

31st January, 2025

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Scrip Code: 500259

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (East), Mumbai
400 051

Scrip Code: LYKALABS

Dear Sir/ Madam,

Sub.: Notice of Meeting of Unsecured Creditors pursuant to the Order of Hon'ble National Company Law Tribunal Division Bench, Court - I, Ahmedabad (the NCLT)

In continuation of our earlier communication dated 24th January 2025, please find enclosed herewith the Notice of the Meeting of the Unsecured Creditors of the Company, convened pursuant to the Order of the NCLT.

The said meeting is scheduled to be held on Tuesday, 4th March 2025, at 3:00 P.M., through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) to seek approval for the proposed Scheme of Amalgamation.

The Notice of the meeting is also available on the Company's website at www.lykalabs.com for reference.

This is for your information and records.

Thanking you

Yours faithfully,
For **Lyka Labs Limited**

Shekhar R Singh
Company Secretary

Encl.: a/a



LYKA LABS LIMITED

[CIN: L24230GJ1976PLC008738]

Registered Office : 4801 / B & 4802 / A, GIDC Industrial Estate, Ankleshwar, Gujarat, 393 002.

Corporate Office: Ground Floor, Spencer Building, 30, Forjett Street, Grant Road (West), Mumbai-400 036.

Website: www.lykalabs.com; Email: companysecretary@lykalabs.com

MEETING OF THE UNSECURED CREDITORS OF LYKA LABS LIMITED

(Convened pursuant to the order dated 23rd day of January, 2025 passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad)

MEETING

Day	Tuesday
Date	March 4, 2025
Time	03:00 PM (IST)
Mode	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in terms of the order dated January 23, 2025 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

REMOTE E-VOTING PRIOR TO THE MEETING (“remote e-voting”):

Cut-off date for determining the equity shareholders entitled to vote	Sunday, June 30, 2024
Commencement of remote e-voting period	09 :00 AM (IST), Saturday, March 1, 2025
End of remote e-voting period	05:00 PM (IST) , Monday, March 3, 2025

E-VOTING DURING THE MEETING (“e-voting”):

E-voting during the meeting would be available for those unsecured creditors who had not voted through remote e-voting. The e-voting would commence post the discussion pertaining to the business mentioned in the Notice is concluded and this facility would be available for 30 minutes thereafter.

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FORM NO. CAA 2

[Pursuant to Section 230 (3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH

COMPANY APPLICATION NO. CA (CAA)(58/AHM)/2024

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF LYKA EXPORTS LIMITED
WITH LYKA LABS LIMITED AND THEIR
RESPECTIVE SHAREHOLDERS AND CREDITORS

LYKA LABS LIMITED,

CIN: L24230GJ1976PLC008738

A company incorporated within the meaning of Section 2(20) of the Companies Act, 2013,
having its Registered Office at 4801/B & 4802/A

G.I.D.C Industrial Estate, Ankleshwar, Gujarat 393 002.

..... Applicant 2/ Transferee Company

**NOTICE CONVENING MEETING OF THE UNSECURED CREDITORS
OF
LYKA LABS LIMITED**

*(being convened pursuant to the order dated 23rd day of January, 2025 passed by the Hon'ble
National Company Law Tribunal, Bench at Ahmedabad)*

To,

The Unsecured Creditor(s) of Lyka Labs Limited

("Transferee Company" or "Applicant Company No. 2")

NOTICE is hereby given that the Hon'ble National Company Law Tribunal, Ahmedabad Bench, (the "NCLT"), by an order dated January 23, 2025, (the "NCLT Order"), has directed convening of a meeting of the unsecured creditors of Lyka Labs Limited (the "Company" / "Transferee Company") for the purpose of considering, and if thought fit, approving the Scheme of Amalgamation between Lyka Exports Limited (the "Transferor Company") and the

Transferee Company and their respective shareholders and creditors (hereinafter referred to as the “**Scheme**”) pursuant to Sections 230 to 232 of the Companies Act, 2013 (the “**Act**”) read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 (the “**CAA Rules**”) and other applicable provisions of the Act and the CAA Rules.

In pursuance of the said NCLT Order and as directed therein, further notice is hereby given that a meeting of unsecured creditors of the Transferee Company will be held on March 4, 2025 at 03:00 PM (IST) through video conferencing (“**VC**”) or Other Audio Visual Means (“**OAVM**”) (hereinafter referred to as the “**Meeting**”), and the unsecured creditors are hereby requested to attend the Meeting to transact the following business:

To consider and if thought fit, approve with or without modification(s), to pass, the following resolution for approval of the Scheme by requisite majority:

“**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “**SEBI Listing Regulations**”), SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (the “**SEBI Master Circular**”) as amended from time to time, the Memorandum and Articles of Association of the Company, any other applicable provisions of any other law for the time being in force, the approval / no adverse remark in the Observation Letters issued by BSE Limited and National Stock Exchange of India Limited, both letters dated August 02, 2023, and subject to approval of National Company Law Tribunal, Ahmedabad Bench, (the “**NCLT**”), and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), and subject to such approvals, consents, permissions and sanctions, as may be applicable and required, the Scheme of Amalgamation (the “**Scheme**”) providing for amalgamation of Lyka Exports Limited (the “**Transferor Company**”) into and with Lyka Labs Limited (the “**Company**” or “**Transferee Company**”), draft of which was circulated along with the Notice, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the Scheme and to take decision regarding accepting such modifications, amendments, limitations and/or conditions, if any, which may be required and/ or imposed by the NCLT while approving the Scheme or by any regulatory or other authorities; to do all acts as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and/or making such adjustments in the books of accounts as may be considered necessary or any matter(s) as may be considered ancillary and/or incidental in giving effect to the Scheme.”

The NCLT has appointed Mr. Dhruval Y Bhatt to be the Chairperson for the Meeting and Mr. Kaushal Doshi, to be the Scrutinizer for the Meeting.

The Scheme shall be considered as approved by the unsecured creditors of Transferee Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the unsecured creditors by remote e-voting and by e-voting, taken together, in terms of the provisions of Sections 230 - 232 of the Act. Further, the Scheme once approved by the unsecured creditors as aforesaid, will be subject to the subsequent approval of the NCLT.

A copy each of the Notice including Scheme and other relevant documents under Section 230 of the Act can be obtained free of charge from the Registered Office of the Transferee Company at 4801/B & 4802/A G.I.D.C Industrial Estate, Ankleshwar, Gujarat-393 002 or can be downloaded from the Company's website under the link www.lykalabs.com.

The Scrutinizer will, immediately after the conclusion of e-voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock votes cast through remote e-voting in presence of two witnesses not in employment of the Company, a Scrutinizer's Report (of total votes cast in favour or against, invalid votes, if any) and submit the said report to the Chairperson of the Meeting. The Scrutinizer's decision on the validity of the votes cast shall be final.

The result of e-voting along with the Scrutinizer's Report, will be displayed on the website of the Transferee Company at www.lykalabs.com; websites of the BSE at www.bseindia.com and the NSE at www.nseindia.com; and on the website of e-voting agency, National Securities Depository Limited (the "NSDL") at www.evoting.nsdl.com. The result shall be reported to the NCLT by the Chairperson within 3 (Three) days of conclusion of Meeting, as per Rule 14 of the CAA Rules and as directed in the NCLT Order.

The copy of the Scheme along with the statement under Sections 230, 232 read with Section 102 and other applicable provisions of the Act read with Rule 6 of the CAA Rules, and the documents as stated in the index (collectively referred as "Annexures") are enclosed herewith. In terms of the NCLT Order, the Notice of this Meeting together with Annexures is being sent via email to those unsecured creditors of the Transferee Company whose names appear as on cut-off date i.e. June 30, 2024, and whose e-mail addresses are registered with the Transferee Company as on the said date. For the unsecured creditors who have not registered their e-mail address with the Transferee Company, the Notice of this Meeting, together with Annexures can be downloaded from the website of the Transferee Company. A copy of this Notice and the Annexures will also be hosted on the website of the Transferee Company at www.lykalabs.com; websites of the BSE at www.bseindia.com and the NSE at www.nseindia.com and also on the website of the e-voting agency viz. the NSDL at www.evoting.nsdl.com.

Place: Mumbai

Date: January 31, 2025

For Lyka Labs Limited

Sd/-

Mr. Dhrunal Y Bhatt

Chairman

NOTES:

1. In accordance with the NCLT Order and pursuant to the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 3/2022 dated May 05, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as the '**MCA Circulars**'), the Transferee Company is allowed to hold the Meeting through VC / OAVM, without the physical presence of unsecured creditors at a common venue. Hence, in compliance with the directions contained in the NCLT Order, applicable provisions of the Act and the CAA Rules made thereunder, read with the MCA Circulars, the Meeting is being held through VC / OAVM. The deemed venue for the Meeting shall be the Registered Office of the Transferee Company.
2. Considering that the Meeting is being held through VC / OAVM as per the NCLT Order, and in compliance with the MCA Circulars, without the requirement of physical presence of the unsecured creditors, the facility of appointment of proxies will not be available for the said Meeting.

The unsecured creditors can join the Meeting in the VC/OAVM mode between 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

3. Participation of the unsecured creditors through VC / OAVM will be reckoned for the purpose of requisite quorum for the Meeting, as per the NCLT Order. Further, in terms of the NCLT Order, the quorum for the Meeting shall be 3 unsecured creditors. As per the NCLT order, in case the quorum is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum.
4. The Company is providing facility of remote e-Voting to its unsecured creditors(s) in respect of the business to be transacted at the Meeting. For this purpose, the Company has entered into an agreement with the NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a secured creditors using remote e-Voting system as well as venue e-Voting on the date of the Meeting will be provided by NSDL.
5. The NCLT through order dated January 23, 2025 has appointed Mr. Kaushal Doshi, Practicing Company Secretary as a scrutinizer (the 'Scrutinizer') to scrutinize the voting and e-Voting process in a fair and transparent manner.

The Scrutinizer will immediately after the conclusion of e-Voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock votes cast through remote e-Voting in presence of two witnesses not in employment of the Company, a Scrutinizer's Report (of total votes cast in favour or against, invalid votes, if any) and submit the said report to the Chairperson of the Meeting. The Scrutinizer will also submit a separate report with regard to the result of the remote e-Voting and e-Voting during the Meeting in respect of the

Unsecured Creditors. The Scrutinizer's decision on the validity of the votes cast shall be final.

The result of voting declared along with Scrutinizer's report will be available on the website of the Company at www.lykalabs.com and on the NSDL website at www.evoting.nsdl.com and the same shall also be simultaneously communicated to the BSE and the NSE within 2 working days from the conclusion of meeting.

6. The unsecured creditor(s) who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, folio number, email id, mobile number at companysecretary@lykalabs.com. The unsecured creditors who do not wish to speak during the Meeting but have queries may send their queries in advance 10 days prior to meeting mentioning their name, folio number, email id, mobile number at companysecretary@lykalabs.com. These queries will be replied by the Company suitably by email.
7. An Explanatory Statement to be annexed to the Notice in pursuance of Section 102 of the Act and the Rules made thereunder, setting out the material facts in respect of the businesses set out in the Notice, is annexed hereto and forms part of this Notice.
8. The Notice of Meeting will be published through advertisement in newspapers of "Financial Express" in English language and in "Janadesh" in Gujarati language.

INSTRUCTIONS TO THE UNSECURED CREDITORS FOR REMOTE E-VOTING ARE AS UNDER:

The unsecured creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-Voting system available at the Meeting to be held through VC / OAVM or (b) by remote e-Voting during the period as stated below:

Remote e-Voting period	
Commencement of remote e-Voting period	09:00 AM (IST), Saturday, March 1, 2025
End of remote e-Voting period	05:00 PM (IST), Monday, March 3, 2025

If any unsecured creditors opts for remote e-Voting, he/she will nevertheless be entitled to attend and participate in discussion at the Meeting, but not to vote again during the Meeting through VC / OAVM. Once the vote on a resolution is cast by the creditors through remote e-Voting, then, such creditors shall not be allowed to change his/her vote so cast subsequently or cast the vote again at the Meeting. The voting rights of unsecured creditors shall be in proportion to their debt due by the Company as on the cut-off date on Sunday, June 30, 2024.

Instructions for unsecured creditors:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. **Your Login id and password details casting your vote electronically and for attending the Meeting of Creditors through VC/ OAVM are attached in the pdf file enclosed herewith. Please note that the password to open the pdf file is the unique id mentioned above or the first time the system will ask to reset your password**
5. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
6. Now, you will have to click on "Login" button.
7. After you click on the "Login" button, Home page of e-Voting will open.
8. You will be able to see the EVEN no. of the company.
9. Click on "EVEN" of company to cast your vote.
10. Now you are ready for e-Voting as the Voting page opens.
11. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
12. Upon confirmation, the message "Vote cast successfully" will be displayed.
13. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
14. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
15. If you face any problems/experience any difficulty or If you forgot your password please feel free to contact at 022 - 4886 7000 or contact on email id evoting@nsdl.com

The instructions for Unsecured Creditors for e-voting on the day of the Unsecured Creditors Meeting are as under:

- 1) The procedure for e-Voting on the day of the Unsecured Creditors Meeting is same as the instructions mentioned above for remote e-voting.
- 2) Only those Creditors, who will be present in the Unsecured Creditors meeting through VC/ OAVM facility and have not casted their vote on the Resolution through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Unsecured Creditors Meeting.

Instructions for Unsecured Creditors for attending the Unsecured Creditors Meeting through VC/OAVM are as under:

Unsecured Creditors will be provided with a facility to attend the Unsecured Creditors Meeting through VC/OAVM through the NSDL e-Voting system. Unsecured Creditors may access the same at <https://www.evoting.nsdl.com> under shareholder / member login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder / member login where the EVEN of Company will be displayed.

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH

COMPANY APPLICATION NO. CA (CAA)(58/AHM)/2024

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF LYKA EXPORTS LIMITED
WITH LYKA LABS LIMITED AND THEIR
RESPECTIVE SHAREHOLDERS AND CREDITORS

LYKA LABS LIMITED,

CIN: L24230GJ1976PLC008738

A company incorporated within the meaning of Section 2(20) under the Companies Act, 2013,
having its Registered Office at 4801/B & 4802/A
G.I.D.C Industrial Estate, Ankleshwar, Gujarat 393 002.

..... Applicant 2/ Transferee Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230, 232 READ WITH SECTION 102
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (THE "ACT")
AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND
AMALGAMATIONS) RULES, 2016 (THE "CAA RULES")**

1. Pursuant to the order dated January 23, 2025 passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench (hereinafter referred to as the "NCLT"), in Company Application CA (CAA) (58/AHM)/2024 (hereinafter referred to as the "NCLT Order"), a meeting of the unsecured creditors of **Lyka Labs Limited** (the "**Company**" / "**Transferee Company**") is being convened through Video Conference ("VC") or other audio visual means ("OAVM"), on March 4, 2025 at 3:00 P.M. (IST), for the purpose of considering, and if thought fit, approving the Scheme of Amalgamation between Lyka Exports Limited ("**Transferor Company**") and the Transferee Company and their respective shareholders and creditors ("**Scheme**") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**"), read with the Companies (Compromises, Arrangements And Amalgamations) Rules, 2016.

A copy of the Scheme is attached herewith and marked as **Annexure 1**.

Capitalised terms not defined herein and used in the Notice and this annexed Explanatory Statement shall have the same meaning as ascribed to them in the Scheme.

2. Background of the Transferor Company and Transferee Company

2.1. Description of the Transferor Company:

- i. Lyka Exports Limited, Transferor Company (having CIN: U51100GJ1992PLC023975 and PAN: AAACL0638A) is an unlisted public limited company incorporated within the meaning of Section 2(20) under the Companies Act, 2013.
- ii. The Registered Office of the Transferor Company is presently situated at Plot No C/4/10/B/2nd Floor Adarsh Industrial Complex, Opp: S B I Ankleshwar, Bharuch 393 002.
- iii. The relevant email address for the Transferor Company is companysecretary@lykalabs.com.
- iv. The main object of the Transferor Company are set out in the Memorandum of Association. The same are reproduced as under:
 1. *To carry on business as buyers, sellers, imports, exports, distributors, stockists, and dealers of all kinds of fabrics, textiles, including decorative and machine-made readymade garments, carpets, durries, mats, rugs, namdas, blankets, shawls, tweeds, linens, flannels beds spreads, quiltes, scarfs, belts, tapestry and all other articles of silk, cotton, woollen and worsted materials and all sorts of apparels, dressing materials, mixed blended products, nylon, polyester, fibre yarn, hosiery and mixed fabrics, natural silk fabrics and garments and Engineering goods machine tools, hand tools, small tools, metals, alloys, iron pipe fittings, nuts and bolts, bicycles and accessories, automobile parts, steel and stainless and iron products, ores and scraps, metallurgical residues, hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured) hemp, seeds, oils, and cakes, vanaspati, textile, fibre and waste coir and jute and products thereof, wood and timber, bones crushed and uncrushed industrial diamonds, coal and charcoal blue, gums and resins, ivory shellac, manures, pulp or wood, rags, rubber, tanning substances, wax, quartz, crystal, chemicals and chemical preparations, plastic and linoleum articles, glass ware, handicrafts, handloom, toys, liquid gold, precious tones, ornaments jewelleries, pearls, drugs and medicines, soaps, paints, instruments, apparatus and appliances, machinery and mill work and parts thereof, paper and stationery, sport goods, druggets, in dressing materials, cosmetics, wigs, belting, cinematograph films exposed, gramophone records, rubber plastic goods, staron, umbrellas, crown corks, battier, surgical and musical instruments, marble hardware items, traditional calendars, all kinds of books and manuscripts electric and electronic products of all kinds, sanitary-ware and fittings, woollen textiles, natural fibre products, cellulose and cellulosic products/ mixed blended products, fish and fish products, fodder bran, fruits, nuts, cashewnuts, kernels, grains, pulses, flour, confectionery, provisions, alcohol beverages, perfumed spirits, spices and tea, coffee, sugar and molasses, vegetable and vegetable products, processed foods and packed food products.*
- v. The authorised, issued, subscribed and paid-up share capital of the Transferor Company, as on date of meeting of Board of Directors held for approval of the Scheme i.e., on August 05, 2022 and October 11, 2024, was as under:

Particulars	Amount (in Rs.)
Authorized Share Capital:	
90,00,000 Equity Shares of Rs.10/- each	9,00,00,000
Total	9,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
73,95,424 Equity Shares of Rs.10/- each	7,39,54,240
Total	7,39,54,240

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferor Company.

vi. **Details of the promoters / promoters group :**

As on the date of issuance of the Notice of this Meeting, the following are the promoters / promoters group of Transferor Company:

Sr. No.	Name	Address
Promoters		
1.	Kunal Narendra Gandhi	3-C Ridge Apts, Ridge Road, Malabar Hill, Mumbai-400006.
2.	Nehal Narendra Gandhi	3-C Ridge Apts, Ridge Road, Malabar Hill, Mumbai-400006.
3.	Late Narendra Ishwarlal Gandhi	3-C Ridge Apts, Ridge Road, Malabar Hill, Mumbai-400006.
Promoter Group		
4.	Enai Trading & Investment Pvt Ltd	6, Ground Floor, Plot-79, Himalaya House, Ramabai Ambedkar Marg, Crawford Market, Fort, Mumbai-400001.
5.	Lyka Labs Limited	4801 / B & 4802 / A, GIDC Industrial Estate, Ankleshwar-393002, Gujarat.

vii. **Details of the directors:**

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor Company:

Sr. No.	Name	DIN	Designation and Category	Address
1.	Yogesh Babulal Shah	06396150	Chairman	A 403, Madhav Kunj, M.G Road, Kandivali West, Mumbai-400067.
2.	Narendra Chimanlal Rathod	09719860	Director	503, Hari Om Co-op Hsg Soc Ltd, Sleater Road, New Chikhalwadi, Mumbai-400007.
3.	Dhara Pratik Shah	07530998	Director	32, Jansukh Apartment, Kasturba Road, Kandivali West, Mumbai-400067.

- viii. **Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor Company as held in Transferor Company and Transferee Company as on date of this notice:**

Sr. No.	Name	Designation and Category	Equity shares held in Transferor Company	Equity shares held in Transferee Company
1.	Mr. Yogesh Babulal Shah	Chairman	160	1,050
2.	Ms. Dhara Pratik Shah	Independent Director	-	1
3.	Mr. Narendra Chimanlal Rathod	Director	-	400
4.	Ms. Geeta Yogesh Shah	Relatives	100	100
5.	Mr. Hetal Narendra Rathod	Relatives	-	1,313

- ix. **Details of change of name, registered office and objects of the Transferor Company in the last five years: Not Applicable**

2.2. Description of the Transferee Company:

- x. Lyka Labs Limited, Transferee Company (having CIN: L24230GJ1976PLC008738 and PAN: AAACL0820G) is a listed public limited company within the meaning of Section 2(20) under the Company Act, 1956. The Transferee Company's equity shares are listed on the BSE and the NSE.
- xi. The Registered Office of the Transferee Company is presently situated at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar 393 002.
- xii. The relevant email address for the Transferee Company is companysecretary@lykalabs.com.
- xiii. The main object of the Transferee Company are set out in the Memorandum of Association. The same are reproduced as under:
- To purchase associate with or otherwise acquire the running business as a whole with all the assets including all attendant rights and benefits thereof used and exploited by and in the name of Messers. Lyka Laboratories also known as "LYKA LABS" as a going concern together with the benefit of Tenancy Rights of the said firm's business premises, goodwill, plant, machinery, stock-in-trade, trademarks, trade names, patents designs, import and export quotas, entitlements and licences, and allocations of any nature whatsoever in connection with the said business.*
 - To carry on the business of wholesale and retail pharmaceutical chemists and druggists and of the dispensing of medicines.*
 - To carry on the business of manufacturing, wholesale and retail chemists and manufacturers and refiners of and dealers (whether by wholesale or retail) in all kinds*

of drugs, chemicals, acids, salts, alkalis, antibiotics, pharmaceutical, medicinal and chemical preparations.

4. To carry on all or any of the business of manufacturers, buyers, sellers, and distributing agents of and dealers in all kinds of patent, pharmaceutical, medicinal and medicated preparations, patent medicines, drugs and pharmaceutical, medicinal, preparation, chemists, druggists and chemical manufacturers.
5. To import, export and sell patent medicines, pharmaceutical products, chemicals, surgical and medical instruments, apparatus and appliances.
6. To purchase and sell as agents, patent medicines, pharmaceutical products, chemicals, surgical and medical instruments, apparatus and appliances.
 - 6A. To carry on business as buyers, sellers, importers, exporters, distributors, stockists and dealers of all kinds of articles, things and goods, fabrics, textiles, including decorative and machine made readymade garments, carpets, mats, rugs, blankets, shawls, tweeds, linens, flannels, bedspreads, quilts, scarf's, belts and all other articles of silk, cotton, woollen and worsted materials and all sorts of apparels, dressing materials, mixed blended products, nylon, polyester, fabric yarn, hosiery and mixed fabrics, natural silk fabrics and garments and engineering goods, building materials cement machine tools, hand tools, small tools, metals, alloys, iron pipe fittings, nuts and bolts, bicycle and accessories, automobile parts, steel and stainless and iron products ores and scrape metallurgical residues, hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured), hemp, seeds, oil and cakes, vanaspati, and waste coir and jute and products thereof, wood and timber, bones crushed and uncrushed industrial diamonds, coal and charcoal, flue gums and resins, ivory, shellac, manures, pulp or woods, rage, rubber, tanning substances, wax, quarts, crystal, plastic and linoleum articles, glassware, handicrafts, handloom, toys, precious stones, ornaments, jewelleryes, pearls, soaps paints, instruments, apparatus and appliances, machine and mill work and parts thereof, paper and stationery, sports goods, cosmetics, wigs, belting, cinematograph films exposed, gramophone records, rubber, plastic goods, starch, umbrellas, cork, batteries, musical instruments, marble, hardware items, traditional calendars, all kinds of books, and manuscripts, electric and electronic cellulosic products, mixed blended products, fish and fish products, fodder bran, fruits, nuts, cashew nuts, kernels, grains, pulses, flour, confectionery, provisions, alcohol, beverages, perfumes, spirits, spices, tea, coffee, sugar and molasses, vegetables and vegetable products, processed foods and packed food products.

