flow from Operating activities</b>	<b>(36,090.97)</b>	<b>(74,250.88)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Incl.CWIP)	(1,601.53)	(5,993.11)
Sale of Fixed Assets	66,085.82	-
Advances Given	(29,668.11)	(18,522.56)
Investment in Equity Shares of subsidiary	-	-
Interest received	3,350.68	280.62
Dividend Income	-	-
<b>Net cash flow (used in) Investing Activities</b>	<b>38,166.85</b>	<b>(24,235.05)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in Long Term Borrowings	-	-
Share Application money pending allotment	-	99,300.00
Dividend on Preferential Shares	-	-
Proceeds from Issue of Cumulative Redeemable Preference Share Capital	-	-
<b>Net cash flow from/(Used in) Financing Activities</b>	<b>-</b>	<b>99,300.00</b>
<b>Net Increase/(decrease)in Cash and Cash Equivalents</b>	<b>2,075.88</b>	<b>814.07</b>
Cash & Cash Equivalents at the Beginning of the year	1,410.70	596.63
<b>Cash &amp; Cash Equivalents at the End of the year</b>	<b>3,486.59</b>	<b>1,410.70</b>

Components of Cash and Cash Equivalents	Year ended March 31, 2020	Year ended March 31, 2019
Cash on Hand	-	120.09
Cash at Banks	-	-
a) In Current Account	3,486.59	1,290.61
Exchange gain on Foreign currency in hand	-	-
<b>Total Cash and Cash Equivalents</b>	<b>3,486.59</b>	<b>1,410.70</b>

Cash Flow statement has been prepared under Indirect method as per Ind AS-7 "Statement of Cash flows " as prescribed under Companies (Indian Accounting Standard) Rules, 2015.

As per our report of even date attached  
 For **Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
 Firm's registration No.008127S / S200013

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

**CA.Pankaj Kumar Bohara**  
 Partner  
 M.No: 215471

**Vishnukant C Bhutada**  
**Director**  
 DIN No.01243391

**Ramakant Innani**  
**Director**  
 DIN No.03222748

**Sushil Bajaj**  
**Chief Financial Officer**  
 M.No.206501

Place/Camp : Raichur  
 Date: 11.06.2020

**INM Technologies Private Limited**

(all amounts in Indian rupees, in thousands, except share data and where otherwise stated)

**Statement of Changes in Equity**

Particulars	Equity Share capital	Reserves & Surplus	Items of other comprehensive income	31.03.2020	31.03.2019
		Retained Earnings	Actuarial Gain / (Loss)		
<b>Balance at the beginning of the Reporting period</b>	<b>15,000.00</b>	<b>(303,986.98)</b>	-	<b>(303,986.98)</b>	<b>(198,603.60)</b>
Changes during the period	-	-	-	-	-
<b>Restated balance at the beginning of the reporting period</b>	<b>15,000.00</b>	<b>(303,986.98)</b>	-	<b>(303,986.98)</b>	<b>(198,603.60)</b>
Total Comprehensive income for the year	-	(40,253.85)	1,399.26	(38,854.59)	(105,383.39)
Dividends	-	-	-	-	-
Transfer to retained earning	-	-	-	-	-
Any other change ( to be specified)	-	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>15,000.00</b>	<b>(344,240.83)</b>	<b>1,399.26</b>	<b>(342,841.58)</b>	<b>(303,986.98)</b>

**INM Technologies Private Limited**

(all amounts in Indian rupees, in thousands, except share data and where otherwise stated)