- xiv. The authorised, issued, subscribed and paid-up share capital of the Transferee Company, as on date of meeting of Board of Directors held for approval of the Scheme i.e., on August 08, 2022, was as under:

Particulars	Amount (in Rs.)
Authorized Share Capital:	
4,80,00,000 Equity Shares of Rs.10/- each	48,00,00,000
2,00,000 Redeemable Preference Shares of Rs.100/- each	2,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
2,86,90,000 Equity Shares of Rs.10/- each	28,69,00,000
1,08,570 Redeemable Preference Shares of Rs.100/- each	1,08,57,000
Total	29,77,57,000

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the authorized capital of the Transferee Company.

However, after approval of the proposed Scheme by the Board of Directors, the Transferee Company has allotted 70,00,000 Equity Shares of face value of Rs.10/- each fully paid. Consequently, the paid-up equity share capital of the Transferee Company has increased from Rs.28,69,00,000/- to Rs.35,69,00,000/-

Accordingly, the Issued, Subscribed and Paid-up Share Capital of the Company as on June 30, 2024 and October 11, 2024 is as under:

Particulars	Amount (in Rs.)
Authorized Share Capital:	
4,80,00,000 Equity Shares of Rs.10/- each	48,00,00,000
2,00,000 Redeemable Preference Shares of Rs.100/- each	2,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
3,56,90,000 Equity Shares of Rs.10/- each	35,69,00,000
1,08,570 Redeemable Preference Shares of Rs.100/- each	1,08,57,000
Total	36,77,57,000

xv. **Details of the promoters / promoters group :**

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferee Company:

Sr. No.	Name	Address
Promoter		
1	Kunal Narendra Gandhi	3-C Ridge Apts, Ridge Road Malabar Hill, Mumbai-400006, Maharashtra, India
2	Nehal Narendra Gandhi	3-C Ridge Apts, Ridge Road Malabar Hill, Mumbai-400006, Maharashtra, India
3	Bhawna Godha	1701/02, Oberoi Sky Heights, Lokhandwala Complex, Andheri West, Mumbai-400053, Maharashtra, India
4	Neetu Godha	1701/02, Oberoi Sky Heights, Lokhandwala Complex, Andheri West, Mumbai-400053, Maharashtra, India
5	Usha Premchand Godha	1701/02, Oberoi Sky Heights, Lokhandwala Complex, Andheri West, Mumbai-400053, Maharashtra, India
6	Premchand Godha	1701/02, Oberoi Sky Heights, Lokhandwala Complex, Andheri West, Mumbai-400053, Maharashtra, India
7	Pranay Godha	1701/02, Oberoi Sky Heights, Lokhandwala Complex, Andheri West, Mumbai-400053, Maharashtra, India

Promoter Group		
8	Lyka Generics Limited	6, Ground Floor, Plot-79, Himalaya House, Ramabai Ambedkar Marg, Crawford Market, Fort, Mumbai-400001, Maharashtra, India
9	Ipca Laboratories Limited	48, Kandivli Industrial Estate, Kandivli(w), Mumbai-400067, Maharashtra, India.
10	Enai Trading & Investment Private Limited	6, Ground Floor, Plot-79, Himalaya House, Ramabai Ambedkar Marg, Crawford Market, Fort, Mumbai-400001, Maharashtra, India.

xvi. **Details of the directors:**

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferee Company:

Sr. No.	Name	DIN	Designation and Category	Address
1.	Babulal Jain	00016573	Chairman, Independent Director	B-601, Water Ford, C. D. Barfiwala Road (Juhu Lane), Andheri West, Mumbai-400058, Maharashtra, India
2.	Prashant Premchand Godha	00012759	Director	1701/02, Oberoi Sky Heights, Lokhandwala Complex, Andheri West, Mumbai-400053, Maharashtra, India
3.	Kunal Narendra Gandhi	01516156	Managing Director & CEO	3-C Ridge Apts, Ridge Road Malabar Hill, Mumbai-400006, Maharashtra, India
4.	Yogesh Babulal Shah	06396150	Executive Director & CFO	A 403, Madhav Kunj, M.G Road, Kandivali West, Mumbai-400067, Maharashtra, India
5.	Shashil Philip Mendonsa	09667654	Director	Flat No. 402, Mangal Kripa Society, Unnat Nagar-2, Goregaon West, Mumbai-400 104, Maharashtra, India.
6.	Dhara Pratik Shah	07530998	Independent Director	32, Jansukh Apartment, Kasturba Road, Kandivali West, Mumbai-400067, Maharashtra, India
7.	Mr. Neeraj Golas	06566069	Independent Director	703-704 Shivalik Tower, Near Thakur Polytechnic, 90Ft. Road, off. Western Express Highway, Kandivali (East), Mumbai

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- xvii. **Details of shareholding of directors and key managerial personnel (or their relatives) of Transferee Company as held in Transferor Company and Transferee Company as on date of this notice:**

Sr. No.	Name	Designation and Category	Equity shares held in Transferor Company	Equity shares held in Transferee Company
1.	Mr. Kunal Narendra Gandhi	Managing Director & CEO	4,81,140	24,25,000
2.	Ms. Dhara Pratik Shah	Director	-	1
3.	Mr. Yogesh Babulal Shah	Executive Director & CFO	160	1,050
4.	Ms. Nehal N Gandhi	Relatives	4,45,900	23,30,000
5.	Late Narendra I. Gandhi	Relative	8,640	-
6.	Ms. Alisha Kunal Gandhi	Relative	-	20,000
7.	Ms. Geeta Yogesh Shah	Relative	100	100
8.	Mr. Premchand Godha	Relative	-	10,900
9.	Ms. Usha Premchand Godha	Relative	-	10,686
10.	Mr. Pranay Godha	Relative	-	3,00,000
11.	Ms. Bhawna Godha	Relative	-	6,000
12.	Ms. Neetu Godha	Relative	-	10,000

- xviii. **Details of change of name, registered office and objects of the Transferee Company in the last five years: Not Applicable**

3. Salient features of the Scheme:

The members of the Company are requested to read the entire text of the Scheme (as annexed hereto) to get fully acquainted with the provision thereof. The salient features of the Scheme are, *inter alia*, as under:

- i. The Scheme seeks to amalgamate Transferor Company into and with Transferee Company and dissolution without winding up of the Transferor Company pursuant thereto, in terms of the provisions of Sections 230 to Section 232 of the Act and other applicable provisions of the Act. Upon the Scheme becoming effective, and with effect from the Appointed Date (*as defined in the Scheme*), the Transferor Company will get amalgamated into and with the Transferee Company and all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have

been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of the Scheme, in accordance with Sections 230 to Section 232 of the Act, the Income-Tax Act, 1961 and the Applicable Laws (*as defined in the Scheme*) if any, in accordance with the provisions contained herein.

- ii. Upon the Scheme coming into effect, the authorized share capital of the Transferor Company shall be added to that of the Transferee Company and in the Memorandum of Association and Articles of Association it shall be automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company. The Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 61 and 64 of the Act or any other applicable provisions therein, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital.
- iii. The Transferee Company, subject to the approval of the SEBI, shall issue and allot as per swap ratio based on the valuation report approved by the Merchant Banker to all the equity shareholders of the Transferor Company (other than the Transferee) whose names are registered in the Register of Members of the Transferor Company on the Record Date (*as defined in the Scheme*) or his/her/its legal heirs, executors or administrators or, as the case may be, successors, equity shares of Rs.10 each, credited as fully paid up of the Transferee Company in the ratio of 23 equity shares of the face value of Rs.10 each of the Transferee Company for every 100 equity shares of the face value of Rs.10 each credited as fully paid-up held on the Record Date by such equity shareholders or their respective legal heirs, executors or administrators or, as the case may be, successors in the Transferor Company with rights attached thereto as mentioned in this Scheme.
- iv. The Transferor Company is a subsidiary of the Transferee Company with 72.8% of its shareholding held by the Transferee Company.
- v. The investment held by the Transferee Company in the share capital of Transferor Company shall stand cancelled on and from the Appointed Date. On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.
- vi. Amongst other accounting treatment, the Scheme contemplates that the difference between the value of respective investments carried in the books of the Transferee Company and the "Net Book Value" of the assets of the respective Transferor Company, shall be treated as goodwill or capital reserve as the case may be, in the

books of the Transferee Company, and dealt with in accordance with Ind AS 103 Business Combinations.

4. Rationale and benefits of the Scheme:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve *inter-alia* economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

5. Relationship amongst the companies who are parties to the Scheme:

The Transferor Company is a subsidiary of the Transferee Company with 72.8% of its shareholding held by the Transferee Company.

6. Details of approvals and intimations in relation to the Scheme:

- i. Pursuant to the SEBI Circulars read with Regulation 37 of the SEBI Listing Regulations, the Transferee Company had filed necessary applications before the BSE and the NSE seeking their no-objection to the Scheme. The Transferee Company has received the observation letter from the BSE and the NSE, both letters dated August 02, 2023 (the '**Observation Letters**') conveying their no-objection to the Scheme. Copy of the aforesaid Observation Letters are enclosed herewith.
- ii. The Scheme along with related documents was hosted on the website of the Transferee Company, the BSE and the NSE and was open for complaints / comments. The Transferee Company did not receive any complaint / comment and accordingly a Nil Complaint report was filed with the BSE and the NSE. Further, as on the date of filing the Company Scheme Application, the Transferee Company has not received any complaints.
- iii. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- iv. The Board of Directors of the Transferor Company at their meeting held on August 05, 2022 approved the Scheme of Amalgamation. Details of Directors of the Transferor Company who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors of Transferor Company are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	Kunal Narendra Gandhi	Voted in favour
2.	Piyush Girishchandra Hindia	Voted in favour
3.	Dhara Pratik Shah	Voted in favour

- v. The Board of Directors of the Transferee Company at their meeting held on August 08, 2022 approved the Scheme of Amalgamation. Details of the Directors of Transferee Company who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors of Transferee Company are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	Babu Lal Jain	Voted in favour
2.	Prashant Premchand Godha	Voted in favour
3.	Kunal Narendra Gandhi	Voted in favour
4.	Yogesh Babulal Shah	Voted in favour
5.	Shashil Philip Mendonsa	Voted in favour
6.	Dhara Pratik Shah	Voted in favour
7.	Sandeep Padmakant Parikh	Voted in favour

- vi. The Board of Directors of the Transferor Company at their meeting held on October 11, 2024 approved the amended Scheme of Amalgamation. Details of Directors of the

Transferor Company who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors of Transferor Company are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	Yogesh Babulal Shah	Voted in favour
2.	Dhara Pratik Shah	Voted in favour
3.	Narendra Chimanlal Rathod	Voted in favour

- vii. The Board of Directors of the Transferee Company at their meeting held on October 11, 2024 approved the amended Scheme of Amalgamation. Details of the Directors of Transferee Company who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors of Transferee Company are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	Babu Lal Jain	Voted in favour
2.	Prashant Premchand Godha	Voted in favour
3.	Kunal Narendra Gandhi	Voted in favour
4.	Yogesh Babulal Shah	Voted in favour
5.	Shashil Philip Mendonsa	Voted in favour
6.	Dhara Pratik Shah	Voted in favour
7.	Neeraj Golas	Voted in favour

7. Appointed date and effective date:

- i. **Appointed Date**, as referred in the Scheme, means April 01, 2022, or such other date as may be approved by the NCLT.
- ii. **Effective Date**, as referred in the Scheme, means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company.
- iii. The Scheme shall be operative from the Effective Date, and effective from the Appointed Date, any references in this Scheme to the date of “**coming into effect of this Scheme**” or “**effectiveness of this Scheme**” or “**Scheme taking effect**” shall mean the Effective Date.

8. Effect of the Scheme on various stakeholders:

- 8.1. The effect of the Scheme on various stakeholders of the Transferor Company is summarised below:

Sr. No.	Category	Effect of the Scheme

1.	Shareholders	<p>There is no adverse effect of the Scheme on the Shareholders of the Transferor Company.</p> <p>Pursuant to this Scheme, as part of the consideration for amalgamation, the Transferee Company will issue and allot 23 (Twenty Three) equity shares of the Transferee Company of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the Transferor Company of the face value of Rs.10/- (Rupees Ten Only) each fully paid up to the registered equity shareholders of the Transferor Company.</p> <p>The Equity Shares which will be issued and allotted by the Transferee Company in terms of this Scheme shall rank <i>pari-passu</i> in all respects with the existing equity shares of the the Transferee Company, including in respect of dividends, if any, that may be declared by the the Transferee Company, on or after the Effective Date.</p>
2.	Promoters / Promoters Group	There is no adverse effect of the Scheme on the Promoter / Promoters Group Shareholders of the Transferor Company as the Promoters of the Transferor Company and the Transferee Company are same.
3.	Non-Promoter Shareholders	There is no adverse effect of the Scheme on the Non-Promoter Shareholders of the Transferor Company.
4.	Key Managerial Personnel (KMP) (other than Directors)	There is no adverse effect of the Scheme on the KMP's of the Transferor Company.
5.	Directors	There is no adverse effect of the Scheme on the Directors of the Transferor Company.
6.	Creditors	There is no adverse effect of the Scheme on the Creditors of the Transferor Company.
7.	Employees of the Company	There is no adverse effect of the Scheme on the Employees of the Transferor Company.

8.2. The effect of the Scheme on various stakeholders of the Transferee Company is summarised below:

Sr. No.	Category	Effect of the Scheme
1.	Shareholders	<p>There is no adverse effect of the Scheme on the Shareholders of the Transferor Company.</p> <p>Pursuant to this Scheme, as part of the consideration for amalgamation, the Transferee Company will issue and allot 23 (Twenty Three) equity shares of the Transferee Company of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100</p>

		(Hundred) equity shares of the Transferor Company of the face value of Rs.10/- (Rupees Ten Only) each fully paid up to the registered equity shareholders of the Transferor Company. The Equity Shares which will be issued and allotted by the Transferee Company in terms of this Scheme shall rank <i>pari-passu</i> in all respects with the existing equity shares of the the Transferee Company, including in respect of dividends, if any, that may be declared by the the Transferee Company, on or after the Effective Date.
2.	Promoters	There is no adverse effect of the Scheme on the Promoter Shareholders of the Transferee Company as the Promoters of the Transferor Company and the Transferee Company are same.
3.	Non-Promoter Shareholders	There is no adverse effect of the Scheme on the Non-Promoter Shareholders of the Transferee Company.
4.	Key Managerial Personnel (KMP) (other than Directors)	There is no adverse effect of the Scheme on the KMP's of the Transferee Company.
5.	Directors	There is no adverse effect of the Scheme on the Directors of the Transferee Company.
6.	Creditors	There is no adverse effect of the Scheme on the Creditors of the Transferee Company.
7.	Employees of the Company	There is no adverse effect of the Scheme on the Employees of the Transferee Company.

8.3. Synergies of Business of the Companies involved in the Scheme:

The background and information of the Transferor Company and the Transferee Company is, *inter-alia*, as under:

- a) The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products.
- b) The Transferor Company is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments.
- c) Both the companies are majorly into same line of business. Upon amalgamation, the benefits and synergies as mentioned in Para 2 (I) above shall be derived.

8.4. Impact of the Scheme on the Shareholders of the Company:

- a) In consideration for the amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company as on the Record Date (*as defined in the Scheme*) shall receive equity shares of the Transferee Company.

- b) The share entitlement ratio determined by the Registered Valuers is fair to the shareholders of the Company.
- c) Further, there will be no change in the economic interest of the shareholders of the Company, before and after Scheme.
- d) After the effectiveness of the Scheme and subject to receipt of regulatory and other approvals, the equity shares of the Transferee Company issued as consideration pursuant to the Scheme, shall be listed on BSE and the NSE.

8.5. Cost Benefit Analysis of the Scheme:

Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company.

8.6. Impact of the scheme on the revenue generating capacity of the Transferee Company:

The management of the Transferor Company has clarified that its revenue model is monthly fixed amount with escalation clause year on year basis or fixed percentage of sales made by distributor whichever is higher. The management of the Transferor Company expects the growth in sales of distributor in future, which would increase the revenue every year. According to the scheme's clauses, all the profits or income accruing or arising to the Transferor Company for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be of the Transferee Company and therefore it is expected to enhance the revenue-generating capacity of the Transferee Company.

8.7. Value of Assets of the Transferor Company that are being transferred to the Transferee Company as on June 30, 2024:

Sr. No.	Particulars	Amount (in Lakhs)
1.	Property, Plant & Equipment	0.83
2.	Intangible Assets	90.33
3.	Investment	7.13
4.	Other Financial Assets	0.45
5.	Non-Current Tax Assets	3.70
6.	Trade Receivables	-
7.	Cash and Cash Equivalentents	17.67
8.	Loans	374.74
9.	Other Current Assets	-
10.	Current tax Assets	4.62
	Total	499.48

- 8.8. Value of Liabilities of the Transferor Company that are being transferred to the Transferee Company as on June 30, 2024:

Sr. No.	Particulars	Amount (in Lakhs)
1.	Non-Current Borrowings	-
2.	Other Financial Liabilities	-
3.	Non-Current Provisions	6.56
4.	Deferred Tax Liabilities	13.11
5.	Current Borrowings	-
6.	Other Financial Liabilities	23.56
7.	Other Current Liabilities	0.66
8.	Current Provisions	1.28
	Total	45.17

9. Interest of Directors, Key Managerial Personnels (KMPs), their relatives:

None of the Directors, KMPs (as defined under the Act and the Rules framed thereunder) of the Transferor Company and Transferee Company and their respective relatives (as defined under the Act and the Rules framed thereunder) have any interest (financial or otherwise) in the Scheme except to the extent of their directorship, shareholding, if any, in the Transferor Company and/or the Transferee Company (as applicable).

10. Shareholding pattern (pre and post amalgamation) and expected capital structure:

10.1. Shareholding pattern of the Transferor Company (pre-amalgamation)

Pre-amalgamation shareholding pattern of the Transferor Company as on December 31, 2024 is being enclosed as **Annexure 13**.

10.2. Shareholding pattern of the Transferor Company (post-amalgamation)

Upon the Scheme becoming effective, the Transferor Company would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor Company.

10.3. Expected capital structure of the Transferor Company (post-amalgamation)

Upon the Scheme becoming effective, the Transferor Company would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor Company.

10.4. Shareholding pattern of the Transferee Company (pre-amalgamation) and (post-amalgamation)

Pre-amalgamation as on December 31, 2024 and Post-amalgamation shareholding pattern of the Transferee Company is being enclosed as **Annexure 14**

10.5. Expected capital structure of the Transferee Company (post-amalgamation)

Particulars	Amount (in Rs.)
Authorized Share Capital:	

5,70,00,000 Equity Shares of Rs.10/- each	57,00,00,000
2,00,000 Redeemable Preference Shares of Rs.100/- each	2,00,00,000
Total	59,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
3,56,90,000 Equity Shares of Rs.10/- each	35,69,00,000
1,08,570 Redeemable Preference Shares of Rs.100/- each	1,08,57,000
Total	36,77,57,000

11. Valuation and accounting treatment:

- i. Copy of Valuation Report on Share Entitlement Ratio obtained from Mr. Bhavesh M. Rathod, Registered Valuer - SFA having registration no. IBBI/RV/06/2019/10708 is enclosed as **Annexure 10**.
- ii. Copy of Fairness Opinion on Valuation Report obtained on Share Entitlement Ratio issued by Kunvarji Finstock Private Limited, SEBI registered Merchant Banking Registration Number - INM000012564 is enclosed as **Annexure 11**.
- iii. The respective Statutory Auditors of each of the companies have issued certificates to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act.
- iv. The aforesaid valuation report(s), fairness opinion(s) and certificate of the Statutory Auditors of the respective companies with respect to Section 133 of the Act are available for inspection at the respective registered office of the Transferor Company and Transferee Company, as per the inspection details referred in this Explanatory Statement.

12. Amount due to secured creditors and unsecured creditors:

- 12.1. As per the books of accounts of Transferor Company:
 - a) As on June 30, 2024, there are no secured creditor in the Transferor Company.
 - b) As on June 30, 2024, there are 9 unsecured creditors in the Transferor Company, having an outstanding balance of Rs.6,73,626/-.
- 12.2. As per the books of accounts of Transferee Company:
 - a) As on June 30, 2024, there are 3 secured creditors in the Transferee Company, having an outstanding balance of Rs.17,39,86,563/-.
 - b) As on June 30, 2024, there are 332 unsecured creditors in the Transferee Company, having an outstanding balance of Rs.23,55,28,873/-.

13. Documents available for inspection:

- 13.1. The following documents along with the documents as referred in this Notice will be available for inspection by the unsecured creditors of the Company electronically (without any fee) on the website of the Company at www.lykalabs.com and at its Registered Office at 4801/B & 4802/A G.I.D.C Industrial Estate, Ankleshwar-393002, Gujarat, India between 10:00 A.M. to 05:00 P.M. on any working day from the date of

circulation of this Notice up to the date of the Meeting and anytime during the Meeting:

- i. Latest audited financial statements of the Transferor Company for the financial year ended on March 31, 2024 as certified by the Statutory Auditors of the Transferor Company along with, the annual report of the Transferor Company for the said financial year.
- ii. Latest (standalone and consolidated) audited financial statements of the Transferee Company for the financial year ended on March 31, 2024 as certified by the Statutory Auditors of the Transferee Company along with, the annual report of the Transferee Company for the said financial year.
- iii. Copy of the order of the NCLT dated January 23, 2025, in pursuance of which the Meeting is scheduled to be convened.
- iv. Copy of Scheme of Amalgamation.
- v. Copy of Memorandum of Association and Articles of Association of the Transferor Company and the Transferee Company.
- vi. Copy of Register of Shareholding of Directors and Key Managerial Personnel of the Transferor Company and the Transferee Company.
- vii. Copy of Valuation Report on Share Entitlement Ratio obtained from Mr. Bhavesh M. Rathod, Registered Valuer - SFA having registration no. IBBI/RV/06/2019/10708.
- viii. Copy of Fairness Opinion on Valuation Report obtained on Share Entitlement Ratio issued by Kunvarji Finstock Private Limited, SEBI registered Merchant Banking Registration Number - INM000012564
- ix. Copies of Certificate dated December 28, 2022 issued by M/s. D. Kothary & Co., Chartered Accountants, statutory auditors of the Transferor Company and the Certificate dated December 28, 2022 issued by M/s. D. Kothary & Co., Chartered Accountants, statutory auditors of the Transferee Company, stating that the accounting treatment proposed in the Scheme by is in compliance with and in conformity with the Accounting Standards prescribed under Section 133 of the Act.
- x. Copies of reports of Board of Directors of the Transferor Company and the Transferee Company under Section 232(2)(c) of the Act, *inter-alia*, explaining the effect of the Scheme on each class of shareholders, KMPs, promoters and non-promoter shareholders, and employees.
- xi. Copies of reports of the Committee of Independent Directors of the Transferor Company and Transferee Company recommending the Scheme to the Board.

- xii. Copies of reports of the Audit Committee(s) of Transferor Company and Transferee Company recommending the Scheme to the Board.
 - xiii. Certificate on adequacy and accuracy of disclosure of information in Abridged Prospectus of Lyka Exports Limited and Abridged Prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 including applicable information pertaining to Lyka Exports Limited.
 - xiv. Copies of no adverse observations/ Objection Letters dated August 02, 2023 issued by the BSE Limited and National Stock Exchange of India Limited to the Transferee Company for filing of the Scheme before the NCLT.
 - xv. Copies of "NIL" complaint reports filed by the Transferee Company with the BSE Limited and the National Stock Exchange of India Limited.
 - xvi. Details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Transferor Company and Transferee Company, their respective promoters and directors.
- 13.2. The unsecured creditors shall be entitled to obtain the extracts from or making or obtaining copies of the documents listed in item numbers (i) to (iv) and (xii) above.
- 13.3. The unsecured creditors seeking any information with regard to the Scheme or any other matter related to the Scheme, are requested to write to the Company at least seven days before the date of the Meeting through e-mail on companysecretary@lykalabs.com and the same will be replied to by the Company, suitably. Copies of the Scheme and the explanatory statement can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by any person entitled to attend the Meeting at the Registered Office of the Company.

REVISED SCHEME OF AMALGAMATION

**UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 OF
LYKA EXPORTS LIMITED (THE "TRANSFEROR COMPANY") AND
LYKA LABS LIMITED (THE "TRANSFeree COMPANY") AND
THEIR RESPECTIVE SHAREHOLDERS**

GENERAL

A. Description of Company and Background

- I. Lyka Exports Limited, Transferor Company (CIN: U51100GJ1992PLC023975) is a unlisted public limited company incorporated under the Company Act, 1956 having its registered office at Plot No C/4/10/B/2nd Floor Adarsh Industrial Complex Opp: S B I Ankleshwaer Bharuch-393002 (hereinafter referred to as the "Transferor Company").
The Transferor Company is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments. The Transferor Company is a subsidiary of Transferee Company with 72.8% of its shareholding held by Transferee Company
- II. Lyka Labs Limited Transferee Company (CIN: L24230GJ1976PLC008738) is a listed public limited company incorporated under the Company Act, 1956 having its registered office at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar-393002 (hereinafter referred to as the "Transferee Company"). The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products. The Transferee Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited.
- III. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions therein.



B. Rationale for the Scheme

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve *inter-alia* economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.



C. Parts of the Scheme:

This Scheme of Amalgamation is divided into the following parts:

- (i) Part I deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company;
 - (ii) Part II deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Company to and in the Transferee Company;
 - (iii) Part III deals with the issue of new equity shares by the Transferee Company to the eligible shareholders of the Transferor Companies, as applicable;
 - (iv) Part IV deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends;
 - (v) Part V deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.
- D.** The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with the relevant provisions of the Income Tax Act, 1961 including but not limited to Section 2(1B) therein. If any terms or provisions of this Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, 1961, the provisions of Section 2 (1B) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-Tax Act, 1961; such modification to not affect other parts of the Scheme.

**PART I
DEFINITIONS AND SHARE CAPITAL**

1. DEFINITIONS

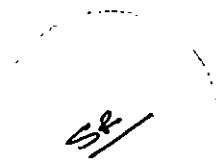
In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. "Act" means the Company Act, 2013 , the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- 1.2. "Appointed Date" means the opening hours of business hours on 1st April 2022;



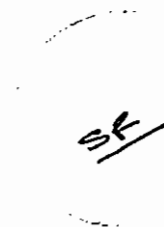
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- 1.3 "Board of Directors" or "Board" means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof
- 1.4 "Effective Date" means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date;
- 1.5 "Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Securities and Exchange of India, Stock Exchanges, Registrar of Companies, competition Commission of India, National Company Law Tribunal (to be constituted under Company Act, 2013), and the NCLT ;
- 1.6 "NCLT " means the National Company Law Tribunal, Ahmedabad Bench having jurisdiction in relation to the Transferor and Transferee Company may admit ;
- 1.7 "Record Date" means the date to be fixed by the Board of Directors of the Transferor Company after mutual agreement on the same between the Transferee Company and the Transferor Company, for the purpose of determining the shareholders of the Transferor Company to whom the New Equity Shares will be allotted pursuant to this Scheme;
- 1.8 "Registrar of Companies" means the Registrar of Companies, Ahmedabad.
- 1.9 "Scheme" means this Scheme of amalgamation between the Transferor Company and the Transferee Company and their respective shareholders as submitted to the NCLT together with any modification(s) approved or directed by the NCLT Ahmedabad Bench ;
- 1.10 "Stock Exchanges" means Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the shares of Transferee Company are listed;
- 1.11 "Transferor Company" means Lyka Exports Limited (CIN: U51100GJ1992PLC023975) , a company incorporated under the Company Act, 1956 having its registered office at Plot No C/4/10/B/2nd Floor Adarsh Industrial Complex Opp: S B I Ankleshwaer Bharuch-393002 ;
- 1.12 "Transferee Company" means Lyka Labs Limited (CIN: L24230GJ1976PLC008738) a company incorporated under the Company Act, 1956 having its registered office at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar-393002;



1.13 "Undertaking" means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):

- I. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;
- III. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Company;



- IV. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company;
- V. All permanent employees engaged by the Transferor Company as on the Effective Date.
- VI. All quotas, rights, entitlements, export/import incentives and benefits including advance licenses, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits privileges, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and all other interests in connection with or relating thereto;
- VII. All brand names, trademarks, trade names, patents and domain names, the intellectual property in relation to ANDAs (Abbreviated New Drug Application), Certificate of Pharmaceutical Products (CoPPs), registrations; applications and authorizations of pharmaceutical products with governmental authorities in any jurisdiction (in so far as such pharmaceutical products pertain to the Undertaking), filings, dossiers copyrights, industrial designs, trade secrets, know-how; data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, applications and authorizations and other intellectual property and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;
- VIII. All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Company;
- IX. All benefits and privileges under letters of permission and letters, of approvals in respect of Special Economic Zones and Export Oriented Units and the benefits related thereto, all tax credits, including CENVAT credits, refunds; reimbursements, claims, exemptions, benefits under service tax laws, value added tax, purchase tax, sales tax or any other duty or tax or cess or imposts under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any and depreciation, deductions and benefits under the Income-tax Act, 1961, as well as any recognition of the In-house Research and Development unit with the Department of Scientific & Industrial Research or any Government Authority;



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1.14 All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

2. SHARE CAPITAL

2.1. Transferor Company:

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on March 31, 2022 was as under:

Particulars	Rs.
Authorised Share Capital:	
90,00,000 Equity Shares of Rs. 10/- each	9,00,00,000
Issued, Subscribed and Paid up Share Capital:	
73,95,424 equity shares of Rs. 10/- each	7,39,54,240

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferor Company. The Transferor Company is a subsidiary of Transferee Company with 72.8% of its shareholding held by Transferee Company.

2.2. Transferee Company:

The Authorised, Issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2022 was as under:

Particulars	(Rs.)
Authorised Share Capital:	
4,80,00,000 Equity Shares of Rs. 10/- each.	48,00,00,000
2,00,000 Redeemable Preference Shares of Rs. 100/- each	2,00,00,000
Issued, Subscribed and Paid-up Share Capital:	
2,86,90,000 Equity Shares of Rs. 10/- each	28,69,00,000

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferee Company.

The equity shares of Transferee Company are, at present, listed on the National Stock Exchange of India Limited and the BSE Limited.



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3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKING

4. TRANSFER OF UNDERTAKING

- 4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 of the Act, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking(s) of the Transferor Company, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or Intangible assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, manufacturing facilities, laboratories receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, recognitions and registrations granted by the Department of Scientific & Industrial Research to the in-house research and development units established, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including Export Oriented Unit licences, Special Economic Zones registrations, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements,



advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations, and all other interests exclusively relating to the goods or services, GMP Certificates, ANDAs approved by the U.S. Food and Drug Administration, shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the orders of the NCLT, Ahmedabad Bench sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.

4.3 Transfer of Assets:

4.3.1 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

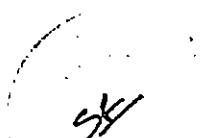
4.3.1.1 All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

4.3.1.2 Without prejudice to the provisions of Clause 4.3.1.1 above, in respect of such of the assets and properties of the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.

4.3.1.3 In respect of movables other than those dealt with in Clause 4.3.1.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

4.3.1.4 All interests of the Transferor Company in their respective subsidiaries as on the Appointed Date will become the interests and subsidiaries of the Transferee Company.

4.3.1.5 All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights,



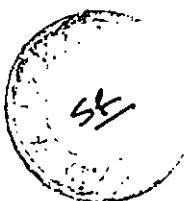
liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- 4.3.2 The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by NCLT, Ahmedabad Bench under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished.
- 4.3.3 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.4 Transfer of Liabilities:

- 4.4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

- 4.4.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.



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4.4.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.5 Encumbrances

4.5.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 4.1 to 4.3 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

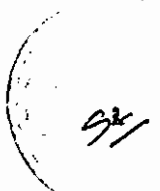
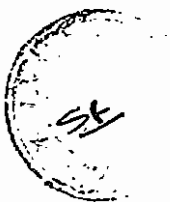
4.5.2 All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.5.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.

4.5.4 Any reference in any security documents or arrangements (to which the Transferor Company are a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Company to give formal effect to the above provisions, if required.

4.5.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

4.5.6 It is expressly provided that, no other term or condition of the Liabilities



transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.5.7 The provisions of this Clause 4.5 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.6 Inter - se Transactions:

Without prejudice to the provisions of Clauses 4.1 to 4.5, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

5. CONTRACTS, DEEDS, ETC.

5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company are a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.

5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

5.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.



6. LEGAL PROCEEDINGS

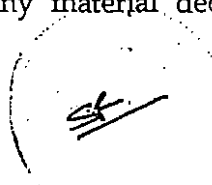
6.1 On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted

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and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not be made; If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

7. CONDUCT OF BUSINESS

- 7.1 With effect from the Appointed Date and up to and including the Effective Date:
- 7.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.
- 7.1.2 All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- 7.1.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- 7.2 With effect from the first of the date of filing of this Scheme with the NCLT and up to and including the Effective Date:
- 7.2.1 The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:
- 7.2.1.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- 7.2.1.2 if the same is permitted by this Scheme; or
- 7.2.1.3 if consent of the Board of Directors of the Transferee Company has been obtained.
- 7.2.2 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its



business and operations other than decisions already taken prior to approval of the Scheme by the respective Board of Directors (ii) any agreement or transaction; and (iii) any new business, or discontinue any existing business or change the capacity of facilities.:(iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

- 7.2.2.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- 7.2.2.2 if the same is permitted by this Scheme; or
- 7.2.2.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.3 Treatment of Taxes

- 7.3.1 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, service tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 7.3.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 7.3.3 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 7.3.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc., to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

8. STAFF WORKMEN AND EMPLOYEES

- 8.1 Upon the coming into effect of this Scheme:
 - 8.1.1 All the permanent employees of the Transferor Company who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they



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are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company). After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the employees of the Transferor Company on the same basis as it may do for the employees of the Transferee Company.

- 8.1.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Company or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Company (collectively referred to as the "Funds") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III

10. CANCELLATION OF EQUITY SHARES OF THE TRANSFEROR COMPANY HELD BY THE TRANSFEREE COMPANY

The investment held by the Transferee Company in the share capital of Transferor Company shall stand cancelled on and from the Appointed Date

ISSUE OF NEW EQUITY SHARES BY TRANSFEREE COMPANY

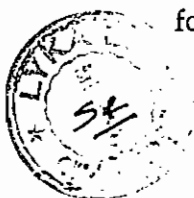
- 10.1 The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.
- 10.2 The Transferee Company, subject to the approval of SEBI, shall issue and allot as per swap ratio based on the valuation report approved by the merchant banker to all the equity shareholders of the Transferor Company (other than the Transferee) whose



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names are registered in the Register of Members of the Transferor Company on the Record Date or his/her/its legal heirs, executors or administrators or, as the case may be, successors, a total of 4,62,711.24 equity shares of Rs.10 each, credited as fully paid up of the Transferee Company in the ratio of 23 equity shares of the face value of Rs.10 each of the Transferee Company for every 100 equity shares of the face value of Rs.10 each credited as fully paid-up held on the Record Date by such equity shareholders or their respective legal heirs, executors or administrators or, as the case may be, successors in the Transferor Company with rights attached thereto as mentioned in this Scheme.

- 10.3 Fractional entitlements, if any, shall be consolidated. If such consolidated fractional entitlement exceed 1 (one) share, it shall be allotted in lieu thereof, to a trustee, authorized by the Board of Directors of the Transferee Company in this behalf, who shall hold in trust such New Equity Shares to the extent of consolidated fractional entitlement, on behalf of the shareholders of Transferor Company, with the express understanding that such trustee shall sell such New Equity Shares of the Transferee Company so allotted on the Stock Exchanges, at such time or times and at such price or prices and to such person, as such trustee deems fit, but within a period of 90 (ninety) days from the date of allotment of such New Equity Shares, and shall distribute the net sale proceeds, subject to Tax deductions and other expenses as applicable, to such shareholders of Transferor Company in proportion to their respective fractional entitlements.
- 10.4 Where new equity shares of the Transferee Company are to be allotted to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Transferee Company.
- 10.5 The ratio in which equity shares of the Transferee Company are to be issued and allotted to the equity shareholders of the Transferor Company (except the Shares held by Transferee) are herein referred to as the "Share Exchange Ratio". In the event that the Transferee Company restructures its equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of such corporate actions.
- 10.6 The equity shares of the Transferee Company are listed and admitted to trading on the Stock Exchanges. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable laws and regulations for complying with the formalities of the Stock Exchanges with respect to the issue of ordinary (equity) shares under this Scheme. On such formalities being fulfilled, the Stock Exchanges shall list and/or admit such equity shares issued pursuant to this Scheme, for the purpose of trading. The ordinary (equity) shares allotted pursuant to Clause 10.1.2 shall remain frozen in the depositories system till listing /trading permission is given by the Stock Exchanges and shall be subject to such lock-in as may be prescribed by the Stock Exchanges and/or other Governmental Authorities.
- 10.7 Subject to Applicable Laws, the new equity shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Transferee Company) be updated to reflect the issue of the new equity shares in terms of this Scheme. The shareholders of the Transferor Company who hold equity shares in physical form should provide the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date to enable it to issue the new equity shares.
- 10.8 However, if no such details have been provided to the Transferee Company by the equity shareholders holding equity shares of the Transferor Company in physical form on or before the Record Date, the Transferee Company shall deal with the



relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding equity shares in dematerialised form to the Trustee who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by the Trustee of Transferee Company for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trustee of Transferee Company, along with such other documents as may be required by the Trustee of Transferee Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the Trustee of Transferee Company.

- 10.9 The new equity shares to be issued by the Transferee Company pursuant to Clause 10.2 of Part III above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

10.10 Increase in authorized share capital of Transferee Company

Upon the Scheme coming into effect, the authorized share capital of the Transferor Company shall be added to that of the Transferee Company and in the Memorandum of Association and Articles of Association it shall be automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company. The Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 14, 61, 64 of the Act or any other applicable provisions therein, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital

- 10.11 The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows, assuming that the Scheme of Merger of Lyka Exports Ltd a subsidiary of the Transferee is approved by that date:

"V The Authorised Share Capital of the Company is Rs 59,00,00,000/- (Rupees Fifty Nine Crores only) divided into 5,70,00,000 (Five Crore Seventy Lakhs) Equity Shares of Rs 10/- each and 2,00,000 (Two Lakhs) Redeemable Preference Shares of Rs 100/- (Rupees One Hundred only) each with power to increase or reduce capital from time to time in accordance with Regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power to divide these shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto, respectively and preferential, qualified or special rights, privileges or conditions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with these presents."

PART IV

ACCOUNTING TREATMENT AND DIVIDENDS

11. ACCOUNTING TREATMENT

- 11.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, for the purpose of accounting for and dealing with the value of the assets and liabilities in the books of the Transferee Company, all assets and liabilities recorded in the books of the Transferor Company and transferred to and vested



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in the Transferee Company pursuant to this scheme shall be recorded by the Transferee Company at their carrying value as appearing in the books of the Transferor Company.

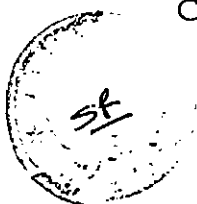
- 11.2 The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company prior to this Scheme becoming effective.
- 11.3 The balance in the Profit & Loss Account and the Free Reserves Account of the Transferor Company shall be carried as the balances in the accounts of the Transferee Company.
- 11.4 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.5 The difference between the value of respective investments carried in the books of the Transferee Company and the "Net Book Value" of the assets of the respective Transferor Company, shall be treated as goodwill or capital reserve as the case may be, in the books of the Transferee Company, and dealt with in accordance with Ind AS 103 Business Combinations.
- 11.6 Subject to provisions of this Scheme, the Transferee Company shall abide by Ind AS 103 Business Combinations.
- 11.7 Inter Company balances and transactions, if any, between the Transferor Company and the Transferee Company, shall be cancelled;

12. DECLARATION OF DIVIDEND

- 12.1 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.
- 12.2 For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the Record Date for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared by the Transferee Company prior to the Effective Date.

13. POWER TO GIVE EFFECT TO THIS PART

- 13.1. The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 13.2. Upon coming into effect of the Scheme, the Transferee Company and/ or the Transferor Company shall, with reasonable dispatch apply for transition of all licenses and statutory registrations of the Transferee Company including but not limited to product registrations (including



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applications and authorizations for product registrations), ANDAs, manufacturing licenses, product permissions, certificates, CoPPs, market authorizations, filings, dossiers (including experience and pre-qualification submissions), industrial licences, municipal permissions, approvals, consent, permits, quotas, registration with Food and Drug Administrations of various states, incentives and subsidies. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as "Transitory Period".

During the Transition Period the Transferee Company, may procure or use or manufacture or sale, all materials and products under the respective country registrations including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Transferor Company under any license and/or statutory registration, if any, while conducting the business of the Undertaking, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply of the registered medicines for export purposes.

PART V

DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

14. DISSOLUTION OF TRANSFEROR COMPANY

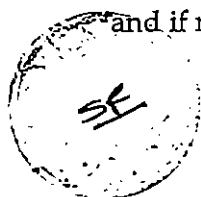
On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

15. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

16. MODIFICATION OF SCHEME

- 16.1 Subject to approval of Jurisdictional NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors or any director/executives or any committee authorised in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which Jurisdictional NCLT or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under



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law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by NCLT or any Governmental Authorities, which the Board of Directors of the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

- 16.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.

17. FILING OF APPLICATIONS

The Transferor Company and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before the respective NCLT having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

18. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

19. SCHEME CONDITIONAL UPON SANCTIONS, ETC.

- 19.1 This Scheme is conditional upon and subject to:

- 19.1.1 Approval of the Scheme by SEBI, the Stock Exchanges and the requisite majority of the respective classes of members and/or creditors of the Transferor Company and of the Transferee Company as required under the Act and the requisite orders of the Jurisdictional NCLT being obtained; and
- 19.1.2 The certified copies of the orders of the Jurisdictional NCLT sanctioning this Scheme being filed with the Registrar of Companies, Ahmedabad.
- 19.1.3 The Scheme being approved by a shareholders' resolution of the Transferee Company passed by way of postal ballot/e-voting in terms of Para I(A)(10)(a) of the SEBI Master Circular No. SEBI /HO /CFD /DIL1 /CIR /P /2021/0000000665 dated November 23, 2021 and other SEBI guidelines, as may be amended from time to time, wherein presently the Scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.



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20. COSTS, CHARGES, EXPENSES AND STAMP DUTY

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of NCLT, if any and to the extent applicable and payable, shall be borne and paid by the Transferee Company.



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REPORT FOR ADOPTING THE ADDENDUM OF THE VALUATION REPORT IN THE MEETING OF INDEPENDENT DIRECTORS OF LYKA LABS LIMITED AT ITS MEETING HELD ON THURSDAY, 23RD MARCH 2023

Members present:

Mr. Babulal Jain, Chairman of the Committee

Mrs. Dhara Shah, Member

Mr. Sandeep Parikh, Member

1. A draft of the Scheme of Amalgamation ("Scheme" or the "draft Scheme of Amalgamation") under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules and Regulations made thereunder between Lyka Exports Limited ("Transferor Company") and Lyka Labs Limited ("Transferee Company") has been filed Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE").
2. The Equity shares of the Company are listed on BSE and NSE. The Company has filed the Scheme along with the necessary information / documents with the BSE and NSE under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The report of the Committee of Independent Directors is made for adopting the addendum of the Valuation report issued as per the requirements of NSE and in order to comply with the requirements of the Master Circular No. SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI") (including any amendment(s) or modifications(s) thereto) after considering the following:
 - Addendum to Valuation Report on recommendation of fair equity share entitlement ratio dated 28th January, 2023 submitted by Mr. Bhavesh Rathod, Chartered Accountant (IBBI Registration No IBBI/RV/06/2019/10708), Independent Registered Valuer, for recommendation of the share exchange ratio ('Addendum to Valuation Report');
4. **The Scheme inter-alia provides for the following:**

Amalgamation of Lyka Exports Limited with and into Lyka Labs Limited, and consequent issue of 23 Equity Shares of Lyka Labs Limited for every 100 Equity Shares of Lyka Exports Limited.



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5. Rationale for the proposed Scheme is as under:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve inter-alia economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

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6. Consideration / Share Exchange Ratio:

In respect of share exchange ratio, the Committee of Independent Directors noted, deliberated and confirmed that after considering and adopting the Addendum to Valuation Report, there is no change or impact on the fair equity share entitlement ratio as recommended in the Addendum to Valuation Report and it is fair to the shareholders. Upon scheme becoming effective, shares would be issued as under:

For every 100 Equity shares of Transferor Company, 23 Equity shares of Transferee Company will be issued.

7. Upon the Scheme becoming effective, the equity shares issued by the Transferee Company to the shareholders of the Transferor Company shall be listed on BSE and NSE (subject to trading permission granted by the stock exchanges).
8. The Scheme would be subject to the sanction and approval of the National Company Law Tribunal, the SEBI, BSE, NSE, Shareholders and other appropriate authorities.

9. Recommendation of the Committee:

Based on the foregoing this Committee is of the informed opinion that the proposed Scheme is not detrimental to the interests of the shareholders of the Company or the Company itself. In light of the foregoing, the Committee of Independent Directors, after due deliberations and due consideration of Addendum to Valuation Report on recommendation of fair equity share entitlement ratio recommends the Draft Scheme for favourable consideration by the Board of Directors of the Company, the BSE, NSE and the SEBI.



Babulal Jain

DIN: 00016573

Chairman of the Committee



Place: Mumbai

Date: 30th March 2023

**REPORT OF THE AUDIT COMMITTEE OF LYKA LABS LIMITED RECOMMENDING
THE DRAFT SCHEME OF AMALGAMATION OF LYKA EXPORTS LIMITED WITH LYKA
LABS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AT ITS MEETING HELD
ON MONDAY, AUGUST 08, 2022**

Date of the Audit Committee meeting: 08th August, 2022

Venue : 125, Charkop Road, Charkop Industrial Estate,
Kandivli West, Mumbai-400067

Members Present : Mr. Sandip P. Parikh, Chairman
Mr. Kunal N. Gandhi, Member
Ms. Dhara P Shah, Member

1. Background:

- I. Lyka Exports Limited, Transferor Company (CIN: U51100GJ1992PLC023975) is a unlisted public limited company incorporated under the Companies Act, 1956 having its registered office at Plot No C/4/10/B/2nd Floor, Adarsh Industrial Complex Opp: S B I Ankleshwar Bharuch-393002, Gujarat (hereinafter referred to as the "Transferor Company"). The Transferor Company is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments. The Transferor Company is a subsidiary of Transferee Company with 72.8% of its shareholding held by Transferee Company.
- II. Lyka Labs Limited, Transferee Company (CIN: L24230GJ1976PLC008738) is a listed public limited company incorporated under the Companies Act, 1956 having its registered office at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar-393002 (hereinafter referred to as the "Transferee Company"). The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products.
- III. The Transferor Company is a subsidiary of the Transferee Company. The Transferee Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited.
- IV. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013.

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- V. This report of the Audit Committee is made in order to comply with the requirements of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Clause 2 (c) of Para A of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated 23rd November 2021 ("SEBI Master Circular") and as amended from time to time.
- VI. The following documents were presented by the Company Secretary before the Audit Committee:
- a) Draft Scheme of Amalgamation;
 - b) Valuation Report on recommendation of fair equity share entitlement ratio dated 06th August, 2022 submitted by Mr. Bhavesh Rathod, Chartered Accountant (IBBI Registration No IBBI/RV/06/2019/10708), Independent Registered Valuer, for recommendation of the share exchange ratio ("Share Exchange Ratio Report");
 - c) Fairness Opinion dated 06th August, 2022 issued by Kunvarji Finstock Private Limited, a SEBI registered Merchant Banker providing the Fairness Opinion on the report on recommendation of fair equity share entitlement ratio by independent Chartered Accountants ('Fairness Opinion');
 - d) Certificate dated 06th August, 2022 issued by M/s D. Kothary & Co., Chartered Accountants, Statutory Auditors confirming that the proposed accounting treatments contained in the draft Scheme of Amalgamation is in conformity with the Indian Accounting Standards prescribed under section 133 of the Act.