<b>4 Investments</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	<b>Un-quoted Equity shares (At cost)</b>		
on	Investment in wholly owned subsidiary (10,000 equity shares of Rs.10/- each in INM Nuvent Paints Pvt Ltd)	100.00 -	100.00 -
	<b>Total</b>	<b>100.00</b>	<b>100.00</b>
	Carrying value of unquoted investments	100.00	100.00
<b>5 Loans &amp; Advances</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	INM Nuvent Paints Pvt Ltd (Wholly owned subsidiary)	48,190.67	18,522.56
	<b>Nature of Loan:</b> The Company during the year, has given unsecured loan of Rs.2,96,68,109/- (PY Rs. 18522561/-) including interest accrued thereon, to its wholly owned subsidiary INM Nuvent Technologies Pvt Limited at 10% interest per annum.		
	<b>Interest &amp; Repayment Terms:</b> Interest shall be accrued on compounding basis every year and total outstanding including interest accrued upto 31.03.2024 shall be received in 12 equated quarterly installments starting from 01.04.2024)		
		<b>48,190.67</b>	<b>18,522.56</b>
<b>6 Other Financial Assets</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	<b>Advances other than capital advances</b>		
	Security Deposit (unsecured, considered good) (Refer Note No 35.)		
	a) Rental deposits	1,950.00	3,324.77
	c) Miscellaneous Deposits	55.00	453.25
		<b>2,005.00</b>	<b>3,778.02</b>
<b>7 Other Non- Current Assets</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	a)Pre-Paid Expense	37.15	76.45
	<b>TOTAL</b>	<b>37.15</b>	<b>76.45</b>
<b>8 Deferred Taxes (Net) ( Refer Note No.34)</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	a) Deferred Tax Liability	(11,017.79)	(6,463.83)
	b) Deferred Tax Asset	36,746.25	36,923.60
	<b>TOTAL</b>	<b>25,728.46</b>	<b>30,459.77</b>
<b>9 Inventories</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	a) Stores & Spares	624.13	474.99
	<b>TOTAL</b>	<b>624.13</b>	<b>474.99</b>
<b>10 Trade Receivable (Refer Note No 35)</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
	(a) Secured, considered good;	-	-
	(b) Un-secured, considered good;	778.99	8,420.53
	(c) Doubtful	-	-
	<b>TOTAL</b>	<b>778.99</b>	<b>8,420.53</b>
<b>Of the above trade receivables from related parties are given below :</b>			
	<b>Particulars</b>	<b>31/03/2020</b>	<b>31/3/2019</b>
	a) From Shilpa Medicare Ltd (Holding Copany)	150.00	8,402.01
	b) From Nuvent Paints Pvt Ltd (Wholly owned Subsidiary Company)	612.88	-
	<b>TOTAL</b>	<b>762.88</b>	<b>8,402.01</b>

**11 Cash and Cash Equivalents**

Particulars	31/03/2020	31/03/2019
a) Cash on hand	-	120.09
b) Balance with banks in current account	3,486.59	1,290.61
<b>TOTAL</b>	<b>3,486.59</b>	<b>1,410.70</b>

**12 Other Current Assets**

Particulars	31/03/2020	31/03/2019
a) Pre-Paid Expense	80.74	526.61
b) GST - Input (Net)	-	8,012.61
c) Advance to Suppliers / others (Refer Note No 35)	66.38	3,102.21
d) Other Advances recoverable in cash or kind	48.85	697.21
e) TDS deducted by Party	6,380.69	5,962.79
f) Other Receivables ( Refer Note.No35)	28,500.93	-
<b>TOTAL</b>	<b>35,077.60</b>	<b>18,301.43</b>

**14 Other Equity**

Particulars	31/03/2020	31/03/2019
Opening Balance	(303,986.98)	(198,603.60)
Profit / (Loss) for the Year	(40,253.85)	(105,463.99)
OCI Actuarial Gain / (Loss) on Defined Benefit Plan	1,399.26	80.60
<b>Total</b>	<b>(342,841.58)</b>	<b>(303,986.98)</b>

**15 Other Non-current Financial Liability**

Particulars	31/03/2020	31/03/2019
a) 8% Non convertible Preference share capital (issued to Shilpa Medicare Ltd)	325,376.70	325,376.70
b) Accumulated dividend on Redemable Cumulative Pref Shares.	92,411.45	66,381.31
c) DDT payable on Pref Shares dividend	-	12,356.59
um d) 8% Non Cumulative Preference share capital	99,300.00	-
(During the year the Company has issued 9,93,000 8% Non-convertible, Non-cumulative preference shares for Rs..10/- per share, to Shilpa Medicare Limited,(Holding Company))		
um <b>TOTAL</b>	<b>517,088.15</b>	<b>404,114.61</b>

**16 Long Term Provisions**

Particulars	31/03/2020	31/03/2019
Provision for Gratuity	1,125.42	2,666.91
	-	-
<b>TOTAL</b>	<b>1,125.42</b>	<b>2,666.91</b>