2. The Audit Committee has perused the provisions in the Scheme and have noted as under:

I. Need for the Amalgamation and Rationale of the Scheme:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve inter-alia economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

- c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- f) Achieving economies of scale.

II. Synergies of Business of the Companies involved in the Scheme:

The background and information of the Transferor Company and the Transferee Company is, *inter-alia*, as under:

- a) The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products.
- b) The Transferor Company is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments.
- c) Both the companies are majorly into same line of business. Upon amalgamation, the benefits and synergies as mentioned in Para 2 (I) above shall be derived.

III. Impact of the Scheme on the Shareholders of the Company:

- a) In consideration for the amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company as on the Record Date (as defined in the Scheme) shall receive equity shares of the Transferee Company.
- b) The share entitlement ratio determined by the Registered Valuers is fair to the shareholders of the Company.
- c) Further, there will be no change in the economic interest of the shareholders of the Company, before and after Scheme.
- d) After the effectiveness of the Scheme and subject to receipt of regulatory and other approvals, the equity shares of the Transferee Company issued as consideration pursuant to the Scheme, shall be listed on BSE and the NSE.

IV. Cost Benefit Analysis of the Scheme:

Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company.



3. Consideration / Share Exchange Ratio:

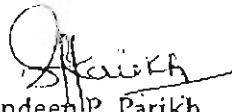
In respect of share exchange ratio, the Audit Committee noted, deliberated and confirmed that the report on recommendation of fair equity share entitlement ratio as recommended in the Share Exchange Ratio Report is fair to the shareholders. Upon scheme becoming effective, shares would be issued as under:

For every 100 Equity shares of Transferor Company, 23 Equity shares of Transferee Company will be issued.

4. Recommendations of the Audit Committee:

The Audit Committee, after due deliberations and detailed discussions, and *inter alia* taking into consideration the presentations made, draft Scheme, Share entitlement ratio report, Fairness Opinion and certificates issued by Statutory Auditors of the Company, have noted the rationale, benefits and the impact of the Scheme on shareholders and other concerned. Based on the foregoing, the Audit Committee is of the view that the Scheme is in the interest of the Company and all the stakeholders, and hereby recommends the Scheme to the Board of Directors of the Company for its consideration and approval.

By Order of the Audit Committee
For and on behalf of
Lyka Labs Limited



Sandeep P. Parikh
DIN: 00022365
Chairperson of the Audit Committee

Date: 8th August, 2022
Place: Mumbai

**REPORT OF THE AUDIT COMMITTEE OF LYKA LABS LIMITED AT ITS MEETING
HELD ON TUESDAY, MAY 23 2023**

Date of the Audit Committee meeting:	23rd May, 2023
Venue	: 125 - Charkop Road, Charkop Industrial Estate, Kandivali West, Mumbai - 400 067.
Members Present	: Mr. Sandip Parikh, Chairman Mr. Baulal Jain, Member Mr. Kunal Gandhi, Member Ms. Dhara Shah, Member

1. **Background:**

- I. Lyka Exports Limited, Transferor Company (CIN: U51100GJ1992PLC023975) is a unlisted public limited company incorporated under the Companies Act, 1956 having its registered office at Plot No C/4/10/B/2nd Floor, Adarsh Industrial Complex Opp: S B I Ankleshwar Bharuch-393002, Gujarat (the "Transferor Company"). The Transferor Company is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments. The Transferor Company is a subsidiary of Transferee Company with 72.8% of its shareholding held by the Transferee Company.
- II. Lyka Labs Limited, Transferee Company (CIN: L24230GJ1976PLC008738) is a listed public limited company incorporated under the Companies Act, 1956 having its registered office at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar-393002 (the "Transferee Company"). The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products.
- III. The Transferor Company is a subsidiary of the Transferee Company. The Transferee Company's equity shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE').
- IV. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and other applicable provisions of the Companies Act, 1956.
- V. This report of the Audit Committee is made for adopting the addendum of the Valuation report issued as per the requirements of NSE and in order to comply with the requirements of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Clause 2 (c) of Para A of Part I of the SEBI Master Circular No. SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated 23rd November 2021 ("SEBI Master Circular") and as amended from time to time.

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- VI. The following document was presented by the Company Secretary before the Audit Committee:

Addendum to Valuation Report on recommendation of fair equity share entitlement ratio dated 28th January, 2023 submitted by Mr. Bhavesh Rathod, Chartered Accountant (IBBI Registration No IBBI/RV/06/2019/10708), Independent Registered Valuer, for recommendation of the share exchange ratio ('Addendum to Valuation Report');

2. The Audit Committee has perused the provisions in the Scheme and have noted as under:

- I. Need for the Amalgamation and Rationale of the Scheme:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve inter-alia economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- f) Achieving economies of scale.

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II. Synergies of Business of the Companies involved in the Scheme:

The background and information of the Transferor Company and the Transferee Company is, *inter-alia*, as under:

- a) The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products.
- b) The Transferor Company is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments.
- c) Both the companies are majorly into same line of business. Upon amalgamation, the benefits and synergies as mentioned in Para 2 (I) above shall be derived.

III. Impact of the Scheme on the Shareholders of the Company:

- a) In consideration for the amalgamation of the Transferor Company with the Transferee Company, the shareholders of the Transferor Company as on the Record Date (as defined in the Scheme) shall receive equity shares of the Transferee Company.
- b) After considering and adopting the Addendum to Valuation Report, the share entitlement ratio determined by the Registered Valuers is fair to the shareholders of the Company.
- c) Further, there will be no change in the economic interest of the shareholders of the Company, before and after Scheme.
- d) After the effectiveness of the Scheme and subject to receipt of regulatory and other approvals, the equity shares of the Transferee Company issued as consideration pursuant to the Scheme, shall be listed on BSE and the NSE.

IV. Cost Benefit Analysis of the Scheme:

Although the Scheme would lead to incurring of some costs towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Company.

3. Consideration / Share Exchange Ratio:

In respect of share exchange ratio, the Audit Committee noted, deliberated and confirmed that after considering and adopting the Addendum to Valuation Report, there is no change or impact on the fair equity share entitlement ratio as recommended in the Addendum to Valuation Report and it is fair to the shareholders. Upon scheme becoming effective, shares would be issued as under:

For every 100 Equity shares of Transferor Company, 23 Equity shares of Transferee Company will be issued.

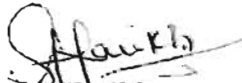
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4. Recommendations of the Audit Committee:

The Audit Committee, after due deliberations and detailed discussions, and *inter alia* taking into consideration the presentations made, Addendum to Valuation Report on recommendation of fair equity share entitlement ratio, have noted the rationale, benefits and the impact of the Scheme on shareholders and other concerned. Based on the foregoing, the Audit Committee is of the view that the Scheme is in the interest of the Company and all the stakeholders, and hereby recommends the Scheme to the Board of Directors of the Company for its consideration and approval.

By Order of the Audit Committee
For and on behalf of Lyka Labs Limited


Sandeep P. Parikh
DIN: 00022365
Chairman of the Audit Committee



Mumbai; 23rd May 2023.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LYKA EXPORTS LIMITED AT ITS MEETING HELD ON AUGUST 05, 2022 AT SPENCER BUILDING, GROUND FLOOR, 30, FORJETT STREET, GRANT ROAD (WEST), MUMBAI - 400 036 EXPLAINING EFFECT OF THE SCHEME OF AMALGAMATION ("SCHEME") OF LYKA EXPORTS LIMITED ("LEL"/ "TRANSFEROR COMPANY" / "THE COMPANY") WITH LYKA LABS LIMITED ("LLL"/ "TRANSFeree COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO, IF ANY

The proposed Scheme of Amalgamation ("Scheme") of Lyka Exports Limited ("LEL" / "Transferor Company" / "The Company") with Lyka Labs Limited ("LLL" / "Transferee Company") and their respective Shareholders was approved by the Board of Directors of the Company vide resolution passed at its Meeting held on August 05, 2022.

The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the Directors to adopt a report explaining the effect of the Scheme on Shareholders, Key Managerial Personnel ("KMP"), Promoter and Non-Promoter Shareholders, laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required to be circulated to the Shareholders along with the notice convening the Meeting.

Having regard to the aforesaid provision, the following documents were placed before the Board of Directors of the Company:

- i. Draft Scheme of Amalgamation.
- ii. Valuation Report dated August 06, 2022, issued by Mr. Bhavesh M. Rathod, (Registered Valuer- Securities or Financial Assets) IBBI Registration No. IBBI/RV/06/2019/10708 ("Registered Valuer") in relation to the shares to be issued by the Transferee Company to the Shareholders of the Transferor Company pursuant to the Scheme;
- iii. Fairness Opinion Report dated August 06, 2022 issued by Kunvarji Finstock Private Limited, a SEBI Registered Merchant Banker on the said Valuation Report;
- iv. Certificate issued by M/s. D. Kothary & Co., Chartered Accountants, the Statutory Auditors of the Company, pursuant Part- I paragraph A.5 as per Annexure I of the SEBI Circular, confirming that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standard specified by the Central Government under section 133 of Companies Act, 2013 and other Generally accepted Accounting Principles;

Rationale of the Scheme:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve inter-alia economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

Valuation

As per the Valuation Report dated August 06, 2022 issued by Mr. Bhavesh M. Rathod, (Registered Valuer- Securities or Financial Assets) has determined the Share Exchange Ratio as 23 (Twenty Three) equity shares of the LLL of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the LEL of the face

value of Rs.10/- (Rupees Ten Only) each fully paid to the registered fully paid-up equity shareholders of the LEL.

Upon sanction of the said Scheme by the NCLT and upon the Scheme becoming effective, without any further act or deed on the part of LLL, LLL will, in consideration of transfer and vesting of LEL into LLL in terms of this Scheme, issue and allot in aggregate 4,62,709 (Four Lakhs Sixty Two Thousand Seven Hundred and Nine) Equity Shares of Rs.10/- each (the "New Shares") to the registered fully paid-up equity shareholders of LEL in the ratio of 23 (Twenty Three) equity shares of the LLL of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the LEL of the face value of Rs.10/- (Rupees Ten Only) each fully paid to the registered fully paid-up equity shareholders of the LEL ("New Shares Entitlement Ratio").

Effect of the Scheme on Equity Shareholders (promoter shareholders and non-promoter shareholders), employees and KMPs of the Company:

Disclosure about the effect of the Scheme on the following persons:

Sr. No.	Category	Effect of the Scheme
1.	Shareholders	<p>There is no adverse effect of the Scheme on the Shareholders of the Transferor Company.</p> <p>Pursuant to this Scheme, as part of the consideration for amalgamation, the Transferee Company will issue and allot 23 (Twenty Three) equity shares of the Transferee Company of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the Transferor Company of the face value of Rs.10/- (Rupees Ten Only) each fully paid to the registered fully paid-up equity shareholders of the Transferor Company.</p> <p>The Equity Shares which will be issued and allotted by the Transferee Company in terms of this Scheme shall rank pari-passu in all respects with the existing equity shares of the the Transferee Company, including in respect of dividends, if any, that may be declared by the the Transferee Company, on or after the Effective Date.</p>
2.	Promoters	<p>There is no adverse effect of the Scheme on the Promoter Shareholders of the Transferor Company as the Promoters of the Transferor Company and the Transferee Company are same.</p>

3.	Non-Promoter Shareholders	There is no adverse effect of the Scheme on the Non-Promoter Shareholders of the Transferor Company.
4.	Key Managerial Personnel (KMP) (other than Directors)	There is no adverse effect of the Scheme on the KMP's of the Transferor Company.
5.	Directors	There is no adverse effect of the Scheme on the Directors of the Transferor Company.
6.	Creditors	There is no adverse effect of the Scheme on the Directors of the Transferor Company.
7.	Employees of the Company	There is no adverse effect of the Scheme on the Directors of the Transferor Company.

Adoption of the Report by the Directors

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For Lyka Exports Limited

Sd/-

Kunal N. Gandhi

Director

DIN: 01516156

Place: Mumbai

Date: August 05, 2022

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LYKA LABS LIMITED AT ITS MEETING HELD ON AUGUST 08, 2022 AT AT 125, CHARKOP ROAD, CHARKOP INDUSTRIAL ESTATE, KANDHIVALI WEST, MUMBAI - 400 067 EXPLAINING EFFECT OF THE SCHEME OF AMALGAMATION ("SCHEME") OF LYKA EXPORTS LIMITED ("LEL"/ "TRANSFEROR COMPANY") WITH LYKA LABS LIMITED ("LLL"/ "TRANSFEEEE COMPANY" / "THE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO, IF ANY

The proposed Scheme of Amalgamation ("Scheme") of Lyka Exports Limited ("LEL"/ "Transferor Company") with Lyka Labs Limited ("LLL"/ "Transferee Company" / "The Company") and their respective Shareholders was approved by the Board of Directors of the Company vide resolution passed at its Meeting held on August 08, 2022.

The provisions of Section 232(2)(c) of the Companies Act, 2013, requires the Directors to adopt a report explaining the effect of the Scheme on Shareholders, Key Managerial Personnel ("KMP"), Promoter and Non-Promoter Shareholders, laying out in particular the share exchange ratio, specifying any special valuation difficulties. The said report is required to be circulated to the Shareholders along with the notice convening the Meeting.

Having regard to the aforesaid provision, the following documents were placed before the Board of Directors of the Company:

- i. Draft Scheme of Amalgamation.
- ii. Valuation Report dated August 06, 2022, issued by Mr. Bhavesh M. Rathod, (Registered Valuer- Securities or Financial Assets) IBBI Registration No. IBBI/RV/06/2019/10708 ("Registered Valuer") in relation to the shares to be issued by the Transferee Company to the Shareholders of the Transferor Company pursuant to the Scheme;
- iii. Fairness Opinion Report dated August 06, 2022 issued by Kunvarji Finstock Private Limited, a SEBI Registered Merchant Banker on the said Valuation Report;
- iv. Certificate issued by M/s. D. Kothary & Co., Chartered Accountants, the Statutory Auditors of the Company, pursuant Part- I paragraph A.5 as per Annexure I of the SEBI Circular, confirming that the accounting treatment contained in the Scheme is in compliance with all the applicable accounting standard specified by the Central Government under section 133 of Companies Act, 2013 and other Generally accepted Accounting Principles;
- v. Report of the Audit Committee dated August 08, 2022 recommending the Scheme to the Board for approval.

- vi. Report of the Independent Directors Committee dated August 08, 2022 recommending the Scheme to the Board for approval.

Rationale of the Scheme:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve inter-alia economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would inter alia have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

Valuation

As per the Valuation Report dated August 06, 2022 issued by Mr. Bhavesh M. Rathod, (Registered Valuer- Securities or Financial Assets) has determined the Share Exchange Ratio as 23 (Twenty Three) equity shares of the LLL of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the LEL of the face

value of Rs.10/- (Rupees Ten Only) each fully paid to the registered fully paid-up equity shareholders of the LEL.

Upon sanction of the said Scheme by the NCLT and upon the Scheme becoming effective, without any further act or deed on the part of LLL, LLL will, in consideration of transfer and vesting of LEL into LLL in terms of this Scheme, issue and allot in aggregate 4,62,709 (Four Lakhs Sixty Two Thousand Seven Hundred and Nine) Equity Shares of Rs.10/- each (the "New Shares") to the registered fully paid-up equity shareholders of LEL in the ratio of 23 (Twenty Three) equity shares of the LLL of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the LEL of the face value of Rs.10/- (Rupees Ten Only) each fully paid to the registered fully paid-up equity shareholders of the LEL ("New Shares Entitlement Ratio").

Effect of the Scheme on Equity Shareholders (promoter shareholders and non-promoter shareholders), employees and KMPs of the Company:

Disclosure about the effect of the Scheme on the following persons:

Sr. No.	Category	Effect of the Scheme
1.	Shareholders	<p>There is no adverse effect of the Scheme on the Shareholders of the Transferor Company.</p> <p>Pursuant to this Scheme, as part of the consideration for amalgamation, the Transferee Company will issue and allot 23 (Twenty Three) equity shares of the Transferee Company of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the Transferor Company of the face value of Rs.10/- (Rupees Ten Only) each fully paid to the registered fully paid-up equity shareholders of the Transferor Company.</p> <p>The Equity Shares which will be issued and allotted by the Transferee Company in terms of this Scheme shall rank pari-passu in all respects with the existing equity shares of the the Transferee Company, including in respect of dividends, if any, that may be declared by the the Transferee Company, on or after the Effective Date.</p>
2.	Promoters	<p>There is no adverse effect of the Scheme on the Promoter Shareholders of the Transferor Company as the Promoters of the Transferor Company and the Transferee Company are same.</p>
3.	Non-Promoter Shareholders	<p>There is no adverse effect of the Scheme on the Non-Promoter Shareholders of the Transferee Company.</p>

4.	Key Managerial Personnel (KMP) (other than Directors)	There is no adverse effect of the Scheme on the KMP's of the Transferee Company.
5.	Directors	There is no adverse effect of the Scheme on the Directors of the Transferee Company.
6.	Creditors	There is no adverse effect of the Scheme on the Creditors of the Transferee Company.
7.	Employees of the Company	There is no adverse effect of the Scheme on the Employees of the Transferee Company.

Adoption of the Report by the Directors

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For Lyka Labs Limited

Sd/-

Yogesh B. Shah
Executive Director & CFO
DIN: 06396150

Place: Mumbai

Date: August 08, 2022



DCS/AMAL/TL/R37/2857/2023-24

August 02, 2023

The Company Secretary,
Lyka Labs Limited
4801 / B & 4802 / A, GIDC Industrial
Estate, Ankleshwar, Gujarat, 393002

Dear Sir,

Sub: Observation letter regarding the Scheme of Amalgamation of Lyka Exports Limited with Lyka Labs Limited and their respective shareholders

We are in receipt of the Scheme of Amalgamation of Lyka Exports Limited with Lyka Labs Limited and their respective shareholders filed by Lyka Labs Limited as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/ P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations, 2015; SEBI vide its letter dated August 01, 2023 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- a. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with the SEBI circulars issued from time to time."
- d. "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are duly transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the stock exchange shall be prominently disclosed in the notice sent to the shareholders."
- h. "Both the Companies are advised to disclose the following as a part of explanatory statement or Notice or Proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013:
 - Need for the merger, Rationale of the scheme, Synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme
 - Impact of the scheme on the Revenue generating capacity of LLL

- Pre and Post scheme individual shareholding of promoters
 - Value of Assets and Liabilities of LEL that are being transferred to LLL and Post-Merger Balance sheet of LLL.”
- i. “Company is advised that the proposed equity shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”
 - j. “Company shall ensure that the Scheme shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”
 - k. “Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.
 - l. “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon’ble NCLT and the Company is obliged to bring the observations to the notice of Hon’ble NCLT.”
 - m. “Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”
 - n. “It is to be noted that the petitions are filed by the company before Hon’ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

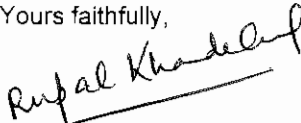


Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

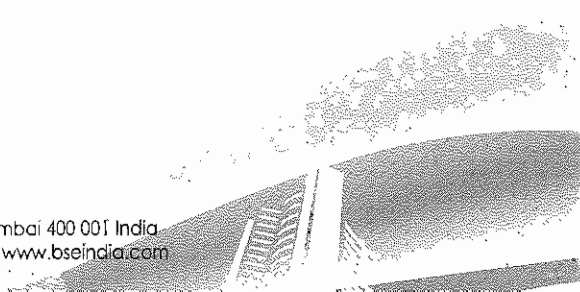
In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,


 Rupal Khandelwal
 Deputy General Manager


 Tanmayi Lele
 Assistant Manager





National Stock Exchange Of India Limited

Ref: NSE/LIST/33751

August 02, 2023

The Company Secretary
Lyka Labs Limited
4801/B & 4802/A,
G.I.D.C. Industrial Estate,
Ankleshwar-393 002.

Kind Attn.: Mr. Kishore P. Shah

Dear Sir,

Sub: Observation Letter for the draft scheme of amalgamation between Lyka Exports Limited (“Transferor Company” or “LEL”) and Lyka Labs Limited (“Transferee Company” or “LLL”) and their respective shareholders.

We are in receipt of the draft scheme of amalgamation between Lyka Exports Limited (“Transferor Company” or “LEL”) and Lyka Labs Limited (“Transferee Company” or “LLL”) and their respective shareholders under sections 230 to 232 of the Companies Act, 2013 vide application dated December 16, 2022.

Based on our letter reference no. NSE/LIST/33751 dated April 21, 2023, submitted to SEBI and SEBI pursuant to SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021, Master circular no. SEBI/HO/CFD/POD-2/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated August 01, 2023 has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular and shall ensure that all the liabilities of Transferor Company are duly transferred to the Transferee Company.*
- d. *Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHHEDE
Date: Wed, Aug 2, 2023 15:20:52 IST
Location: NSE

- f. *The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.*
- g. *The Companies shall disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013.*
- *Need and rationale of the scheme, synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
 - *Impact of the scheme on the Revenue generating capacity of LLL.*
 - *Pre and Post scheme individual shareholding of the promoters.*
 - *Value of Assels and liabilities of LEL that are being transferred to LLL and Post-Merger Balance sheet of LLL.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- i. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company shall comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and commuication of comments/observatious on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

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Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from August 02, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCHKHEDE
Date: Wed, Aug 2, 2023 15:20:52 IST
Location: NSE

Lyka Labs Limited

Corporate Office: Ground floor, Spencer Building, 30, Forrest Street, Grant Road (West), Mumbai - 400 036
 • Phone: 6611 2200/290 Website: www.lykalabs.com • Email: enquiry@lykalabs.com

**Complaints Report****Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable	Not Applicable	Not Applicable

For Lyka Labs Limited

Kishore P. Shah
 Company Secretary & Compliance Officer

Mumbai, 24th March 2023

Annexure 8

Details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Transferor Company, its Promoters and its Directors

A. Against the Transferor Company (i.e., against Lyka Exports Limited :

S. No.	Case Number	Category of Case	Court/ Tribunal/ Forum	Date of Case Filing	Name of Plaintiff/ Petitioner/ Complainant/ Applicant	Name of Respondent/ Defendant	Brief Description/ Facts of the Case/ status
1.	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2.							