**17 Trade Payables (Refer Note No 35)**

Particulars	31/03/2020	31/03/2019
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,734.82	6,021.38
b) Total outstanding dues of creditors registered under micro enterprises and small enterprises (MSME) Act	-	147.80
	-	-
<b>TOTAL</b>	<b>1,734.82</b>	<b>6,169.19</b>

**18 Other Financial Liabilities**

Particulars	31/03/2020	31/03/2019
a) Application Money on Non Cumulative Preference Share Capital	-	99,300.00
b) Employee Benefit Liability	581.15	4,281.20
c) Advance received -Others (Shilpa Medicare Limited)	-	632.78
travel d) Travelling Expenses/Other Expenses Payable to employees	193.89	-
<b>TOTAL</b>	<b>775.04</b>	<b>104,213.98</b>

**19 Other Current Liabilities**

Particulars	31/03/2020	31/03/2019
a) Tax deduction at Source	519.15	1,348.77
b) Professional Tax payable	1.20	12.60
c) GST payable	1,138.39	-
d) Provident Fund payable	4.18	213.12
<b>TOTAL</b>	<b>1,662.91</b>	<b>1,574.49</b>

**20 Provisions**

Particulars	31/03/2020	31/03/2019
a) Provision For Audit Fee	63.00	65.00
b) Provision For Expenses	187.98	737.68
c) Provision for Gratuity	34.05	14.46
<b>TOTAL</b>	<b>285.02</b>	<b>817.14</b>

**21 Revenue from Operations**

Particulars	31/03/2020	31/03/2019
a) Sales of Product	7,299.32	2,184.02
b) Income From PDC	30,840.00	16,600.00
<b>TOTAL</b>	<b>38,139.32</b>	<b>18,784.02</b>

**22 Other Income**

Particulars	31/03/2020	31/03/2019
a) Profit on Sale of Assets	10,799.59	-
b) Exchange Loss Gain (Net)	79.75	144.98
c) Others	400.93	-
d) Interest Income	3,475.90	280.62
e) Creditors written back	1,312.84	-
f) Rent Received	640.00	-
g) DDT partainng to earlier years reversed	12,356.59	-
<b>TOTAL</b>	<b>29,065.60</b>	<b>425.61</b>

**23 Employee Benefits Expense**

Particulars	31/03/2020	31/03/2019
a) Salaries & Wages	4,700.53	49,218.78
b) Contribution To Provident Fund/Labur Welfare Fund	119.52	1,229.05
c) Staff Welfare Expenses	544.07	1,049.63
d) Directors Remuneration	5,840.14	4,939.40
e) Contribution To Gratuity	351.42	907.70
<b>TOTAL</b>	<b>11,555.68</b>	<b>57,344.56</b>

**24 Finance Cost**

Particulars	31/03/2020	31/03/2019
Dividend on Cumulative 8% Redemable Pref Shares (Net) (Refer Note No:39)	26,030.14	30,534.39
<b>TOTAL</b>	<b>26,030.14</b>	<b>30,534.39</b>

**25 Other Expense**

Particulars	31/03/2020	31/03/2019
a) Power And Fuel	3,225.69	3,514.51
<b>b) Repairs &amp; Maintenance</b>		
i) Buildings	1,924.68	245.95
ii) Machinery	1,753.04	1,742.66
iii) Others	163.60	108.11
c) Rent	5,190.16	5,051.85
d) Advertisement expense\Product Promotion Expense	-	201.00
e) Traveling And Conveyance	1,071.84	1,582.39
f) Auditor Fees	70.00	65.00
g) Research & Development Expenses	24,601.05	31,333.88
h) Transportation Charges	307.10	105.24
i) Clearing & Forwarding Charges	682.28	340.41
j) Telephone Internet Expense	504.09	669.43
k) Rates & Taxes	277.94	1,007.39
l) Insurance	179.61	125.86
m) Bank Charges	47.92	150.54
n) Bad Debts/Accounts Written-Off	-	108.51
o) Professional & Consultancy	290.98	1,418.62
p) Miscellaneous Expenses	1,118.80	1,177.36
q) Security Charges	368.65	389.76
r) Patent Application fees	-	101.48
<b>TOTAL</b>	<b>41,777.42</b>	<b>49,439.95</b>