B. Against the Promoters of the Transferor Company

S. No.	Case Number	Category of Case	Court/ Tribunal/ Forum	Date of Case Filing	Name of Plaintiff/ Petitioner/ Complainant/ Applicant	Brief Description/ Facts of the Case/ status
1.	Nil	Nil	Nil	Nil	Nil	Nil

C. Against the Directors of the Transferor Company

S. No.	Case Number	Category of Case	Court/ Tribunal/ Forum	Date of Case Filing	Name of Plaintiff/ Petitioner/ Complainant/ Applicant	Brief Description/ Facts of the Case/ status
1.	Nil	Nil	Nil	Nil	Nil	Nil

Annexure 9

Details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Transferee Company, its Promoters and its Directors

A. Against the Transferee Company (i.e., against Lyka Labs Limited)

S. No.	Case Number	Category of Case	Court/Tribunal/Forum	Date of Case Filing	Name of Plaintiff/Petitioner/Complainant/Applicant	Name of Respondent/Defendant	Brief Description/Facts of the Case/status
1.	Summons case SS/5604 37/2021	Summons case	Addl. Chief Metropolitan Magistrate, Mazgaon, Mumbai		M/s. Khushbu Impex	Lyka Labs Limited	M/s Khushbu Impex (Mr. Bhupesh Shah) have filed Criminal Complaints under section 138 of negotiable Instrument Act before magistrate court. the matter is pending for trial before MM Court Mazagaon. The company has already paid all dues to M/s Khushbu Impex vice versa company has to recover amount from M/s. Khushbu Impex. LYKA has filed commercial suit against the M/s Khushbu Impex & its family members & it is pending before Bombay High Court. Disputed amount is Rs. 4,99,85,664/-
2.	Commercial Summary Suit No.	Commercial Summary Suit	City Civil Court	28.02.2022	Bina Vinay Shah	Lyka Labs Limited	Bina Shah had filed Commercial Summary Suit against Lyka Labs & Ors. Claim amount is Rs. 29,60,726/- (Principal

	201 of 2022						Amount Rs. 22,00,000/- + 7,60,726/- Interest Amount). Case Status is on Framing of Issues
3.	Commercial Summary Suit no 118/2023	Commercial Summary Suit	City Civil Court	14/12/2022	M/s. Vinay International	Lyka Labs Limited	M/s. Vinay International filed Commercial for Claim amount 23,75,236/- Case Status for Framing of Issues
4	Summons case SS/560 2164/2020	Summons case	Addl. Chief Metropolitan Magistrate, Mazgaon, Mumbai	18-03-2020	Bhupesh Sevantilal Shah	Lyka labs limited	Mr. Bhupesh Shah & his other family members have filed Criminal Complaints under section 138 of negotiable Instrument Act before magistrate court. the matter is pending for trail before MM Court Mazagaon . The company has paid dues of Mr. Bhupesh Shah & his other family members to M/s. Khushbu Impex (Their Family Business). Amount 7162509
5	Summons case SS/560 2163/2020	Summons case	Addl. Chief Metropolitan Magistrate, Mazgaon, Mumbai	18-03-2020	Bina Vinay Shah	Lyka labs limited	Mr. Bhupesh Shah & his other family members have filed Criminal Complaints under section 138 of negotiable Instrument Act before magistrate court. the matter is pending for trail before MM Court Mazagaon . The company has paid dues of Mr. Bhupesh Shah & his other family

							members to M/s. Khushbu Impex (Their Family Business).
6	Summons case SS/560 2162/2020	Summons case	Addl. Chief Metropolitan Magistrate, Mazgaon, Mumbai	18-03-2020	Bhupesh Sevantilal Shah	Lyka labs limited	Mr. Bhupesh Shah & his other family members have filed Criminal Complaints under section 138 of negotiable Instrument Act before magistrate court. the matter is pending for trail before MM Court Mazagaon . The company has paid dues of Mr. Bhupesh Shah & his other family members to M/s. Khushbu Impex (Their Family Business).
7	Commercial Suit No. 40 of 2023	Commercial Suit	Bombay High Court	02.06.2022	Khushbu Impex	Lyka Labs Limited	Khushbu Impex has filed the suit for recovering Claim Amount 8,74,25,901.12 together with further interest thereon @24% on amount of 4,78,24,846. LYKA has filed commercial suit against the M/s Khushbu Impex & its family members & it is pending before Bombay High Court. Case Status: The Matter is transferred to City Civil Court Mazgaon Comm Suit No. 101042 of 2024

B. Against the Promoters of the Transferee Company

S . N o.	Case Numbe r	Categ ory of Case	Court/ Tribuna l/ Forum	Date of Case Filin g	Name of Plaintiff/ Petitioner/ Complainant / Applicant	Name of Responde nt/ Defendant	Brief Description/ Facts of the Case/ status
1.	Comme rcial Summar y Suit No. 201 of 2022	Com merci al Sum mary Suit	City Civil Court	28.08. 2022	Bina Vinay Shah	Kunal Gandhi	Bina Shah had filed Commercial Summary Suit against Lyka Labs & Ors. Claim amount is Rs. 29,60,726/- (Principal Amount Rs. 22,00,000/- + 7,60,726/- Interest Amount). Case Status is on Framing of Issues
2.	Comme rcial Summar y Suit no 118/202 3	Com merci al Sum mary Suit	City Civil Court	14/12 /2022	M/s. Vinay International	Kunal Gandhi	M/s. Vinay International filed Commercial for Claim amount 23,75,236/- Case Status for Framing of Issues

C. Against the Directors of the Transferee Company

S. No	Case Number	Category of Case	Court/ Tribunal/ Forum	Date of Case Filing	Name of Plaintiff/ Petitioner/ Complainant/ Applicant	Name of Respondent/ Defendant	Brief Description/ Facts of the Case/ status
1.	Commercial Summary Suit No. 201 of 2022	Commercial Summary Suit	City Civil Court	28.08.2022	Bina Vinay Shah	Yogesh Babulal Shah	Case Status is on Framing of Issues
2.	Commercial Summary Suit no 118/2023	Commercial Summary Suit	City Civil Court	14/12/2022	M/s. Vinay International	Yogesh Babulal Shah	M/s. Vinay International filed Commercial for Claim amount 23,75,236/- Case Status for Framing of Issues

~~Annexure - III~~

Report

On

Share Exchange Ratio

Lyka Labs Limited
("Transferee Company")

&

Lyka Exports Limited
("Transferor Company")

Report prepared by
M/s. [Name of the firm]
Chartered Accountants
[Address]
[City]

Bhavesh M Rathod

Registered Valuer - Securities or Financial Assets

To,
The Board of Directors,
Lyka Labs Limited,
4801/B & 4802/A
GIDC Industrial Estate
Ankleshwar, Gujarat - 393002
India.

To,
The Board of Directors,
Lyka Exports Limited
Plot No C/4/10/B/2Nd Floor
Adarsh Industrial Complex
Gujarat - 393002
India

Re: Recommendation of Share Exchange Ratio for the purpose of proposed merger of Lyka Exports Limited with Lyka Labs Limited.

Dear Sir(s)/Madam(s),

As per our discussions with the Management of Lyka Labs Limited and Lyka Exports Limited (hereinafter collectively referred to as the "Management"), we have carried out the fair valuation of equity shares of Lyka Labs Limited (hereinafter referred to as "the Transferee Company" or "LLL") and Lyka Exports Limited (hereinafter referred to as "the Transferor Company" or "LEL") to recommend the share exchange ratio for the proposed Scheme of Merger of Lyka Exports Limited with Lyka Labs Limited (hereinafter collectively referred to as "Companies").

The cut-off date for the valuation exercise has been considered as 9th July 2022 ("Relevant Date", "Valuation date"). A summary of the analysis is presented in the accompanying report, as well as description, methodology and procedure we used and the factors we considered in formulating our opinion.

We believe that our report should be considered in whole, and the selective reading of the report may not give proper picture and may be misleading.

The report should be read in conjunction of this letter.

Thanking you.

Bhavesh M Rathod
Chartered Accountants
M No: 119158
Registered Valuer - Securities or Financial Assets
(Reg No: IBBI/RV/06/2019/10708)

Place: Mumbai
Date: 06/08/2022

UDIN: **22119158AOLDDBN9980**

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1. Purpose of Valuation.

During the financial year 22-23, We have been informed that, the managements of Lyka Labs Limited and Lyka Exports Limited are considering a merger proposal of Lyka Exports Limited with Lyka Labs Limited, (hereinafter referred to as "Amalgamation" or "Merger") pursuant to Section 230 to 232 of the Companies Act, 2013 (including statutory modifications or re-enactments thereof) for the time being in force, (hereinafter referred to as "Scheme"). Subject to necessary approvals, the merger of Lyka Exports Limited with Lyka Labs Limited will be with effect from the Appointed Date of as may be approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench. Further, as consideration for the proposed merger under Part III of the Scheme, equity shares of the Transferee Company would be issued to the equity shareholders of Transferor Company respectively;

In this connection, I, Bhavesh M Rathod, Registered Valuer-Securities or Financial Assets, have been appointed to recommend the fair equity share exchange ratio.

2. Background of the Companies.

Lyka Exports Limited

Lyka Exports Limited is in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments

Further Details of the Company:

CIN	U51100GJ1992PLC023975
Company / LLP Name	LYKA EXPORTS LIMITED
ROC Code	RoC-Ahmedabad
Registration Number	023975
Company Category	Company limited by Shares
Company Subcategory	Non-govt company
Class of Company	Public
Authorised Capital (Rs)	90000000
Paid up Capital (Rs)	73954240
Number of Members (Applicable in case of company without Share Capital)	0
Date of Incorporation	04/12/1992
Registered Address	PLOT NO C/4/10/B/2ND FLOOR ADARSH INDUSTRIAL COMPLEX OPP:S B I ANKLESHAER BHARUCH GJ 393002 IN
Whether listed or not	Unlisted
Date of last AGM	23/07/2021
Date of Balance Sheet	31/03/2021
Company Status (for e filing)	Active

Directors and Key Managerial Persons:

DIN/PAN	Name	Begin date	Designation
0000555709	Vinod Shridhar Shanbhag	05/08/2019	Director
0001516156	Kunal Narendra Gandhi	07/07/2014	Director
0007632732	Piyush Girishchandra Hindia	31/07/2020	Director
AWNPM4421C	Ameya Tulshidas Masurkar	27/12/2021	Company Secretary

Shareholding Pattern as on 30th June, 2022:

Name of Shareholders	Total	% Holding
M/s Lyka Labs Limited	53,83,636	72.80%
M/s Enal Trading and Investment Private Limited	3,85,600	5.21%
N. I. Gandhi HUF	17,700	0.24%
I P Gandhi	3,200	0.04%
Mr. Narendra I. Gandhi	8,640	0.12%
Mrs. Nehal N. Gandhi	9,600	0.13%
Mr. Kunal N. Gandhi	27,140	0.37%
MJ Desai – Trustee of Hirakun Trust	4,36,800	5.91%
NC Rathod – Trustee of Ushnal Trust	4,36,800	5.91%
Other	6,86,308	9.28%
Total	73,95,424	100.00%

Face value per share is Rs. 10/-

Note:

We understand that upon Part III of the Scheme being effective, the equity shares of LEL held by LLL shall stand cancelled automatically.

Lyka Labs Limited

Lyka Labs Limited is engaged in the business of manufacturing and marketing of pharmaceutical products

Lyka Labs Limited holds 72.8% shares in Lyka Exports Limited. The equity shares of Lyka Labs Limited are listed on both NSE and BSE.

Company URL: - <https://www.lykalabs.com/>

Bhavesh M Rathod

Registered Valuer – Securities & Financial Assets

Further Details of the Company:

CIN	L24230GJ1976PLC008738
Company / LLP Name	LYKA LABS LIMITED
ROC Code	RoC-Ahmedabad
Registration Number	008738
Company Category	Company limited by Shares
Company Subcategory	Non-govt company
Class of Company	Public
Authorised Capital (Rs)	500000000
Paid up Capital (Rs)	286900000
Number of Members (Applicable in case of company without Share Capital)	0
Date of Incorporation	29/12/1976
Registered Address	4801/B & 4802/A GIDC INDUSTRIAL ESTATE ANKLESHWAR GJ 393002 IN
Whether listed or not	Listed
Date of last AGM	01/08/2022
Date of Balance Sheet	31/03/2022
Company Status (for e-filing)	Active

Directors and Key Managerial Persons:

DIN/PAN	Name	Begin date	Designation
0000021580	Nehal Narendra Gandhi	04/07/1995	Director
0000022365	Sandeep Padmakant Parikh	01/11/2019	Director
AJDPG3112D	Kunal Narendra Gandhi	01/01/2016	CEO(KMP)
0001516156		12/02/2019	Managing Director
AAEPS1637H	Yogesh Babulal Shah	01/07/2014	CFO(KMP)
0006396150		12/02/2020	Director
000753099B	Dhara Pratik Shah	04/08/2021	Additional Director
AAAPH3500J	Piyush Girishchandra Hindia	12/02/2020	Company Secretary

Shareholding Pattern as on 30th June, 2022:

Promoters		
(A) Promoter & Promoter Group	Shares	% of Total shares
Kunal Gandhi	1,018,376.00	3.55%
Nehal Gandhi	1,157,453.00	4.03%
Narendra Gandhi	1,167,629.00	4.07%
Narendra Gandhi HUF	1,400,776.00	4.88%
LYKA Generics Limited (Formerly known as Lyka Animal Healthcare Limited)	12,100.00	0.04%
ENAI Trading and Investment Pvt Ltd	993,827.00	3.46%
Bhawna Godha	6,000.00	0.02%
Neetu Godha	10,000.00	0.03%
Usha Premchand Godha	10,686.00	0.04%
Premchand Godha	10,900.00	0.04%
Pranay Godha	300,000.00	1.05%

Ipca Laboratories Limited	7,624,923.00	26.58%
(B) Public		
Institutions	13,64,167.00	4.75%
Non - Institutions		
- Individuals	1,11,47,960.00	38.85%
- Others	24,65,203.00	8.59%
Total	28,690,000.00	100.00%

Face value per share is Rs. 10/-

3. Exclusions and Limitations

Our report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, and in conjunction with the relevant documents referred to herein.

No investigation of the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

Our work does not constitute an audit or certification of the historical financial statements / prospective results, including the working results of the Companies referred to in this report, and should not be construed as such. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation mentioned in the report and is as per the agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature involves consideration of various factors, including those impacted by prevailing market trends, in general, and industry. This report is issued on the understanding that the management of the Companies have drawn our attention to all the matters, which they are aware of, concerning the financial position of both the Companies and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Companies including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the Appointed Date for the proposed merger. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Companies through broad inquiry, analysis and review, but have not carried out a due diligence or an audit of the information provided for the purpose of this engagement. Public information, estimates, industry and statistical information relied upon in this report have been obtained from sources considered by us to be reliable. However, we have not independently verified such information and make no representation as to the accuracy or completeness of such

information from or provided by such sources. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Companies. We assume no responsibility for any errors in the above information furnished by the Companies and its consequential impact on the present exercise.

Our report should not be construed as our opining or certifying the compliance of the proposed merger with the provisions of any law, including companies, taxation and capital market related laws, or as regards any legal implications or issues arising from such proposed merger.

This report is prepared only in connection with the proposed merger, exclusively for the use of the Companies and for submission to any regulatory/statutory authority, as may be required under any applicable law.

Any person/party intending to provide finance/invest in the shares/businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed merger, as aforesaid, can be done only with our prior permission in writing.

The fee for the engagement and this report is not contingent upon the results reported.

Neither Bhavesh M Rathod, or its employees, nor any of their agents, make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All the aforesaid parties expressly disclaim any and all liability for or based on or relating to any such information contained in the valuation.

4. Approach & Methodology

The valuation methodologies used by registered valuer to arrive at the value attributable to the equity shareholders of Lyka Labs Limited and Lyka Exports Limited are discussed hereunder:

1. Asset Approach:

The value arrived at under this approach is based on the audited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The balance sheet values are adjusted for any contingent liabilities that are likely to materialise.

The Net Asset Value is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern.

2. Market Approach:

Comparable Company Market (CCM) Multiple Method

Under this methodology, market multiples of comparable listed companies are computed and applied to the business being valued in order to arrive at a multiple based valuation. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, profitability and accounting practices.

Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way comparable enterprises are valued by public markets. In case of early stage company and different business model the problem aggravates further.

Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

In the present case, equity shares of LLL are listed on NSE, which are widely held, regularly and frequently traded with reasonable volume on the exchange. We have therefore used the market price approach to value the equity shares of LLL.

Equity shares of LEL are not listed on any stock exchange. We have therefore not considered the market price method to determine the fair value of equity shares of LEL.

Since in the subject case equity shares of a listed company i.e. LLL would be issued to the shareholders of unlisted company i.e. LEL, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time. The regulation reads as under:

The price of equity shares to be issued shall be determined by Regulation 164. The relevant extract of the regulations is:

Regulation 164 (Pricing of frequently traded shares)

(1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

(a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or

(b) the 10 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date.

The relevant date for the purpose of computing the price of the equity shares of LLL has been considered to be the date of the board meeting of LLL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement. We have therefore considered the prices upto a day prior to the relevant date i.e. price upto 09 July 2022 have been considered, to ensure that the price of LLL shares being considered for the exchange are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

3. Income Approach:

Discounted Cash Flows – ("DCF")

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows

Lyka Labs Limited is a listed company and since the information related to future financial projections of the Company is price sensitive in nature, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of Lyka Labs Limited.

Lyka Exports Limited is a profit making company and generates surplus cash. Going forward as well, Lyka Exports Limited is expected to make profits and generate surplus cash in future. We have therefore used DCF method to determine the fair value of the equity shares of Lyka Exports Limited.

Valuation Methodology

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

In the instant case, based on the nature of business of the Company, availability of data and generally acceptable valuation methodologies, we have valued the Equity Shares of Lyka Exports Limited as on 9th July 2022 as per the DCF method for our analysis. For Lyka Labs Limited being a listed Company, we have considered valuation as per regulation 164 of

Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to arrive at fair value of equity shares.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Refer Annexures for working.

4. Sources of Information

For the purpose of the valuation exercise, we have relied upon the following sources of information provided by the management.

Lyka Exports Limited

- a) Details of Shareholding and numbers of Equity Shares as on valuation date of Lyka Exports Limited
- b) Projected financial statements of Lyka Exports Limited for period of 5 years from FY23 to FY27
- c) Other relevant details regarding the Companies, such as their history, their promoters, past and present activities, other relevant information and data including information in the public domain.

Lyka Labs Limited

- Historical Data of Trading Price and Volume traded of the stock on National Stock Exchange of India Ltd.

Further, we have also been informed by the Company that

- 1) The Equity Shares of the Company are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.
- 2) The Equity Shares are frequently traded on National Stock Exchange of India Ltd. and meet the definition of Frequently traded shares as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- 3) The Company is proposing to seek approval of Board of Directors on 8th August 2022 to approve the proposed merger/amalgamation of Lyka Exports Ltd, a subsidiary with Lyka Labs Ltd, Holding Company. Hence, the relevant date for the purpose of valuation of shares is considered as 9th July 2022.
- 4) Historical Data of Trading Price and Volume traded of the stock of Lyka Labs Limited on National Stock Exchange of India Ltd.
- 5) Other relevant details regarding the Companies, such as their history, their promoters, past and present activities, other relevant information and data including information in the public domain.

Such other information and explanations as we required, and which have been provided by the management of the Companies. We have relied on the representations made to us by the

Bhavesh M Rathod

Registered Valuer – Securities or Financial Assets

management, including financial information, significant transactions and events occurring subsequent to the balance sheet date. We have assumed such representations to be reliable and our conclusions are dependent on such information being complete and accurate in all material respects.

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5. Determination of Exchange/Swap Ratio

The share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Transferor company and Transferee company for the proposed scheme of merger based on the various methodologies mentioned herein earlier. Suitable rounding off have been carried out wherever necessary to arrive at the recommended share exchange ratio.

Refer Annexure 1 for value per share under different methods prescribed and the share exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions describe in this report and the engagement letter, we recommend the share exchange ratio as follows:

To the equity shareholders of LEL:

23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up.

Computation of Share Exchange Ratio				
Valuation Approach	LLL (Transferee Company)		LEL (Transferor Company)	
	Value Per Share (INR)	Weight	Value Per Share (INR)	Weight
	Asset Approach	0.00	0%	0.00
Income Approach (*)	0.00	0%	34.40	100%
Market Approach	0.00	0%	0.00	0%
As per Regulation 164(1) of SEBI (ICDR) Regulations, 2018 (*)	149.47	100%	NA	0%
Fair Value Per Share	149.47		34.40	
Exchange Ratio		0.23		

Swap Ratio

For every 100 shares of Lyka Exports Limited, 23 shares of Lyka Labs Limited will be issued

(*) Refer Annexures

Issued under my hand

Yours faithfully



Bhavesh M Rathod

Chartered Accountants

M No: 119158

Registered Valuer - Securities or Financial Assets

(Reg No: IBB/ RV / 06 / 2019 / 10708)

Place: Mumbai

Date: 06/08/2022

UDIN: **22119158AOLD BN9980**

6. Annexure 1

Lyka Labs Limited

Pricing of frequently traded shares as per Regulation 164 (1) of Securities And Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018

Method		in INR
90 trading days' volume weighted average price	A	149.47
10 trading days' volume weighted average price	B	118.90
Higher of A & B	C	149.47

Volume Weighted Average price for 90 trading days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	08-Jul-22	30,771	36,67,405.25
2	07-Jul-22	46,139	55,75,664.95
3	06-Jul-22	1,05,798	1,26,81,148.80
4	05-Jul-22	2,40,855	2,95,64,152.65
5	04-Jul-22	27,065	30,94,061.65
6	01-Jul-22	21,305	23,89,789.75
7	30-Jun-22	65,754	74,34,026.40
8	29-Jun-22	44,244	51,92,055.75
9	28-Jun-22	98,734	1,12,67,215.75
10	27-Jun-22	56,935	68,34,166.00
11	24-Jun-22	39,732	46,85,373.60
12	23-Jun-22	1,80,489	2,15,08,768.10
13	22-Jun-22	87,617	97,29,890.80
14	21-Jun-22	1,32,106	1,43,93,104.75
15	20-Jun-22	2,61,200	2,97,86,494.65
16	17-Jun-22	69,551	80,76,677.50
17	16-Jun-22	79,212	97,15,886.80
18	15-Jun-22	1,21,453	1,53,69,633.40
19	14-Jun-22	1,82,239	2,29,42,031.55
20	13-Jun-22	56,413	71,63,788.10
21	10-Jun-22	1,55,192	2,01,46,395.95
22	09-Jun-22	1,11,702	1,39,40,247.10
23	08-Jun-22	62,289	74,99,277.40
24	07-Jun-22	1,55,050	1,87,61,670.20
25	06-Jun-22	2,75,448	3,36,00,255.50
26	03-Jun-22	66,898	79,20,045.15
27	02-Jun-22	96,850	1,15,81,725.90
28	01-Jun-22	76,243	93,87,218.80
29	31-May-22	86,206	1,04,24,327.80

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30	30-May-22	2,70,816	3,41,43,933.20
31	27-May-22	41,270	49,86,004.50
32	26-May-22	95,118	1,10,40,525.65
33	25-May-22	1,61,425	1,96,85,470.00
34	24-May-22	82,191	1,06,40,755.85
35	23-May-22	1,78,466	2,39,73,584.70
36	20-May-22	2,71,501	3,93,46,154.95
37	19-May-22	1,96,003	2,85,51,178.00
38	18-May-22	38,810	57,55,523.00
39	17-May-22	6,595	9,31,543.75
40	16-May-22	18,312	24,58,513.05
41	13-May-22	40,284	51,60,046.90
42	12-May-22	1,03,009	1,26,97,602.40
43	11-May-22	1,31,048	1,71,38,126.15
44	10-May-22	1,90,688	2,73,87,733.75
45	09-May-22	31,079	46,72,694.40
46	06-May-22	1,80,341	2,73,51,629.50
47	05-May-22	49,720	80,19,815.30
48	04-May-22	2,77,971	4,55,15,116.00
49	02-May-22	51,412	79,55,434.85
50	29-Apr-22	87,476	1,42,11,303.00
51	28-Apr-22	51,100	88,73,689.35
52	27-Apr-22	82,383	1,45,80,595.85
53	26-Apr-22	83,425	1,49,59,833.60
54	25-Apr-22	95,390	1,71,67,627.75
55	22-Apr-22	91,672	1,68,18,844.85
56	21-Apr-22	91,167	1,69,35,797.70
57	20-Apr-22	94,153	1,74,25,347.30
58	19-Apr-22	1,51,426	2,82,33,998.20
59	18-Apr-22	1,02,376	1,94,84,294.00
60	13-Apr-22	3,28,441	6,40,64,962.75
61	12-Apr-22	4,56,744	8,54,27,758.95
62	11-Apr-22	10,34,285	20,60,36,385.35
63	08-Apr-22	3,55,449	6,28,13,738.70
64	07-Apr-22	5,98,595	10,23,07,660.95
65	06-Apr-22	9,949	16,36,610.50
66	05-Apr-22	7,263	11,38,112.10
67	04-Apr-22	23,991	35,80,656.75
68	01-Apr-22	76,653	1,07,53,778.05
69	31-Mar-22	36,967	50,31,070.90
70	30-Mar-22	2,71,049	3,69,51,862.90
71	29-Mar-22	1,41,224	1,91,34,858.65
72	28-Mar-22	1,40,959	1,96,63,424.90
73	25-Mar-22	1,98,400	2,77,47,558.90
74	24-Mar-22	65,373	91,63,977.70
75	23-Mar-22	91,836	1,29,69,671.55
76	22-Mar-22	1,17,289	1,63,35,578.35
77	21-Mar-22	47,813	65,05,779.80

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Registered Valuer – Securities or Financial Assets