**26 Payment to Statutory Auditors \***

Particulars	31/03/2020	31/03/2019
a) Statutory Audit	55.00	50.00
b) Tax Audit	-	-
c) Certification	10.00	10.00
d) Others	5.00	5.00
<b>TOTAL</b>	<b>70.00</b>	<b>65.00</b>

\* Excluding GST

**27 Contingent Liabilities**

Particulars	31/03/2020	31/03/2019
a) Bank Guarantees. / Corporate Guarantee	Nil	Nil
b) Letter of Comfort.	Nil	Nil
c) Claims against the Company not acknowledge as debts.	Nil	Nil
d) Estimate amount of contract remain to be executed on account of capital commitments not provided for. (Capital Commitments)	Nil	Nil
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**28 The Company has incurred expenditure on R&D activity for the last two years as below.**

Particulars	31/03/2020	31/03/2019
<b>Eligible Expenses</b>	<b>Amount(Rs)</b>	<b>Amount(Rs)</b>
<b>a) Capital Expenditure</b>	1,601.53	5,732.87
<b>b) Revenue Expenditure</b>	-	-
i) Trading Purchase	7,299.32	2,184.02
i) Employee cost	11,144.26	50,608.63
ii) Other Expense	25,976.12	30,985.00
<b>Sub Total</b>	<b>46,021.23</b>	<b>89,510.52</b>
Less : Revenue Income	40,572.84	18,784.02
Less : Revenue from capital goods sold	1,538.71	-
<b>TOTAL (A)</b>	<b>3,909.68</b>	<b>70,726.50</b>
<b>In-Eligible Expenses</b>	-	-
<b>a) Revenue Expenditure</b>	-	-
i) Other Expense	15,801.31	18,309.96
ii) Finance Cost	26,030.14	30,534.39
iii) Depreciation	16,538.97	21,853.74
iv) Employee Cost	411.42	6,735.93
v) Notional Exp /Notional Income(DTL & OCI net)	2,857.99	(36,763.64)
vi) Income Ineligible	(26,632.08)	(280.62)
<b>Sub Total</b>	<b>35,007.74</b>	<b>40,389.76</b>
<b>b) Capital Expenditure</b>	-	260.24
<b>TOTAL (B)</b>	<b>35,007.74</b>	<b>40,649.99</b>
<b>TOTAL(A+B)</b>	<b>38,917.42</b>	<b>111,376.49</b>

**29 Earning per share**

Particulars	31/03/2020	31/03/2019
<b>Earning per share</b>		
Net Profit after taxes (actual figures)	(38,854,593)	(105,383,388)
Weighted Average No of Equity shares	1,500,000	1,500,000
Face Value	10.00	10.00
Basic & Diluted EPS	(25.90)	(70.26)

30 Employee Benefits

<b>I) Defined Contribution Plan</b>		
	<b>Year ended</b>	<b>Year ended</b>
<b>Particulars</b>	<b>31st March, 2020</b>	<b>31st March, 2019</b>
Provident Fund	119.48	1,226.57
<b>Total</b>	<b>119.48</b>	<b>1,226.57</b>
<b>II) DEFINED BENEFIT PLAN (GRATUITY)</b>		
	<b>Year ended</b>	<b>Year ended</b>
<b>Movement of Present value of the Defined Benefit Obligation</b>	<b>31st March, 2020</b>	<b>31st March, 2019</b>
<b>i) Change in Defined Benefit Obligation</b>		
<b>Obligations at Period Beginning</b>	<b>2,681.36</b>	<b>1,823.66</b>
Service Cost	167.48	765.82
Interest on Defined Benefit Obligation	183.94	141.88
Benefits Settled	-	-
Actuarial (Gain)/Loss	(1,873.32)	(50.00)
<b>Obligations at Period End</b>	<b>1,159.46</b>	<b>2,681.36</b>
<b>ii) Change in Plan Assets</b>		
Plans Assets at Period Beginning, at Fair value	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain/(Loss)	(1,873.32)	(50.00)
Employer Contribution	-	-
Benefits Payout	-	-
<b>Plans Assets at Period End, at Fair Value</b>	<b>(1,873.32)</b>	<b>(50.00)</b>
<b>iii) Reconciliation of Present Value of the Obligation and the Fair Value of the Plan Assets:</b>		
Closing PBO	1,159.46	2,681.36
Closing Fair value of Plan Assets	-	-
Closing Funded Status	(1,159.46)	(2,681.36)
<b>Unrecognised actuarial (Gains)/Losses</b>		
<b>Net Asset/(Liability) Recognized in the Balance Sheet</b>	<b>(1,159.46)</b>	<b>(2,681.36)</b>
<b>iv) Expenses Recognised in the P &amp; L Account</b>		
Service Cost	167.48	765.82
Interest Cost	183.94	141.88
Expected Return on Plan Assets	-	-
Actuarial (Gain)/Loss	(1,873.32)	(50.00)
<b>Net Gratuity Cost</b>	<b>(1,521.90)</b>	<b>857.70</b>
<b>C. Principal Actuarial Assumptions</b>		
Interest Rate		
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	6.86%	7.78%
Expected rate of return on assets	0%	0%
Salary escalation (taking into account inflation, seniority, promotion And other relevant factors)	13%	12%F5Y &9% TA
Attrition rate of employees	5%	5%
Retirement age of employees (Years)	58	58