78	17-Mar-22	75,444	1,04,93,845.30
79	16-Mar-22	58,166	81,12,655.75
80	15-Mar-22	92,843	1,30,30,477.60
81	14-Mar-22	69,614	97,09,968.30
82	11-Mar-22	29,823	41,40,414.75
83	10-Mar-22	47,461	67,39,869.45
84	09-Mar-22	78,476	1,12,15,438.60
85	08-Mar-22	82,905	1,10,78,464.90
86	07-Mar-22	37,700	50,02,390.25
87	04-Mar-22	1,10,845	1,51,62,264.65
88	03-Mar-22	1,74,323	2,44,93,059.80
89	02-Mar-22	80,312	1,16,10,552.45
90	28-Feb-22	47,944	67,42,634.20
	Total	1,13,68,253	1,69,92,30,701.25

Total Turnover	1,69,92,30,701.25
Total No. of Shares traded	1,13,68,253
Volume Weighted Average Price for 90 trading Days	149.47

Volume Weighted Average Price for 10 trading Days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	08-Jul-22	30,771	36,67,405
2	07-Jul-22	46,139	55,75,665
3	06-Jul-22	1,05,798	1,26,81,149
4	05-Jul-22	2,40,855	2,95,64,153
5	04-Jul-22	27,065	30,94,062
6	01-Jul-22	21,305	23,89,790
7	30-Jun-22	65,754	74,34,026
8	29-Jun-22	44,244	51,92,056
9	28-Jun-22	98,734	1,12,67,216
10	27-Jun-22	56,935	68,34,166
	Total	7,37,600	8,76,99,686.95

Total Turnover	8,76,99,686.95
Total No. of Shares traded	7,37,600.00
Volume Weighted Average Price for 10 trading Days	118.90

7. Annexure 2

Lyka Exports Limited

Discounted Cash Flows

We have been provided with the business projection of the Company for **Five years** by the Management, which we have considered for our Analysis. Accordingly, the projected free cash flows to Equity ("FCFF") based on these financial statements is set out below:

(INR Million)

Number of Months	9	12	12	12	12
Particulars	FY23	FY24	FY25	FY26	FY27
EBITDA	14.76	20.38	26.11	32.81	40.66
Less: Adjusted Taxes	3.78	5.22	6.69	8.41	10.42
EBIT	10.98	15.16	19.42	24.40	30.24
Add: Depreciation	5.97	5.97	5.97	5.97	5.97
Less: Capex	0.00	0.00	0.00	0.00	0.00
(Increase)/ decrease in working capital	6.94	0.83	0.83	0.98	1.16
Free cash flow to firm ('FCFF')	23.89	21.96	26.23	31.36	37.38
Annual factor	0.73	1.00	1.00	1.00	1.00
Discounting period (end year)	0.73	1.73	2.73	3.73	4.73
Adjusted FCFF	17.41	21.96	26.23	31.36	37.38
PV factor	13.36%	0.91	0.81	0.71	0.55
PV of FCFF	15.89	17.68	18.62	19.64	20.65

PV of FCFF for the horizon period	92.49	A
FCFE for terminal year	31.42	
WACC	13.36%	
Perpetuity Growth	3.00%	
Capitalisation Rate	10.36%	
Gross terminal value	303.17	
PV factor	0.55	
PV of terminal value	167.52	B
Enterprise value	260.01	A+B
Less: Debt and Debt-like item	-6.00	
Add: Investment	0.25	
Add: Cash & Bank	0.12	
Fair Value of Equity	254.38	
No of Share	73,95,424	

Value Per Share (in INR)	34.40
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Assumptions

WACC	13.36 %
Cost of Equity	13.36 %
Cost of Debt	19.47 %
Cost of Debt (Post Tax)	14.48 %
Risk free rate (Rf)	7.17 %
Market Return (Rm)	11.68 %
Long Term Growth Rate	2.00 %
Beta	0.74
Tax Rate	25.63 %
Equity Weightage	84.47 %
Debt Weightage	15.53 %

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimates growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management we have assumed a terminal growth rate of **3.00 %** for the Company beyond the projections periods. The cash flows of **Rs. 31.42 Million** have been used to determine the terminal value. Based on these assumptions the terminal value has been calculated at **Rs. 303.17 Million**.

Using these cash flows and a discount rate of **13.36 %**, we estimate the equity value of the Company **Rs. 254.38 Million**.

Discount Factor

Discount Factor considered for arriving at the present value of the Free Cash Flows to the Firm ("FCFF") is the WACC.

The Weighted Average Cost of Capital ("WACC") is based on the proportionate weights of each component of the source of capital, i.e. weighted average of The Cost of Equity ("COE") & The Cost of Debt ("COD") wherein the ratio of Equity/Debt on total capital is the proportionate weights

WACC: COE * Equity Weightage of total Capital + COD * Debt Weightage of total Capital

The Cost of Equity ("COE")

The cost of equity is computed using the capital asset pricing model (CAPM) using the formula shown below.

$$r_E = r_f + B (r_M - r_f) + CSP$$

Where,

r_f = Risk free rate;

r_M =Market return;

B = sensitivity of the Index to the market / measure of market risk

CSP – Company Specific Risk

	Rate	Source
Risk free return (r_f)	7.17 %	5-year government bond yield
Market Return (R_m)	11.68 %	BSE-SENSEX Average Market Rate of Return over the last 5 years
Measure of market risk(B)	0.74	Based on Average Levered Beta value of RSE-SENSEX
Company Specific Risk	2.63 %	Contingency of revenues, projected high profitability, achievability of projections

Based on the above parameters, the Cost of Equity has been calculated at **13.16 %**.

The Cost of Debt ("COD")

The Cost of Debt ("COD") is the current or expected cost of borrowing funds for the company or firm to fund its assets. The Cost of Debt considered for DCF Method of Valuation is always post Tax.

The Cost of Debt is calculated using the formula below:

$$\text{Post - COD} = \text{Pre - COD} * (1 - \text{Tax Rate})$$

Where,

Post – COD = Post Tax Cost of Debt

Pre – COD = Pre Tax Cost of Debt

Tax Rate = Marginal Tax Rate for the firm

	Rate
Pre – Tax COD	19.47 %
Tax Rate	25.63 %
Post – Tax COD	14.48 %

Based on the above parameters, the Cost of Debt has been calculated at **19.47 %**

Debt & Equity Weightage

Particulars

Particulars	% Weightage
Debt	15.53 %
Equity	84.47 %
Total	100.00 %

The debt to total capital ratio has been taken as target debt to total capital ratio as of FY22

Bhavesh M Rathod

Registered Valuer – Securities or Financial Assets

Date: 24th November 2022

To,
Kunal Narendra Gandhi,
Managing Director,
Lyka Labs Limited,
4801/B & 4802/A,
GIDC Industrial Estate,
Ankleshwar, Gujarat-393002
India.

To,
Kunal Narendra Gandhi,
Director,
Lyka Exports Limited,
Plot No C/4/10/B/2nd Floor,
Adarsh Industrial Complex,
Gujarat-393002
India..

Dear Sir(s)/ Madam(s),

Sub: Addendum to our valuation report dated 06th August, 2022 recommending fair equity share exchange ratio for the proposed merger of Lyka Exports Limited with Lyka Labs Limited.

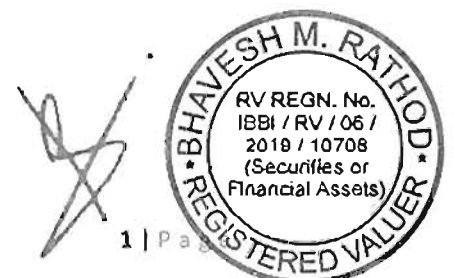
We, Bhavesh Rathod, Chartered Accountants, had been appointed vide our Engagement to recommend the fair equity share exchange ratio for the proposed merger of Lyka Exports Limited ('LEL' or The 'Transferor Company') with Lyka Labs Limited ('LLL' or The 'Transferee Company').

Pursuant to the same, we had issued the valuation report dated 06th August, 2022 with UDIN: 22119158AOLDBN9980 ('Valuation Report') for the purpose of complying with relevant provisions of the Securities and Exchange Board of India ('SEBI') and to the extent mandatorily required under any applicable laws of India. This Addendum Report shall be read in conjunction to the Valuation Report. All other contents mentioned in the main report shall remain unchanged.

We understand from the management of the Company has requested us to provide recommendation on fair equity share exchange ratio considering Audited Financial Statements as on 30th September, 2022 of the Transferor Company and Limited Review Report as on 30th September, 2022 of the Transferee Company for the proposed merger.

In relation to the above, we are issuing this addendum to our Valuation Report dated 06th August, 2022 on the fair equity share exchange ratio after considering the Audited Financial Statements and Limited Review Report as on 30th September, 2022 as mentioned aforesaid. Our recommendation of fair equity share exchange ratio is provided herein below:

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1 | Page

Bhavesh M Rathod

Registered Valuer – Securities or Financial Assets

Recommendation:

In case of the proposed merger of the Transferor Company with the Transferee Company, following is the computation of fair equity share exchange ratio:

Computation of Share Exchange Ratio				
Valuation Approach	LLL		LEL	
	(Transferee Company)		(Transferor Company)	
	Value Per Share (INR)	Weight	Value Per Share (INR)	Weight
Asset Approach	0.00	0%	0.00	0%
Income Approach (*)	0.00	0%	34.71	100%
Market Approach	149.47	100%	NA	0%
Fair Value Per Share	149.47		34.71	
Exchange Ratio	0.23			

Swap Ratio	
For every 100 shares of Lyka Exports Limited, 23 shares of Lyka Labs Limited will be issued	

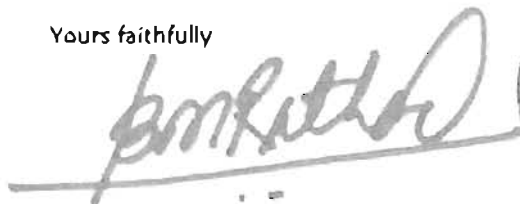
(*) Refer Annexures

Fair Equity Share Exchange Ratio Conclusion:

23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up.

We believe that this addendum must be considered as a whole, along with the Valuation Report. This Addendum Report shall be read in totality and in conjunction with the Valuation Report, reading of selected portions of our report could lead to undue emphasis on any particular factor.

Yours faithfully




Bhavesh M Rathod
Chartered Accountants
M No: 119158
Registered Valuer - Securities or Financial Assets
(Registration No: 1881/RV/06/2019/10708)

Date: 24/11/2022

UDIN: **22119158BEANOE8485**

1. Approach & Methodology:

1. Market Approach:

Market Price Method:

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

In the present case, equity shares of LLL are listed on NSE, which are widely held, regularly and frequently traded with reasonable volume on the exchange. We have therefore used the market price approach to value the equity shares of LLL.

Equity shares of LEL are not listed on any stock exchange. We have therefore not considered the market price method to determine the fair value of equity shares of LEL.

Since in the subject case equity shares of a listed company i.e. LLL would be issued to the shareholders of unlisted company i.e. LEL, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time. The regulation reads as under:

The price of equity shares to be issued shall be determined by Regulation 164. The relevant extract of the regulations is:

Regulation 164 (Pricing of frequently traded shares)

(1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

(a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or

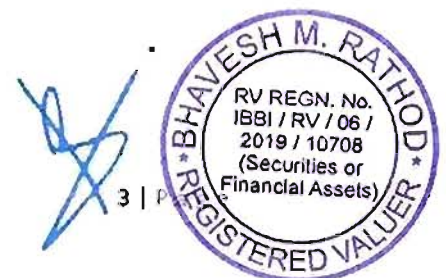
(b) the 10 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date

The relevant date for the purpose of computing the price of the equity shares of LLL has been considered to be the date of the board meeting of LLL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement. We have therefore considered the prices upto a day prior to the relevant date i.e. price upto 09 July 2022 have been considered, to ensure that the price of LLL shares being considered for the exchange are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

2. Income Approach:

Discounted Cash Flows – ("DCF")

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Bhavesh M Rathod

Registered Valuer – Securities or Financial Assets

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows.

Lyka Labs Limited is a listed company and since the information related to future financial projections of the Company is price sensitive in nature, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of Lyka Labs Limited.

Lyka Exports Limited is a profit making company and generates surplus cash. Going forward as well, Lyka Exports Limited is expected to make profits and generate surplus cash in future. We have therefore used DCF method to determine the fair value of the equity shares of Lyka Exports Limited.

Valuation Methodology:

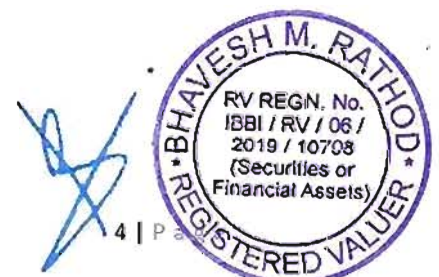
The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

In the instant case, based on the nature of business of the Company, availability of data and generally acceptable valuation methodologies, we have valued the Equity Shares of Lyka Exports Limited as on 9th July 2022 as per the DCF method for our analysis. For Lyka labs Limited being a listed Company, we have considered valuation as per regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to arrive at fair value of equity shares.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Refer Annexures for working.

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2. Annexure 1

Lyka Labs Limited

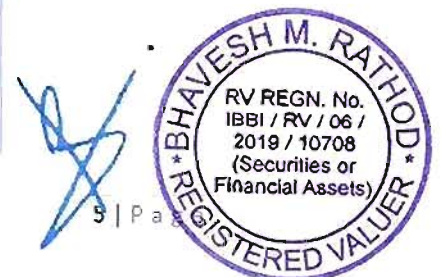
Pricing of frequently traded shares as per Regulation 164 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

Method		in INR
90 trading days' volume weighted average price	A	149.47
10 trading days' volume weighted average price	B	118.90
Higher of A & B	C	149.47

Volume Weighted Average price for 90 trading days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	08-Jul-22	30,771	36,67,405.25
2	07-Jul-22	46,139	55,75,664.95
3	06-Jul-22	1,05,798	1,26,81,148.80
4	05-Jul-22	2,40,855	2,95,64,152.65
5	04-Jul-22	27,065	30,94,061.65
6	01-Jul-22	21,305	23,89,789.75
7	30-Jun-22	65,754	74,34,026.40
8	29-Jun-22	44,244	51,92,055.75
9	28-Jun-22	98,734	1,12,67,215.75
10	27-Jun-22	56,935	68,34,166.00
11	24-Jun-22	39,732	46,85,373.60
12	23-Jun-22	1,80,489	2,15,08,768.10
13	22-Jun-22	87,617	97,29,890.80
14	21-Jun-22	1,32,106	1,43,93,104.75
15	20-Jun-22	2,61,200	2,97,86,494.65
16	17-Jun-22	69,551	80,76,677.50
17	16-Jun-22	79,212	97,15,886.80
18	15-Jun-22	1,21,453	1,53,69,633.40
19	14-Jun-22	1,82,239	2,29,42,031.55
20	13-Jun-22	56,413	71,63,788.10
21	10-Jun-22	1,55,192	2,01,46,395.95
22	09-Jun-22	1,11,702	1,39,40,247.10
23	08-Jun-22	62,289	74,99,277.40
24	07-Jun-22	1,55,050	1,87,61,670.20
25	06-Jun-22	2,75,448	3,36,00,255.50
26	03-Jun-22	66,898	79,20,045.15
27	02-Jun-22	96,850	1,15,81,725.90

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Bhavesh M Rathod

Registered Valuer - Securities or Financial Assets

28	01-Jun-22	76,243	93,87,218.80
29	31-May-22	86,206	1,04,24,327.80
30	30-May-22	2,70,816	3,41,43,933.20
31	27-May-22	41,270	49,86,004.50
32	26-May-22	95,118	1,10,40,525.65
33	25-May-22	1,61,425	1,96,85,470.00
34	24-May-22	82,191	1,06,40,755.85
35	23-May-22	1,78,466	2,39,73,584.70
36	20-May-22	2,71,501	3,93,46,154.95
37	19-May-22	1,96,003	2,85,51,178.00
38	18-May-22	38,810	57,55,523.00
39	17-May-22	6,595	9,31,543.75
40	16-May-22	18,312	24,58,513.05
41	13-May-22	40,284	51,60,046.90
42	12-May-22	1,03,009	1,26,97,602.40
43	11-May-22	1,31,048	1,71,38,126.15
44	10-May-22	1,90,688	2,73,87,733.75
45	09-May-22	31,079	46,72,694.40
46	06-May-22	1,80,341	2,73,51,629.50
47	05-May-22	49,720	80,19,815.30
48	04-May-22	2,77,971	4,55,15,116.00
49	02-May-22	51,412	79,55,434.85
50	29-Apr-22	87,476	1,42,11,303.00
51	28-Apr-22	51,100	88,73,689.35
52	27-Apr-22	82,383	1,45,80,595.85
53	26-Apr-22	83,425	1,49,59,833.60
54	25-Apr-22	95,390	1,71,67,627.75
55	22-Apr-22	91,672	1,68,18,844.85
56	21-Apr-22	91,167	1,69,35,797.70
57	20-Apr-22	94,153	1,74,25,347.30
58	19-Apr-22	1,51,426	2,82,33,998.20
59	18-Apr-22	1,02,376	1,94,84,294.00
60	13-Apr-22	3,28,441	6,40,64,962.75
61	12-Apr-22	4,56,744	8,54,27,758.95
62	11-Apr-22	10,34,285	20,60,36,385.35
63	08-Apr-22	3,55,449	6,28,13,738.70
64	07-Apr-22	5,98,595	10,23,07,660.95
65	06-Apr-22	9,949	16,36,610.50
66	05-Apr-22	7,263	11,38,112.10
67	04-Apr-22	23,991	35,80,656.75
68	01-Apr-22	76,653	1,07,53,778.05
69	31-Mar-22	36,967	50,31,070.90
70	30-Mar-22	2,71,049	3,69,51,862.90
71	29-Mar-22	1,41,224	1,91,34,858.65
72	28-Mar-22	1,40,959	1,96,63,424.90

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Registered Valuer – Securities or Financial Assets

73	25-Mar-22	1,98,400	2,77,47,558.90
74	24-Mar-22	65,373	91,63,977.70
75	23-Mar-22	91,836	1,29,69,671.55
76	22-Mar-22	1,17,289	1,63,35,578.35
77	21-Mar-22	47,813	65,05,779.80
78	17-Mar-22	75,444	1,04,93,845.30
79	16-Mar-22	58,166	81,12,655.75
80	15-Mar-22	92,843	1,30,30,477.60
81	14-Mar-22	69,614	97,09,968.30
82	11-Mar-22	29,823	41,40,414.75
83	10-Mar-22	47,461	67,39,869.45
84	09-Mar-22	78,476	1,12,15,438.60
85	08-Mar-22	82,905	1,10,78,464.90
86	07-Mar-22	37,700	50,02,390.25
87	04-Mar-22	1,10,845	1,51,62,264.65
88	03-Mar-22	1,74,323	2,44,93,059.80
89	02-Mar-22	80,312	1,16,10,552.45
90	28-Feb-22	47,944	67,42,634.20
	Total	1,13,68,253	1,69,92,30,701.25

Total Turnover	1,69,92,30,701.25
Total No. of Shares traded	1,13,68,253
Volume Weighted Average Price for 90 trading Days	149.47

Volume Weighted Average Price for 10 trading Days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	08-Jul-22	30,771	36,67,405
2	07-Jul-22	46,139	55,75,665
3	06-Jul-22	1,05,798	1,26,81,149
4	05-Jul-22	2,40,855	2,95,64,153
5	04-Jul-22	27,065	30,94,062
6	01-Jul-22	21,305	23,89,790
7	30-Jun-22	65,754	74,34,026
8	29-Jun-22	44,244	51,92,056
9	28-Jun-22	98,734	1,12,67,216
10	27-Jun-22	56,935	68,34,166
	Total	7,37,600	8,76,99,686.95

Total Turnover	8,76,99,686.95
Total No. of Shares traded	7,37,600.00
Volume Weighted Average Price for 10 trading Days	118.90

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3. Annexure 2

Lyka Exports Limited

Discounted Cash Flows

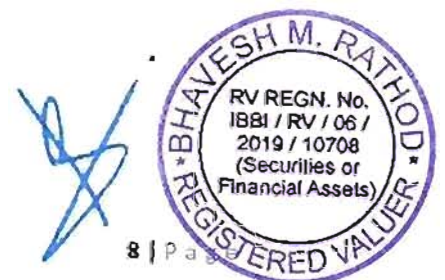
We have been provided with the business projection of the Company for Five years by the Management, which we have considered for our Analysis. Accordingly, the projected free cash flows to Equity ("FCFF") based on these financial statements is set out below:

(INR Million)

Number of Months	6	12	12	12	12	
Particulars	FY23	FY24	FY25	FY26	FY27	TV
EBITDA	14.13	18.74	25.23	33.04	42.42	43.70
Less: Adjusted Taxes	3.62	4.80	6.46	8.47	10.87	11.20
EBIT	10.51	13.93	18.76	24.57	31.55	32.50
Add: Depreciation	2.80	5.97	5.97	5.97	5.97	5.97
Less: Capex	0.00	0.00	0.00	0.00	0.00	
(Increase)/ decrease in working capital	3.70	0.77	0.91	1.10	1.34	-6.37
Free cash flow to Equity ('FCFE')	17.01	20.68	25.65	31.65	38.86	32.10
Annual factor	0.50	1.00	1.00	1.00	1.00	
Discounting period (end year)	0.50	1.50	2.50	3.50	4.50	
PV factor	14.31%	0.94	0.82	0.72	0.63	0.55
PV of FCFF	15.91	16.92	18.36	19.82	21.29	

PV of FCFE for the horizon period	92.31	A
FCFE for terminal year	32.10	
WACC	14.31%	
Perpetuity Growth	3.00%	
Capitalisation Rate	11.31%	
Gross terminal value	283.83	
PV factor	0.55	
PV of terminal value	155.52	B
Enterprise value	247.83	A+B
Less: Debt and Debt-like item	-5.28	
Add: Investment	0.09	
Add: Cash & Bank	14.05	

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Fair Value of Equity	256.69
No of Share	73,95,424
Value Per Share (in INR) @ Face Value - 10)	34.71

Assumptions

WACC	14.31%
Cost of Equity	14.29%
Cost of Debt	19.47%
Cost of Debt (Post Tax)	14.48%
Risk free rate (Rf)	7.31%
Market Return (Rm)	12.92%
Long Term Growth Rate	3.00%
Beta	0.73
Tax Rate	25.63%
Equity Weightage	89.76%
Debt Weightage	10.24%

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimates growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management we have assumed a terminal growth rate of 3.00 % for the Company beyond the projections periods. The cash flows of Rs. 32.10 Million have been used to determine the terminal value. Based on these assumptions the terminal value has been calculated at Rs. 283.83 Million.

Using these cash flows and a discount rate of 14.31 %, we estimate the equity value of the Company Rs. 256.69 Million.

Discount Factor

Discount Factor considered for arriving at the present value of the Free Cash Flows to the Firm ("FCFF") is the WACC.

The Weighted Average Cost of Capital ("WACC") is based on the proportionate weights of each component of the source of capital, i.e. weighted average of The Cost of Equity ("COE") & The Cost of Debt ("COD") wherein the ratio of Equity/Debt on total capital is the proportionate weights

WACC: $COE \times \text{Equity Weightage of total Capital} + COD \times \text{Debt Weightage of total Capital}$

The Cost of Equity ("COE")

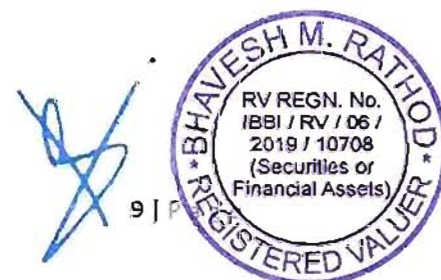
The cost of equity is computed using the capital asset pricing model (CAPM) using the formula shown below.

$$rE = r_f + B (rM - r_f) + CSP$$

Where,

r_f = Risk free rate;

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r_M = Market return;

B = sensitivity of the index to the market / measure of market risk

CSP – Company Specific Risk

	Rate	Source
Risk free return (r_f)	7.31 %	5-year government bond yield
Market Return (R_M)	12.92 %	BSE-SENSEX Average Market Rate of Return over the last 5 years
Measure of market risk (B)	0.73	Based on Average Levered Beta value of BSE-SENSEX
Company Specific Risk	2.85 %	Contingency of revenues, projected high profitability, achievability of projections

Based on the above parameters, the Cost of Equity has been calculated at 14.29 %.

The Cost of Debt ("COD")

The Cost of Debt ("COD") is the current or expected cost of borrowing funds for the company or firm to fund its assets. The Cost of Debt considered for DCF Method of Valuation is always post Tax.

The Cost of Debt is calculated using the formula below:

$$\text{Post - COD} = \text{Pre - COD} * (1 - \text{Tax Rate})$$

Where,

Post – COD = Post Tax Cost of Debt

Pre – COD = Pre Tax Cost of Debt

Tax Rate = Marginal Tax Rate for the firm

	Rate
Pre – Tax COD	19.47 %
Tax Rate	25.63 %
Post – Tax COD	14.48 %

Based on the above parameters, the Cost of Debt has been calculated at 14.48 %

Debt & Equity Weightage

Particulars

Particulars	% Weightage
Debt	10.24 %
Equity	89.76 %
Total	100.00 %

The debt to total capital ratio has been taken as target debt to total capital ratio as of FY22.

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Date: 28th December 2022

To,
Kunal Narendra Gandhi,
Managing Director,
Lyka Labs Limited,
4801/B & 4802/A,
GIDC Industrial Estate,
Ankleshwar, Gujarat-393002
India.

To,
Kunal Narendra Gandhi,
Director,
Lyka Exports Limited,
Plot No C/4/10/B/2nd Floor,
Adarsh Industrial Complex,
Gujarat-393002
India.

Dear Sir(s)/ Madam(s),

Sub: Second Addendum to our valuation report dated 06th August, 2022 and first addendum to valuation report dated 24th November, 2022 recommending fair equity share exchange ratio for the proposed merger of Lyka Exports Limited with Lyka Labs Limited.

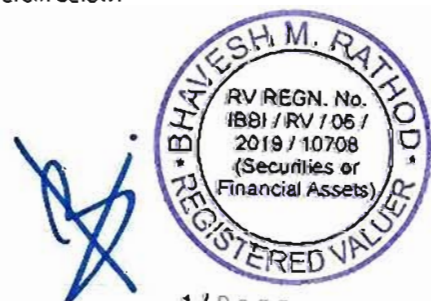
We, Bhavesh Rathod, Chartered Accountants, had been appointed vide our Engagement to recommend the fair equity share exchange ratio for the proposed merger of Lyka Exports Limited ('LEL' or The Transferor Company) with Lyka Labs Limited ('LLL' or The Transferee Company').

Pursuant to the same, we had issued the valuation report dated 06th August, 2022 with UDIN: 22119158AOLDBN9980 ('Valuation Report') and First addendum valuation report dated 24th November, 2022 with UDIN: 22119158BEANDE8485 for the purpose of complying with relevant provisions of the Securities and Exchange Board of India ('SEBI') and to the extent mandatory required under any applicable laws of India. This Addendum Report shall be read in conjunction to the Valuation Report and addendum thereto. All other contents mentioned in the main report and first addendum report shall remain unchanged.

We understand, the management of the Company has requested us to provide recommendation on fair equity share exchange ratio considering Audited Financial Statements as on 30th September, 2022 of the Transferor Company and Limited Review Report as on 30th September, 2022 of the Transferee Company for the proposed merger and to address observation raised by Stock exchange (s) to change the relevant date for the purpose of computing pricing as per the date of Board Meeting vide Securities Exchange Board of India (SEBI) Master circular dated 23rd November, 2021. As represented to us the date of the board meeting of LLL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement is 8th Aug 2022.

In relation to the above, we are issuing this addendum to our Valuation Report dated 06th August, 2022 and First addendum valuation report dated 24th November, 2022 on the fair equity share exchange ratio after considering the Audited Financial Statements and Limited Review Report as on 30th September, 2022 as mentioned aforesaid. Our recommendation of fair equity share exchange ratio is provided herein below:

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Recommendation:

In case of the proposed merger of the Transferor Company with the Transferee Company, following is the computation of fair equity share exchange ratio:

Computation of Share Exchange Ratio				
Valuation Approach	LLL (Transferee Company)		LEL (Transferor Company)	
	Value Per Share (INR)	Weight	Value Per Share (INR)	Weight
	Asset Approach	0.00	0%	0.00
Income Approach (*)	0.00	0%	34.71	100%
Market Approach	146.73	100%	NA	0%
Fair Value Per Share	146.73		34.71	
Exchange Ratio	0.23			

Swap Ratio	
For every 100 shares of Lyka Exports Limited, 23 shares of Lyka Labs Limited will be issued	

(*) Refer Annexures

Fair Equity Share Exchange Ratio Conclusion:

23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up.

We believe that this addendum must be considered as a whole, along with the Valuation Report. This Addendum Report shall be read in totality and in conjunction with the Valuation Report, reading of selected portions of our report could lead to undue emphasis on any particular factor.

Yours faithfully

Bhavesh M Rathod
Chartered Accountants
M No: 119158
Registered Valuer - Securities or Financial Assets
(Registration No: IBBI/RV/06/2019/10708)

Date: 28th December 2022

UDIN

2211915886JZXV9392

1. Approach & Methodology:

1. Market Approach:

Market Price Method:

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

In the present case, equity shares of LLL are listed on NSE, which are widely held, regularly and frequently traded with reasonable volume on the exchange. We have therefore used the market price approach to value the equity shares of LLL.

Equity shares of LEL are not listed on any stock exchange. We have therefore not considered the market price method to determine the fair value of equity shares of LEL.

Since in the subject case equity shares of a listed company i.e. LLL would be issued to the shareholders of unlisted company i.e. LEL, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time. The regulation reads as under:

The price of equity shares to be issued shall be determined by Regulation 164. The relevant extract of the regulations is:

Regulation 164 (Pricing of frequently traded shares)

(1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following.

(a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or

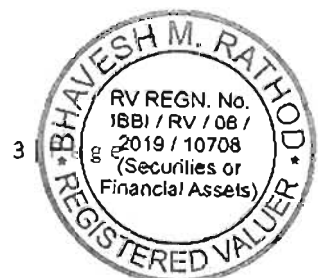
(b) the 10 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date.

The relevant date for the purpose of computing the price of the equity shares of LLL has been considered to be the date of the board meeting of LLL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement. We have therefore considered the prices upto a day prior to the relevant date i.e. price upto 08th August, 2022 have been considered, to ensure that the price of LLL shares being considered for the exchange are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

2. Income Approach:

Discounted Cash Flows – (“DCF”)

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DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows.

Lyka Labs Limited is a listed company and since the information related to future financial projections of the Company is price sensitive in nature, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of Lyka Labs Limited.

Lyka Exports Limited is a profit making company and generates surplus cash. Going forward as well, Lyka Exports Limited is expected to make profits and generate surplus cash in future. We have therefore used DCF method to determine the fair value of the equity shares of Lyka Exports Limited.

Valuation Methodology:

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

In the instant case, based on the nature of business of the Company, availability of data and generally acceptable valuation methodologies, we have valued the Equity Shares of Lyka Exports Limited as on 08th August, 2022 as per the DCF method for our analysis. For Lyka Labs Limited being a listed Company, we have considered valuation as per regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to arrive at fair value of equity shares.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Refer Annexures for working.




2. Annexure 1

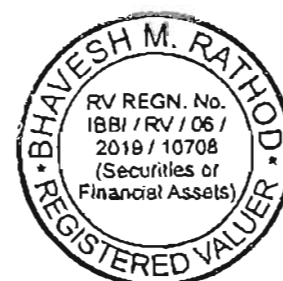
Lyka Labs Limited

Pricing of frequently traded shares as per Regulation 164 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

Method		in INR
90 trading days' volume weighted average price	A	146.73
10 trading days' volume weighted average price	B	133.30
Higher of A & B	C	146.73

Volume Weighted Average price for 90 trading days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	5-Aug-22	180257	23542831.8
2	4-Aug-22	164561	20815346.1
3	3-Aug-22	80417	10769621.6
4	2-Aug-22	116595	16119698.6
5	1-Aug-22	517306	72255721.45
6	29-Jul-22	161883	21048076.95
7	28-Jul-22	52923	6669110.2
8	27-Jul-22	93432	11810880.65
9	26-Jul-22	61134	7628832.45
10	25-Jul-22	42772	5455884.3
11	22-Jul-22	83690	10718277.55
12	21-Jul-22	35982	4683604.85
13	20-Jul-22	124454	16199733.95
14	19-Jul-22	72398	9493638.65
15	18-Jul-22	71501	9419407.4
16	15-Jul-22	105504	13936615.55
17	14-Jul-22	826124	110741922.4
18	13-Jul-22	80266	10120538.05
19	12-Jul-22	154107	19351662.5
20	11-Jul-22	49380	5785915.5
21	8-Jul-22	30771	3667405.25
22	7-Jul-22	46139	5575664.95
23	6-Jul-22	105798	12681148.8
24	5-Jul-22	240855	29564152.65
25	4-Jul-22	27065	3094061.65
26	1-Jul-22	21305	2389789.75
27	30-Jun-22	65754	7434026.4



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28	29-Jun-22	44244	5192055.75
29	28-Jun-22	98734	11267215.75
30	27-Jun-22	56935	6834166
31	24-Jun-22	39732	4685373.6
32	23-Jun-22	180489	21508768.1
33	22-Jun-22	87617	9729890.8
34	21-Jun-22	132106	14393104.75
35	20-Jun-22	261200	29786494.65
36	17-Jun-22	69551	8076677.5
37	16-Jun-22	79212	9715886.8
38	15-Jun-22	121453	15369633.4
39	14-Jun-22	182239	22942031.55
40	13-Jun-22	56413	7163788.1
41	10-Jun-22	155192	20146395.95
42	9-Jun-22	111702	13940247.1
43	8-Jun-22	62289	7499277.4
44	7-Jun-22	155050	18761670.2
45	6-Jun-22	275448	33600255.5
46	3-Jun-22	66898	7920045.15
47	2-Jun-22	96850	11581725.9
48	1-Jun-22	76243	9387218.8
49	31-May-22	86206	10424327.8
50	30-May-22	270816	34143933.2
51	27-May-22	41270	4986004.5
52	26-May-22	95118	11040525.65
53	25-May-22	161425	19685470
54	24-May-22	82191	10640755.85
55	23-May-22	178466	23973584.7
56	20-May-22	271501	39346154.95
57	19-May-22	196003	28551178
58	18-May-22	38810	5755523
59	17-May-22	6595	931543.75
60	16-May-22	18312	2458513.05
61	13-May-22	40284	5160046.9
62	12-May-22	103009	12697602.4
63	11-May-22	131048	17138126.15
64	10-May-22	190688	27387733.75
65	9-May-22	31079	4672694.4
66	6-May-22	180341	27351629.5
67	5-May-22	49720	8019815.3
68	4-May-22	277971	45515116
69	2-May-22	51412	7955434.85
70	29-Apr-22	87476	14211303
71	28-Apr-22	51100	8873689.35
72	27-Apr-22	82383	14580595.85



73	26-Apr-22	83425	14959833.6
74	25-Apr-22	95390	17167627.75
75	22-Apr-22	91672	16818844.85
76	21-Apr-22	91167	16935797.7
77	20-Apr-22	94153	17425347.3
78	19-Apr-22	151426	28233998.2
79	18-Apr-22	102376	19484294
80	13-Apr-22	328441	64064962.75
81	12-Apr-22	456744	85427758.95
82	11-Apr-22	1034285	206036385.4
83	8-Apr-22	355449	62813738.7
84	7-Apr-22	598595	102307661
85	6-Apr-22	9949	1636610.5
86	5-Apr-22	7263	1138112.1
87	4-Apr-22	23991	3580656.75
88	1-Apr-22	76653	10753778.05
89	31-Mar-22	36967	5031070.9
90	30-Mar-22	271049	36951862.9
	Total	1701127	1856745135.90

Total Turnover	1856745135.90
Total No. of Shares traded	12654189
Volume Weighted Average Price for 90 trading Days	146.73

Volume Weighted Average Price for 10 trading Days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	5-Aug-22	180,257	23,542,832
2	4-Aug-22	164,561	20,815,346
3	3-Aug-22	80,417	10,769,622
4	2-Aug-22	116,595	16,119,699
5	1-Aug-22	517,306	72,255,721
6	29-Jul-22	161,883	21,048,077
7	28-Jul-22	52,923	6,669,110
8	27-Jul-22	93,432	11,810,881
9	26-Jul-22	61,134	7,628,832
10	25-Jul-22	42,772	5,455,884
	Total	1471280	196116004.10

Total Turnover	196116004.10
Total No. of Shares traded	1471280
Volume Weighted Average Price for 10 trading Days	133.90



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3. Annexure 2

Lyka Exports Limited

Discounted Cash Flows

We have been provided with the business projection of the Company for Five years by the Management, which we have considered for our Analysis. Accordingly, the projected free cash flows to Equity ("FCFF") based on these financial statements is set out below:

(INR Million)							
Number of Months		6	12	12	12	12	
Particulars		FY23	FY24	FY25	FY26	FY27	TV
EBITDA		14.13	18.74	25.23	33.04	42.42	43.70
Less: Adjusted Taxes		3.62	4.80	6.46	8.47	10.87	11.20
EBIT		10.51	13.93	18.76	24.57	31.55	32.50
Add: Depreciation		2.80	5.97	5.97	5.97	5.97	5.97
Less: Capex		0.00	0.00	0.00	0.00	0.00	
(Increase)/ decrease in working capital		3.70	0.77	0.91	1.10	1.34	-6.37
Free cash flow to Equity ('FCFE')		17.01	20.68	25.65	31.65	38.86	32.10
Annual factor		0.50	1.00	1.00	1.00	1.00	
Discounting period (end year)		0.50	1.50	2.50	3.50	4.50	
PV factor	14.31%	0.94	0.82	0.72	0.63	0.55	
PV of FCFF		15.91	16.92	18.36	19.82	21.29	

PV of FCFE for the horizon period	92.31	A
FCFE for terminal year	32.10	
WACC	14.31%	
Perpetuity Growth	3.00%	
Capitalisation Rate	11.31%	
Gross terminal value	283.83	
PV factor	0.55	
PV of terminal value	155.52	B
Enterprise value	247.83	A+B
Less: Debt and Debt-like item	-5.28	
Add: Investment	0.09	
Add: Cash & Bank	14.05	

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Fair Value of Equity	256.69
No of Share	73,95,424
Value Per Share (In INR) @ Face Value - 10)	34.71

Assumptions

WACC	14.31%
Cost of Equity	14.29%
Cost of Debt	19.47%
Cost of Debt (Post Tax)	14.48%
Risk free rate (Rf)	7.31%
Market Return (Rm)	12.92%
Long Term Growth Rate	3.00%
Beta	0.73
Tax Rate	25.63%
Equity Weightage	89.76%
Debt Weightage	10.24%

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimates growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management we have assumed a terminal growth rate of 3.00 % for the Company beyond the projections periods. The cash flows of Rs. 32.10 Million have been used to determine the terminal value. Based on these assumptions the terminal value has been calculated at Rs. 283.83 Million.

Using these cash flows and a discount rate of 14.31 %, we estimate the equity value of the Company Rs. 256.69 Million.

Discount Factor

Discount Factor considered for arriving at the present value of the Free Cash Flows to the Firm ("FCFF") is the WACC.

The Weighted Average Cost of Capital ("WACC") is based on the proportionate weights of each component of the source of capital, i.e. weighted average of The Cost of Equity ("COE") & The Cost of Debt ("COD") wherein the ratio of Equity/Debt on total capital is the proportionate weights

WACC: COE * Equity Weightage of total Capital + COD * Debt Weightage of total Capital

The Cost of Equity ("COE")

The cost of equity is computed using the capital asset pricing model (CAPM) using the formula shown below.

$$rE = r_f + B (rM - r_f) + CSP$$

Where,

r_f = Risk free rate,

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r_M = Market return;

B = sensitivity of the index to the market / measure of market risk

CSP – Company Specific Risk

	Rate	Source
Risk free return (rf)	7.31 %	5-year government bond yield
Market Return (Rm)	12.92 %	BSE-SENSEX Average Market Rate of Return over the last 5 years
Measure of market risk(B)	0.73	Based on Average Levered Beta value of BSE-SENSEX
Company Specific Risk	2.86 %	Contingency of revenues, projected high profitability, achievability of projections

Based on the above parameters, the Cost of Equity has been calculated at 14.29 %.

The Cost of Debt ("COD")

The Cost of Debt ("COD") is the current or expected cost of borrowing funds for the company or firm to fund its assets. The Cost of Debt considered for DCF Method of Valuation is always post Tax.

The Cost of Debt is calculated using the formula below:

$$\text{Post - COD} = \text{Pre - COD} * (1 - \text{Tax Rate})$$

Where,

Post - COD = Post Tax Cost of Debt

Pre - COD = Pre Tax Cost of Debt

Tax Rate = Marginal Tax Rate for the firm

	Rate
Pre - Tax COD	19.47 %
Tax Rate	25.63 %
Post - Tax COD	14.48 %

Based on the above parameters, the Cost of Debt has been calculated at 14.48 %

Debt & Equity Weightage

Particulars

Particulars	% Weightage
Debt	10.24 %
Equity	89.76 %
Total	100.00 %

The debt to total capital ratio has been taken as target debt to total capital ratio as of FY22.



Date: 28th January 2023

To,
Kunal Narendra Gandhi,
Managing Director,
Lyka Labs Limited,
4801/B & 4802/A,
GIDC Industrial Estate,
Ankleshwar, Gujarat-393002
India.

To,
Yogesh Babulal Shah,
Director,
Lyka Exports Limited,
Plot No C/4/10/B/2nd Floor,
Adarsh Industrial Complex,
Gujarat-393002
India.

Dear Sir(s)/ Madam(s),

Sub: Third Addendum to our valuation report dated 06th August, 2022, first addendum to valuation report dated 24th November, 2022 and Second addendum to valuation report dated 28th December 2022 recommending fair equity share exchange ratio for the proposed merger of Lyka Exports Limited with Lyka Labs Limited.

We, Bhavesh Rathod, Chartered Accountants, had been appointed vide our Engagement to recommend the fair equity share exchange ratio for the proposed merger of Lyka Exports Limited ('LEL' or The 'Transferor Company') with Lyka Labs Limited ('LLL' or The 'Transferee Company').

Pursuant to the same, we had issued the valuation report dated 06th August, 2022 with UDIN: 22119158AOLDBN9980 ('Valuation Report'), First addendum valuation report dated 24th November, 2022 with UDIN: 22119158BEANDE8485 and Second addendum valuation report dated 28th December, 2022 with UDIN: 22119158BGJZXV9392 for the purpose of complying with relevant provisions of the Securities and Exchange Board of India ('SEBI') and to the extent mandatorily required under any applicable laws of India. This Addendum Report shall be read in conjunction to the Valuation Report and addendum thereto. All other contents mentioned in the main report, first addendum and second addendum report shall remain unchanged.

We understand, the management of the Company has requested us to provide recommendation on fair equity share exchange ratio considering Audited Financial Statements as on 30th September, 2022 of the Transferor Company and Limited Review Report as on 30th September, 2022 of the Transferee Company for the proposed merger and to address observation raised by Stock exchange (s) to change the relevant date for the purpose of computing pricing as per the date of Board Meeting vide Securities Exchange Board of India (SEBI) Master circular dated 23rd November, 2021. As represented to us the date of the board meeting of LLL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement is 8th August 2022.

In relation to the above, we are issuing this addendum to our Valuation Report dated 06th August, 2022, First addendum valuation report dated 24th November, 2022 and Second addendum report dated 28th December 2022 on the fair equity share exchange ratio after considering the Audited Financial Statements and Limited Review Report as on 30th September, 2022 as mentioned aforesaid. Our recommendation of fair equity share exchange ratio is provided herein below:




Recommendation:

In case of the proposed merger of the Transferor Company with the Transferee Company, following is the computation of fair equity share exchange ratio:

Computation of Share Exchange Ratio				
Valuation Approach	LLL (Transferee Company)		LEL (Transferor Company)	
	Value Per Share (INR)	Weight	Value Per Share (INR)	Weight
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Income Approach (*)	96.65	0%	34.71	100%
Market Approach	146.73	100%	NA	0%
Fair Value Per Share	146.73		34.71	
Exchange Ratio		0.23		

Swap Ratio
For every 100 shares of Lyka Exports Limited, 23 shares of Lyka Labs Limited will be issued

(*) Post the receipt of projections from the company management, the value per share using the income method values the share at Rs.96.65 as compared to Rs.146.73 using the market price method, which was lower and did not depict the fair value of the company.

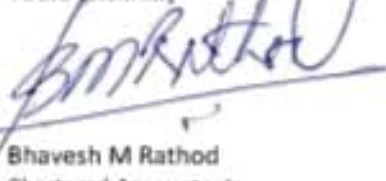
In the interest of the shareholders of the listed company (Lyka Labs Limited), income method was not considered.

Fair Equity Share Exchange Ratio Conclusion:

23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up.

We believe that this addendum must be considered as a whole, along with the Valuation Report. This Addendum Report shall be read in totality and in conjunction with the Valuation Report, reading of selected portions of our report could lead to undue emphasis on any particular factor.

Yours faithfully



Bhavesh M Rathod
Chartered Accountants

M No: 119158

Registered Valuer - Securities or Financial Assets

(Registration No: IBBI/RV/06/2019/10708)



Date: 28th January 2023

UDIN: 23119158BGGVYKD9229

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UDIN:

1. Approach & Methodology:

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The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the shares as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market.

In the present case, equity shares of LLL are listed on NSE, which are widely held, regularly and frequently traded with reasonable volume on the exchange. We have therefore used the market price approach to value the equity shares of LLL.

Equity shares of LEL are not listed on any stock exchange. We have therefore not considered the market price method to determine the fair value of equity shares of LEL.

Since in the subject case equity shares of a listed company i.e. LLL would be issued to the shareholders of unlisted company i.e. LEL, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time. The regulation reads as under:

The price of equity shares to be issued shall be determined by Regulation 164. The relevant extract of the regulations is:

Regulation 164 (Pricing of frequently traded shares)

(1) If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- (a) the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or*
- (b) the 10 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date.*

The relevant date for the purpose of computing the price of the equity shares of LLL has been considered to be the date of the board meeting of LLL approving the Scheme in accordance with the SEBI Circulars relating to schemes of arrangement. We have therefore considered the prices upto a day prior to the relevant date i.e. price upto 08th August, 2022 have been considered, to ensure that the price of LLL shares being considered for the exchange are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

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2. Income Approach:

Discounted Cash Flows – (“DCF”)

DCF uses the future free cash flows of the company discounted by the firm's weighted average cost of capital (the average cost of all the capital used in the business, including debt and equity), plus a risk factor measured by beta, to arrive at the present value.

Beta is an adjustment that uses historic stock market data to measure the sensitivity of the Company's cash flow to market indices, for example, through business cycles.

The DCF method is a strong valuation tool, as it concentrates on cash generation potential of a business. This valuation method is based on the capability of a company to generate cash flows in the future. The free cash flows are projected for a certain number of years and then discounted at a discount rate that reflects a Company's cost of capital and the risk associated with the cash flows it generates. DCF analysis is based mainly on the following elements:

- Projection of financial statements (key value driving factors)
- The cost of capital to discount the projected cash flows.

Lyka Labs Limited is a listed company and after receipt of the projected financials, we estimated the value per share using the income method at Rs.96.65 per share as compared to Rs.146.73 using the market price method, which was lower and did not depict the fair value of the company. We have therefore in the interest of the shareholders of the listed company (Lyka Labs Limited) not used DCF method to determine the fair value of the equity shares of Lyka Labs Limited.

Lyka Exports Limited is a profit making company and generates surplus cash. Going forward as well, Lyka Exports Limited is expected to make profits and generate surplus cash in future. We have therefore used DCF method to determine the fair value of the equity shares of Lyka Exports Limited.

Valuation Methodology:

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose.

In the instant case, based on the nature of business of the Company, availability of data and generally acceptable valuation methodologies, we have valued the Equity Shares of Lyka Exports Limited as on 08th August, 2022 as per the DCF method for our analysis. For Lyka labs Limited being a listed Company, we have considered valuation as per regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to arrive at fair value of equity shares.

Our choice of methodology and valuation has been arrived using usual and conventional methodologies adopted for purposes of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of similar nature.

Refer Annexures for working.