Actuarial gain/loss is recognised immediately. The estimates of salary increase, inflation, promotion, Seniority etc is taken into account for the purpose of calculating the provision for gratuity liability based on actuarial valuation. The Company has unfunded scheme for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

**Sensitivity Analysis**

The Sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as

Particulars	Year ended 31.03.2020		
	Increase/(decrease) in DBO	Liability	Increase/(decrease)
Discount rate	-5.59%	1,094.62	(65)
Discount rate	6%	1,229.06	70
Salary growth rate	3.55%	1,200.59	41
Salary growth rate	-5.40%	1,096.87	(63)
Attrition rate	-1.46%	1,142.52	(17)
Attrition rate	1.53%	1,177.20	18
Mortality rate	-0.10%	1,158.25	(121)
Sensitivity analysis of significant actuarial assumptions is computed by varying one actuarial assumptions used for the valuation of defined benefit obligation by 100 basis points, keeping all other actuarial assumptions constant.			

31 Fair value measurement hierarchy	FVTPL	FVTOCI	Amortised cost	Total
<b>Particulars</b>				
<b>31.03.2020</b>				
<b>Non-current Assets</b>				
Investments			100.00	100.00
Loans			48,190.67	48,190.67
<b>Current Financial Assets</b>				
Cash & Bank Balance			3,486.59	3,486.59
Trade Receivable			778.99	778.99
<b>Total</b>			<b>52,556.24</b>	<b>52,556.24</b>
<b>Non-Current Financial Liability</b>				
Others			517,088.15	517,088.15
<b>Current Financial Liability</b>				
Trade payables			1,734.82	1,734.82
Other financial liabilities			775.04	775.04
<b>Total</b>			<b>519,598.01</b>	<b>519,598.01</b>
<b>Particulars</b>	<b>FVTPL</b>	<b>FVTOCI</b>	<b>Amortised cost</b>	<b>Total</b>
<b>31.03.2019</b>				
<b>Non-current Assets</b>				
Investments			100.00	100.00
Loans			18,522.56	18,522.56
<b>Current Financial Assets</b>				
Cash & Bank Balance			1,410.70	1,410.70
Trade Receivable			8,420.53	8,420.53
<b>Total</b>			<b>28,453.80</b>	<b>28,453.80</b>
<b>Non-Current Financial Liability</b>				
Others			404,114.61	404,114.61
<b>Current Financial Liability</b>				
Trade payables			6,169.19	6,169.19
Other financial liabilities			104,213.98	104,213.98
<b>Total</b>			<b>514,497.78</b>	<b>514,497.78</b>

\* Since all the financial assets & Financial liabilities are measured at amortised cost, fair value hierarchy is not provided

#### Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

### 32 Financial Risk Management

The Company's activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The Company focuses on minimizing potential adverse effect on its financial performance.

#### (A) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The changes in the values of financial assets / liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

#### (i) Foreign Currency Risk

The Company does not operate internationally, however it is exposed to foreign exchange risk through importing raw materials in foreign currency and has no Forward/hedge agreements.

Particulars	31-Mar-20			31-Mar-19		
	USD	EURO	CHF	USD	EURO	CHF
<b>Financial Assets</b>						
Other financial assets	-		622.00	19,403.30	7,374.00	3,019.00
<b>Financial liabilities</b>						
Trade payables	11,460.44	-	-	54,139.27	160.00	-
	(11,460.44)	-	622.00	(34,735.97)	7,214.00	3,019.00

#### (ii) Interest Rate Risk

During the period the Company has not paid any interest, hence it is not exposed to Interest risk

#### (iii) Price Risk

Company does not have any exposure to price risk, as there is no market based equity instrument made by the Company.

#### (B) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk is arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

Long outstanding receivables from customers are regularly monitored with appropriate follow up actions. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivables.

#### (C)Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making payment towards liability when they are due, under normal and stressed condition without incurring losses and risk.

The financial needs are taken care by the Holding Company and that there are no outside liabilities hence no liquidity risk is perceived.

#### Maturity Profile of Financial Liabilities as on March 31, 2020

Particulars	On Demand	< 01 Year	01 to 5 Years	> 05 Year
(i) Trade Payable	-	1,734.82	-	-
(ii) Other financial liabilities	-	775.04	517,088.15	-
	-	<b>2,509.86</b>	<b>517,088.15</b>	-

**Maturity Profile of Financial Liabilities as on March 31, 2019**

Particulars	On Demand	< 01 Year	01 to 5 Years	> 05 Year
(i) Trade Payable	-	6,169.19	-	-
(ii) Other financial liabilities	-	104,213.98	404,114.61	-
	-	<b>110,383.17</b>	<b>404,114.61</b>	-

**33 Capital Management****The Company's objectives when managing capital are to:**

- i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
- ii) Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

Particulars	31-Mar-20	31-Mar-19
Net Debt	517,088.15	519,147.26
Total Equity	15,000.00	15,000.00
<b>Debt Equity Ratio</b>	<b>34.47</b>	<b>34.61</b>

**34 Income Tax**

During the reporting period Company has not made any profit hence Income Tax reconciliation not applicable

**Movement of Deferred Tax Assets /Liability**

Particulars	Opening Balance	Charge (Credit) to Profit & Loss Account	Through OCI	Closing Balance
<b>Deferred Tax Liability for the year ended 31, March 20</b> (On account of timing differences due to depreciation)	6,463.83	4,563.10	-	11,026.93
<b>Total</b>	<b>6,463.83</b>	<b>4,563.10</b>	<b>-</b>	<b>11,026.93</b>
<b>Deferred Tax Asset for the year ended 31, March 20</b> (Effect of expenditure debited to statement of Profit and Loss Account in the current year but allowable for tax purposes in the subsequent years.)	(36,923.60)	168.21	-	(36,755.39)
<b>Net Liability</b>	<b>(30,459.77)</b>	<b>4,731.31</b>	<b>-</b>	<b>(25,728.46)</b>

35 Balances of Trade Receivables / Trade payables / Advances and Security deposits /GST are subject to Balance Confirmation and / or Reconciliation

36 In the opinion of the Board, all assets other than fixed assets, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

37 The Company has not received intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at the year end together with interest paid / payable under this act can not be ascertained.

38 The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Board of directors, who are the Chief Operating Decision Makers. They are responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. manufacture and sale of Pharmaceutical products.

39 DDT pertaining to earlier years has been reversed in the current financial year as the liability for the same arises only when the dividend is declared, and hence disclosed separately in the notes "other income"

- 41 The Company's Board of Directors in their meeting held in the current financial year have passed resolution to merge into its Parent Company Shilpa Medicare Ltd. This is done keeping in mind the synergies and make optimal utilisation of resources and to strengthen the R&D activities of its parent Company which is its niche area.
- 41 Previous year figures have been reclassified wherever necessary.
- 42 Cash Flow statement has been prepared under Indirect method as per IND AS-7 "Statement of Cash Flows" as prescribed under Companies(Accounting Standard) Rules, 2006.
- 43 All Figures have been rounded off to the nearest rupees in thousands

As per our even report attached  
**for Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
Firm's registration No.008127S/S200013

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

**CA.Pankaj Kumar Bohara**  
**Partner**  
M.No: 215471

**Vishnukant C Bhutada**  
**Director**  
DIN No.01243391

**Ramakant Innani**  
**Director**  
DIN No.03222748

Place/Camp : Raichur  
Date: 11.06.2020

**Sushil Bajaj**  
**Chief Financial Officer**  
M.No.206501

**INM Technologies Pvt Ltd**

(All amounts in Indian rupees, in thousands, except share data and where otherwise stated)

**Property, Plant & Equipment**

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	As at 1st April 2019	Additions	Deletions	As at 31/03/2020	As at 1st April 2019	For the period	Deduction/Adjustment during the year	Adjustment due to deletions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets</b>		<b>Additions</b>			<b>opening</b>	<b>Additions</b>					
<b>i) Owned</b>											
a) Generator	1,505.58	-	-	1,505.58	435.75	83.20	-	-	518.95	986.62	1,069.83
c) Air Condition	2,621.28	-	-	2,621.28	859.44	249.02	225.67	-	882.79	1,738.48	1,761.83
a) Electrical Installation	9,205.91	-	-	9,205.91	2,636.13	874.56	-	-	3,510.69	5,695.22	6,569.78
b) Water Storage Tank	459.05	-	-	459.05	261.24	87.22	-	-	348.46	110.59	197.81
f) Computer	9,689.32	299.60	1,936.85	8,052.08	7,196.02	979.47	-	943.73	7,231.76	820.31	2,493.30
g) Furniture & Fittings	22,438.40	71.89	146.56	22,363.72	6,275.71	2,128.70	(17.88)	46.92	8,375.37	13,988.35	16,162.69
h) Office Equipment	828.32	-	24.62	803.70	342.06	150.14	-	14.81	477.39	326.31	486.26
p) Pollution Control Equip	26.99	-	-	26.99	7.79	2.56	-	-	10.35	16.64	19.20
q) Lab Equipments-Local	29,863.77	-	11,509.80	18,353.97	8,072.50	2,580.92	-	3,990.35	6,663.07	11,690.90	21,791.27
r) Lab Equipments-Import	132,201.43	1,230.05	68,777.54	64,653.94	34,546.47	9,456.60	-	22,322.82	21,680.26	42,973.68	97,654.96
t) Fire Extinguisher	48.21	-	-	48.21	13.84	4.58	-	-	18.42	29.79	34.37
u) Vehicle	-	-	-	-	-	-	-	-	-	-	-
v) Weigh Bridge	-	-	-	-	-	-	-	-	-	-	-
w) Xerox Machine	-	-	-	-	-	-	-	-	-	-	-
x) Land	-	-	-	-	-	-	-	-	-	-	-
	<b>208,888.25</b>	<b>1,601.53</b>	<b>82,395.36</b>	<b>128,094.42</b>	<b>60,646.96</b>	<b>16,596.99</b>	<b>207.79</b>	<b>27,318.63</b>	<b>49,717.51</b>	<b>78,376.90</b>	<b>148,241.29</b>
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	-
a) Computer Software	945.00	-	260.24	684.76	161.42	149.78	-	50.74	260.46	424.30	783.57
<b>Total</b>	<b>945.00</b>	<b>-</b>	<b>260.24</b>	<b>684.76</b>	<b>161.42</b>	<b>149.78</b>	<b>-</b>	<b>50.74</b>	<b>260.46</b>	<b>424.30</b>	<b>783.57</b>
	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)</b>	<b>209,833.24</b>	<b>1,601.53</b>	<b>82,655.60</b>	<b>128,779.17</b>	<b>60,808.38</b>	<b>16,746.76</b>	<b>207.79</b>	<b>27,369.37</b>	<b>49,977.97</b>	<b>78,801.20</b>	<b>149,024.86</b>
<b>Sub-Total (A+B)</b>	<b>209,833.24</b>	<b>1,601.53</b>	<b>82,655.60</b>	<b>128,779.17</b>	<b>60,808.38</b>	<b>16,746.76</b>	<b>207.79</b>	<b>27,369.37</b>	<b>49,977.97</b>	<b>78,801.20</b>	<b>149,024.86</b>

**INM Technologies Private Limited**

(all amounts in Indian rupees, in thousands, except share data and where otherwise stated)

**13 Equity Share Capital**

Particulars	As at	As at
	31.03.2020	31.03.2019
<b>Authorised share Capital</b>		
<b>Equity shares</b>		
1500000 Rs. 10/- each par value	15,000.00	15,000.00
	15,000.00	15,000.00
<b>Issued subscribed &amp; fully paid up</b>		
<b>Equity shares</b>		
15,00,000 (15,00,000) Rs. 10/- each par value	15,000.00	15,000.00
<b>TOTAL</b>	<b>15,000.00</b>	<b>15,000.00</b>

**(a) Reconciliation of the number of shares.**

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos	Amount	Nos	Amount
<b>Shares outstanding at the beginning of the</b>				
Equity Shares	1,500,000	15,000,000	1,500,000	15,000,000
<b>Shares issued during the year</b>				
Equity Shares				
<b>Shares outstanding at the end of the year</b>	<b>1,500,000</b>	<b>15,000,000</b>	<b>1,500,000</b>	<b>15,000,000</b>

**(b) Equity Shareholders holding more than 5% shares in the Company**

Particulars	As at 31.03.2020		As at 31.03.2019	
	Nos	% of Holding	Nos	% of Holding
1) Shilpa Medicare Ltd	1,125,000	75	1,125,000	75
2) Dr.A.R. Phani	375,000	25	375,000	25

**Rights and Restrictions attached to Equity Shares**

The Company has issued Equity shares having face value of Rs.10/- per share. Each Share Holder is eligible for one vote per share. In case dividend is proposed by the Company it will be subject to the approval of the Board of Directors. In the event of liquidation, the equity share holders are eligible to receive balance assets remaining after repayment to all the preferential share capital holders, in the in proportion to their equity holding.

#### 40 Related Party Transactions

Related parties where control exists and related parties with whom transactions have taken place during the year are listed below

##### 1 Key Management Personnel

- a) Vishnukant C Bhutada
- b) Dr. A R Phani

##### 2 Enterprises having common Directors/Board of trustees

- a) Shilpa Medicare Limited
- b) INM Nuvent Paints Private Limited
- c) Shilpa Therapeutics Pvt Ltd
- d) Shilpa Foundation
- e) Mohini Infra Pvt Ltd

SL No	Name of related Party	Relationship	Descriptions of Transaction	2019-20		2018-19	
				Income/(expense) other transaction	Balance at 31.03.2020	Income/(expense) other transaction	Balance at 31.03.2019
<b>a)</b>	<b>Key Management Personnel</b>						
i	Dr.A R Phani	Managing Director	Interest received	41.67	-	-	-
			Loan Santioned	5,000.00	-	-	-
			Loan received back	(5,000.00)	-	-	-
			Remuneration	(5,840.14)	-	(4,939.40)	-
			Reimbursement of expenses	(283.12)	176.14	(72.00)	-
				-	-	-	-
ii	S.Soumit Kumar	Company Secretary	Salary	(60.00)	-	(180.00)	-
<b>b)</b>	<b>Enterprises having common Directors</b>						
i	Shilpa Medicare Limited	Holding Company	Purchase(net)	(339.63)	-	(1,110.97)	-
			Expense incurred (net)	-	-	(536.74)	-
			Sales-PDC	30,840.00	-	16,600.00	-
			Sale of Goods	7,260.43	-	533.26	-
			Sale of Capital Goods	68,779.24	-	-	-
			Other Income	344.24	-	-	-
			Trade Receivable	-	28,650.94	-	8,984.80
			Trade Payable	-	-	-	1,215.58
			Application Money received	-	-	99,300.00	99,300.00
			8%Non Converable Preference Share Capital	-	325,376.70	-	325,376.70
			8%Non Cumulative Preference Share Capital	99,300.00	99,300.00	-	-
				-	-	-	-
ii	INM Nuvent Paints Private Limited	Subsidiary Company	Sales	25.24	-	1,232.64	-
			Sale of Fixed Asset	17.56	-	-	-
			Trade Receivables	-	612.88	-	-
			Rent Received	640.00	-	-	-
			Interest Income	3,309.01	-	25.07	-
			Loan Sanctioned	(26,690.00)	48,190.67	(18,500.00)	18,522.56
				-	-	-	-
iii	Mohini Infra Pvt Ltd	Company in which key Mgmt are the Board of Directors	Rent Paid	(11.80)	-	(23.60)	-