2. Annexure 1

Lyka Labs Limited

Pricing of frequently traded shares as per Regulation 164 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

Method		in INR
90 trading days' volume weighted average price	A	146.73
10 trading days' volume weighted average price	B	133.30
Higher of A & B	C	146.73

Volume Weighted Average price for 90 trading days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	5-Aug-22	180257	23542831.8
2	4-Aug-22	164561	20815346.1
3	3-Aug-22	80417	10769621.6
4	2-Aug-22	116595	16119698.6
5	1-Aug-22	517306	72255721.45
6	29-Jul-22	161883	21048076.95
7	28-Jul-22	52923	6669110.2
8	27-Jul-22	93432	11810880.65
9	26-Jul-22	61134	7628832.45
10	25-Jul-22	42772	5455884.3
11	22-Jul-22	83690	10718277.55
12	21-Jul-22	35982	4683604.85
13	20-Jul-22	124454	16199733.95
14	19-Jul-22	72398	9493638.65
15	18-Jul-22	71501	9419407.4
16	15-Jul-22	105504	13936615.55
17	14-Jul-22	826124	110741922.4
18	13-Jul-22	80266	10120538.05
19	12-Jul-22	154107	19351662.5
20	11-Jul-22	49380	5785915.5
21	8-Jul-22	30771	3667405.25



22	7-Jul-22	46139	5575664.95
23	6-Jul-22	105798	12681148.8
24	5-Jul-22	240855	29564152.65
25	4-Jul-22	27065	3094061.65
26	1-Jul-22	21305	2389789.75
27	30-Jun-22	65754	7434026.4
28	29-Jun-22	44244	5192055.75
29	28-Jun-22	98734	11267215.75
30	27-Jun-22	56935	6834166
31	24-Jun-22	39732	4685373.6
32	23-Jun-22	180489	21508768.1
33	22-Jun-22	87617	9729890.8
34	21-Jun-22	132106	14393104.75
35	20-Jun-22	261200	29786494.65
36	17-Jun-22	69551	8076677.5
37	16-Jun-22	79212	9715886.8
38	15-Jun-22	121453	15369633.4
39	14-Jun-22	182239	22942031.55
40	13-Jun-22	56413	7163788.1
41	10-Jun-22	155192	20146395.95
42	9-Jun-22	111702	13940247.1
43	8-Jun-22	62289	7499277.4
44	7-Jun-22	155050	18761670.2
45	6-Jun-22	275448	33600255.5
46	3-Jun-22	66898	7920045.15
47	2-Jun-22	96850	11581725.9
48	1-Jun-22	76243	9387218.8
49	31-May-22	86206	10424327.8
50	30-May-22	270816	34143933.2
51	27-May-22	41270	4986004.5
52	26-May-22	95118	11040525.65
53	25-May-22	161425	19685470
54	24-May-22	82191	10640755.85
55	23-May-22	178466	23973584.7
56	20-May-22	271501	39346154.95
57	19-May-22	196003	28551178
58	18-May-22	38810	5755523
59	17-May-22	6595	931543.75
60	16-May-22	18312	2458513.05
61	13-May-22	40284	5160046.9
62	12-May-22	103009	12697602.4
63	11-May-22	131048	17138126.15
64	10-May-22	190688	27387733.75
65	9-May-22	31079	4672694.4
66	6-May-22	180341	27351629.5



67	5-May-22	49720	8019815.3
68	4-May-22	277971	45515116
69	2-May-22	51412	7955434.85
70	29-Apr-22	87476	14211303
71	28-Apr-22	51100	8873689.35
72	27-Apr-22	82383	14580595.85
73	26-Apr-22	83425	14959833.6
74	25-Apr-22	95390	17167627.75
75	22-Apr-22	91672	16818844.85
76	21-Apr-22	91167	16935797.7
77	20-Apr-22	94153	17425347.3
78	19-Apr-22	151426	28233998.2
79	18-Apr-22	102376	19484294
80	13-Apr-22	328441	64064962.75
81	12-Apr-22	456744	85427758.95
82	11-Apr-22	1034285	206036385.4
83	8-Apr-22	355449	62813738.7
84	7-Apr-22	598595	102307661
85	6-Apr-22	9949	1636610.5
86	5-Apr-22	7263	1138112.1
87	4-Apr-22	23991	3580656.75
88	1-Apr-22	76653	10753778.05
89	31-Mar-22	36967	5031070.9
90	30-Mar-22	271049	36951862.9
	Total	1701127	1856745135.90

Total Turnover	1856745135.90
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Total No. of Shares traded	12654189
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Volume Weighted Average Price for 90 trading Days	146.73
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Volume Weighted Average Price for 10 trading Days

Sr. No.	Date	No. of Shares Traded	Total Turnover Traded (Rs.)
1	5-Aug-22	180,257	23,542,832
2	4-Aug-22	164,561	20,815,346
3	3-Aug-22	80,417	10,769,622
4	2-Aug-22	116,595	16,119,699
5	1-Aug-22	517,306	72,255,721
6	29-Jul-22	161,883	21,048,077
7	28-Jul-22	52,923	6,669,110
8	27-Jul-22	93,432	11,810,881
9	26-Jul-22	61,134	7,628,832
10	25-Jul-22	42,772	5,455,884
	Total	1471280	196116004.10

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Total Turnover	196116004.10
Total No. of Shares traded	1471280
Volume Weighted Average Price for 10 trading Days	133.30



3. Annexure 2

Lyka Exports Limited

Discounted Cash Flows

We have been provided with the business projection of the Company for Five years by the Management, which we have considered for our Analysis. Accordingly, the projected free cash flows to Equity ("FCFF") based on these financial statements is set out below:

(INR Million)						
Number of Months	6	12	12	12	12	
Particulars	FY23	FY24	FY25	FY26	FY27	TV
EBITDA	14.13	18.74	25.23	33.04	42.42	43.70
Less: Adjusted Taxes	3.62	4.80	6.46	8.47	10.87	11.20
EBIT	10.51	13.93	18.76	24.57	31.55	32.50
Add: Depreciation	2.80	5.97	5.97	5.97	5.97	5.97
Less: Capex	0.00	0.00	0.00	0.00	0.00	
(Increase)/ decrease in working capital	3.70	0.77	0.91	1.10	1.34	-6.37
Free cash flow to firm ('FCFF')	17.01	20.60	25.65	31.65	38.86	32.10
Annual factor	0.50	1.00	1.00	1.00	1.00	
Discounting period (end year)	0.50	1.50	2.50	3.50	4.50	
PV factor	14.31%	0.94	0.82	0.72	0.63	0.55
PV of FCFF	15.91	16.92	18.06	19.82	21.29	

PV of FCFF for the horizon period	92.31	A
FCFF for terminal year	32.10	
WACC	14.31%	
Perpetuity Growth	3.00%	
Capitalisation Rate	11.31%	
Gross terminal value	283.83	
PV factor	0.55	
PV of terminal value	155.52	B
Enterprise value	247.83	A+B
Less: Debt and Debt-like item	-5.28	
Add: Investment	0.09	
Add: Cash & Bank	14.05	



Fair Value of Equity	256.69
No of Share	73,95,424
Value Per Share (in INR) @ Face Value - 10)	34.71

Assumptions

WACC	14.31%
Cost of Equity	14.29%
Cost of Debt	19.47%
Cost of Debt (Post Tax)	14.48%
Risk free rate (Rf)	7.31%
Market Return (Rm)	12.92%
Long Term Growth Rate	3.00%
Beta	0.73
Tax Rate	25.63%
Equity Weightage	89.76%
Debt Weightage	10.24%

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimates growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management we have assumed a terminal growth rate of 3.00 % for the Company beyond the projections periods. The cash flows of Rs. 32.10 Million have been used to determine the terminal value. Based on these assumptions the terminal value has been calculated at Rs. 283.83 Million.

Using these cash flows and a discount rate of 14.31 %, we estimate the equity value of the Company Rs. 256.69 Million.

Discount Factor

Discount Factor considered for arriving at the present value of the Free Cash Flows to the Firm ("FCFF") is the WACC.

The Weighted Average Cost of Capital ("WACC") is based on the proportionate weights of each component of the source of capital, i.e. weighted average of The Cost of Equity ("COE") & The Cost of Debt ("COD") wherein the ratio of Equity/Debt on total capital is the proportionate weights

WACC: COE * Equity Weightage of total Capital + COD * Debt Weightage of total Capital

The Cost of Equity ("COE")

The cost of equity is computed using the capital asset pricing model (CAPM) using the formula shown below.

$$rE = r_f + B (rM - r_f) + CSP$$

Where,

rf = Risk free rate;

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r_M = Market return;

B = sensitivity of the index to the market / measure of market risk

CSP – Company Specific Risk

	Rate	Source
Risk free return (rf)	7.31 %	5-year government bond yield
Market Return (Rm)	12.92 %	BSE-SENSEX Average Market Rate of Return over the last 5 years
Measure of market risk(B)	0.73	Based on Average Levered Beta value of BSE-SENSEX
Company Specific Risk	2.86 %	Contingency of revenues, projected high profitability, achievability of projections

Based on the above parameters, the Cost of Equity has been calculated at **14.29 %**.

The Cost of Debt ("COD")

The Cost of Debt ("COD") is the current or expected cost of borrowing funds for the company or firm to fund its assets. The Cost of Debt considered for DCF Method of Valuation is always post Tax.

The Cost of Debt is calculated using the formula below:

$$\text{Post - COD} = \text{Pre - COD} * (1 - \text{Tax Rate})$$

Where,

Post – COD = Post Tax Cost of Debt

Pre – COD = Pre Tax Cost of Debt

Tax Rate = Marginal Tax Rate for the firm

	Rate
Pre – Tax COD	19.47 %
Tax Rate	25.63 %
Post – Tax COD	14.48 %

Based on the above parameters, the Cost of Debt has been calculated at **14.48 %**

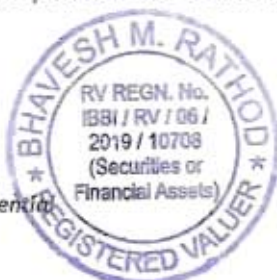
Debt & Equity Weightage

Particulars

Particulars	% Weightage
Debt	10.24 %
Equity	89.76 %
Total	100.00 %

The debt to total capital ratio has been taken as target debt to total capital ratio as of FY22.

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4. Annexure 3

Lyka Labs Limited

Discounted Cash Flows

We have been provided with the business projection of the Company for Five years by the Management, which we have considered for our Analysis. Accordingly, the projected free cash flows to Equity ("FCFF") based on these financial statements is set out below:

(INR Million)					
Number of Months	6	12	12	12	12
Particulars	FY23	FY24	FY25	FY26	FY27
PAT	-15.92	50.50	75.29	109.58	117.15
Add: Interest	38.66	81.53	81.53	81.53	81.53
EBIT	22.74	132.03	156.82	191.10	198.68
Add: Depreciation	53.48	128.41	134.35	139.98	145.60
Less: Capex	0.00	-50.00	-50.00	-50.00	-50.00
[(Increase)/ decrease in working capital]	-31.46	76.94	-6.14	-10.73	-4.76
Free cash flow to firm ('FCFF')	44.76	287.38	235.03	270.35	289.52
Other Non-Current Liability	1.37	0.50	0.95	0.97	1.24
Free cash flow to Equity ('FCFE')	46.13	287.88	235.98	271.32	290.76
Annual factor	0.50	1.00	1.00	1.00	1.00
Discounting period (end year)	0.50	1.50	2.50	3.50	4.50
PV factor	10.51%	0.95	0.86	0.78	0.64
PV of FCFF	43.88	247.79	183.79	191.22	185.42

PV of FCFE for the horizon period	852.10	A
FCFE for terminal year	299.48	
WACC	10.51%	
Perpetuity Growth	3.00%	
Capitalisation Rate	7.51%	
Gross terminal value	3,985.52	
PV factor	0.64	
PV of terminal value	2,541.58	B
Enterprise value	3,393.68	A+B
Less: Debt and Debt-like item	-1,095.94	

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Add: Investment	324.11
Add: Cash & Bank	151.00

Fair Value of Firm	2,772.85
No of Share	2,86,90,000
Value Per Share (In INR) @ Face Value - 10)	96.65

Assumptions

WACC	10.51%
Cost of Equity	13.00%
Cost of Debt	12.68%
Cost of Debt (Post Tax)	9.51%
Risk free rate (Rf)	7.32%
Market Return (Rm)	12.76%
Long Term Growth Rate	3.00%
Beta	0.65
Tax Rate	25.00%
Equity Weightage	28.79%
Debt Weightage	71.21%

Terminal Value

The terminal value refers to the present value of the business as a going concern beyond the period of projections up to infinity. This value is estimated by taking into account expected growth rates of the business in future, sustainable capital investments required for the business as well as the estimates growth rate of the industry and economy. Based on dynamics of the sector and discussions with the Management we have assumed a terminal growth rate of 3.00 % for the Company beyond the projections periods. The cash flows of Rs. 299.48 Million have been used to determine the terminal value. Based on these assumptions the terminal value has been calculated at Rs. 3,985.52 Million.

Using these cash flows and a discount rate of 9.08 %, we estimate the equity value of the Company Rs. 2,772.85 Million.

Discount Factor

Discount Factor considered for arriving at the present value of the Free Cash Flows to the Firm ("FCFF") is the WACC.

The Weighted Average Cost of Capital ("WACC") is based on the proportionate weights of each component of the source of capital, i.e. weighted average of The Cost of Equity ("COE") & The Cost of Debt ("COD") wherein the ratio of Equity/Debt on total capital is the proportionate weights

WACC: COE * Equity Weightage of total Capital + COD * Debt Weightage of total Capital

The Cost of Equity ("COE")

The cost of equity is computed using the capital asset pricing model (CAPM) using the formula shown below.

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$$rE = rf + B (rM - rf) + CSP$$

Where,

rf = Risk free rate;

rM =Market return;

B = sensitivity of the index to the market / measure of market risk

CSP – Company Specific Risk

	Rate	Source
Risk free return (rf)	7.32 %	5-year government bond yield
Market Return (Rm)	12.76 %	BSE-SENSEX Average Market Rate of Return over the last 5 years
Measure of market risk(B)	0.65	Based on Average Levered Beta value of BSE-SENSEX
Company Specific Risk	20.00 %	Contingency of revenues, projected high profitability, achievability of projections

Based on the above parameters, the Cost of Equity has been calculated at 13.00 %.

The Cost of Debt ("COD")

The Cost of Debt ("COD") is the current or expected cost of borrowing funds for the company or firm to fund its assets. The Cost of Debt considered for DCF Method of Valuation is always post Tax.

The Cost of Debt is calculated using the formula below:

$$\text{Post - COD} = \text{Pre - COD} * (1 - \text{Tax Rate})$$

Where,

Post – COD = Post Tax Cost of Debt

Pre – COD = Pre Tax Cost of Debt

Tax Rate = Marginal Tax Rate for the firm

	Rate
Pre – Tax COD	12.68 %
Tax Rate	25.00 %
Post – Tax COD	9.51 %

Based on the above parameters, the Cost of Debt has been calculated at 9.51%

Debt & Equity Weightage

Particulars	% Weightage
Debt	71.21 %
Equity	28.79 %
Total	100.00 %

The debt to total capital ratio has been taken as debt to total capital ratio as of September 30, 2022.

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Annexure II

~~Annexure IV~~**KUNVARJI***Driven By Knowledge***FAIRNESS OPINION**

IN THE MATTER OF SCHEME OF AMALGAMATION IN THE NATURE OF
PROPOSED AMALGAMATION OF

LYKA EXPORTS LIMITED (TRANSFEROR COMPANY)

WITH

LYKA LABS LIMITED (TRANSFeree COMPANY)

STRICTLY PRIVATE AND CONFIDENTIAL

Prepared By:

KUNVARJI*Driven By Knowledge*

Kunvarji Finstock Private Limited

SEBI Registered Category I Merchant Banker

(Registration Number – INM000012564)

Kunvarji, B-Wing, Siddhivinayak Towers,

Nr. D.A.V. School, Off. S. G. Road, Makarba,

Ahmedabad-380051



Kunvarji Finstock Pvt. Ltd.

Registered Office: Kunvarji, B-Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba,

Ahmedabad - 380051

Phone: 91 79 6668 9004 Fax: +91 79 2370 2196 | Email: info@kunvarji.com

Corporate Office: 05th Floor, Summit Business Bldg, Opp. PVR Cinema,

Near Western Express Highway Metro Station, Andheri (E), Mumbai - 400093

CIN: U65910GJ1999PT000077

000273/2022

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*Driven By Knowledge***Date: August 06, 2022**

To,
The Board of Directors,
Lyka Labs Limited,
4801/B & 4802/A
GIDC Industrial Estate
Ankleshwar, Gujarat - 393002
India.

To,
The Board of Directors,
Lyka Exports Limited
Plot No C/4/10/B/2Nd Floor
Adarsh Industrial Complex
OPP.S B I Ankleshwar, Bharuch
Gujarat - 393002, India.

Subject: Fairness opinion on the share exchange ratio recommended by Bhavesh M Rathod, Registered Valuer- Securities or Financial Assets for the proposed amalgamation of Lyka Exports Limited with Lyka Labs Limited.

We refer to the engagement letter dated 01 August 2022 and discussions undertaken with the Management of Lyka Labs Limited ("LLL" or "Transferee Company") and Lyka Exports Limited ("LEL" or "Transferor Company") (hereinafter both of them together referred to as "the Management"), wherein the Management has requested Kunvarji Finstock Private Limited ("Kunvarji" or "We" or "us") to provide a fairness opinion on the share exchange ratio recommended by Bhavesh M Rathod, Registered Valuer - Securities or Financial Assets ("Independent Valuer") vide report dated 06 August, 2022 ("Valuation Date") in connection with the proposed amalgamation of Lyka Exports Limited with Lyka Labs Limited (together LLL and LEL are referred to as "Transacting Companies") (hereinafter referred to as "Proposed amalgamation" or "Proposed Transaction").

Please find enclosed our deliverables in the form of report ("the Report"). This Report sets out the transaction overview, scope of work, background of the Transacting Companies, sources of information and our opinion on the share exchange ratio recommended by the Independent Valuer for the aforesaid Proposed amalgamation. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This Report has been issued only for the purpose of facilitating the Proposed Transaction and should not be used for any other purpose.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)



Place: Ahmedabad



www.kunvarji.com

Kunvarji Finstock Pvt. Ltd.

Registered Office : Kunvarji, B - Wing, Siddhwinayak Towers, Off. S.G. Road Makarba Ahmedabad - 380 051

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Near Western Express Highway- Metro Station, Andheri (E), Mumbai 400093

CIN - U65910GJ1736PTC008979

000264/2022

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*Driven By Knowledge***1. BACKGROUND OF THE COMPANIES****LYKA EXPORTS LIMITED (TRANSFEROR COMPANY)**

Lyka Exports Limited ('LEL' or 'Transferor Company') was incorporated on 04 December 1992 and is engaged in the in the field of marketing and distribution of Generic Pharmaceutical Formulations pan India & across various segments.

The equity shareholding pattern of LEL as at 30 June 2022 is set out below:

Particulars	Number of shares	% of holding
M/s Lyka Labs Limited	53,83,636	72.80%
M/s Enai Trading and Investment Private Limited	3,85,600	5.21%
N. I. Gandhi HUF	17,700	0.24%
I P Gandhi	3,200	0.04%
Mr. Narendra I. Gandhi	8,640	0.12%
Mrs. Nehal N. Gandhi	9,600	0.13%
Mr. Kunal N. Gandhi	27,140	0.37%
MJ Desai - Trustee of Hirakun Trust	4,36,800	5.91%
NC Rathod - Trustee of Ushnal Trust	4,36,800	5.91%
Others	6,86,308	9.28%
Total	73,95,424	100.00%

Note: We understand that the equity shares of LEL held by LLL shall stand cancelled automatically upon the proposed scheme of amalgamation being effective.

LYKA LABS LIMITED (TRANSFEEE COMPANY)

Lyka Labs Limited ('LLL' or 'Transferee Company') was incorporated on 29 December 1976 and is engaged in the business of manufacturing and marketing of pharmaceutical products.

Lyka Labs Limited holds 72.8% shares in Lyka Exports Limited. The equity shares of Lyka Labs Limited are listed on National Stock Exchange and Bombay Stock Exchange.

Atul Chandra



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Kunvarji Finstock Pvt. Ltd.

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Phone: +91 79 6666 9000 | Fax : +91 79 2970 2196 | Email: info@kunvarji.com

Corporate Office : 05, Gr Floor, Summit Business Bay, Opp PVR Cinema, Near Western Express Highway- Metro Station, Andheri (E), Mumbai-400093

CIN - U65910GJ1986PTC000079

000266/2022

The equity shareholding pattern of LLL as at 30 June 2022 is set out below:

Category of shareholder	Number of equity shares (Face Value of INR 10 each)	Percentage %
Promoter and Promoter Group	1,37,12,670	47.80%
Public	1,49,77,330	52.20%
Total	2,86,90,000	100.00%

2. TRANSACTION OVERVIEW AND SCOPE OF SERVICES

Transaction Overview

We understand that the Management of the Transacting Companies is contemplating a scheme of amalgamation, wherein they intend to amalgamate Lyka Exports Limited with Lyka Labs Limited in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the draft scheme of amalgamation (hereinafter referred to as 'the Scheme').

As consideration for the proposed amalgamation, equity shareholders of LEL would be issued equity shares of LLL. The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by the Independent Valuer appointed by them.

Scope of Services

Pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended from time to time, we have been requested by the Management to issue a fairness opinion in relation to the share exchange ratio recommended by the Independent Valuer vide report dated 06 August, 2022 for the proposed amalgamation of Transferor Company with Transferee Company.

In this regard, the Management has appointed Kunvarji Finstock Private Limited ("Kunvarji" or "We" or "us"), SEBI Registered (Category I) Merchant Banker to provide a fairness opinion on the share exchange ratio recommended by an Independent Valuer as at Valuation Date for the Proposed amalgamation.

Our scope of work only includes forming an opinion on the fairness of the recommendation of the Valuer on the share exchange ratio arrived at for the purpose of the Scheme and does not involve evaluating or opining on the fairness or economic rationale of the Scheme per se. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed

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CIN - U65910GJ1986PTC008979
000267/2022



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hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.


3. SOURCES OF INFORMATION

We have relied on the following information made available to us by the Management of the Transacting Companies/ obtained from the public domain for the purpose of this report:

- Signed share exchange ratio report issued and prepared by Bhavesh M Rathod, Registered Valuer- Securities or Financial Assets dated 06 August, 2022;
- Audited standalone/ consolidated financial statements of LLL for the financial year ended 31 March 2022 and 31 March 2021.
- Audited financial statements of LEL for the financial year ended 31 March 2021 and 31 March 2022;
- Financial projections of LEL from 01 April 2022 to 31 March 2027 ('Management Projections') which represents Management's best estimate of the future financial performance of LEL;
- Shareholding pattern of LLL as at 30 June 2022; and shareholding pattern of LEL as at the 30 June 2022;
- Draft scheme of amalgamation between the Transacting Companies pursuant to which proposed amalgamation is to be undertaken;
- Publicly available market data, key trends and valuation multiple of comparable companies;

The Management has been provided with the opportunity to review the draft fairness opinion report (excluding our fairness opinion on the share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided.

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A. K. Jha




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000268/2022

4. PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the opinion:

- Requested and received financial and qualitative information.
- Obtained data available of Companies in the public domain.
- Discussion with the Management to:
 - Understand the business and fundamental factors that affect the business including their earning generating capability and enquire about the historical financial performance, the current state of affairs, business plans and future performance estimates.
- Reviewed signed share exchange ratio report issued and prepared by Bhavesh M Rathod, Registered Valuer- Securities or Financial Assets dated 06 August, 2022;
- Reviewed the draft scheme of amalgamation between the Transacting Companies.
- Reviewed the cashflow projections provided by the Management for LEL including understanding the basis of preparation and the underlying assumptions;
- Discussion with Independent Valuer on such matters which we believed were necessary or appropriate for the purpose of issuing this opinion.

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CIN - U65910GJ1986PTC008779
000269/2022

2017, or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended from time, disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI, National Company Law Tribunal or as required under applicable law and it shall not be valid for any other purpose. This opinion is only intended for the aforementioned specific purpose and if it is used for any other purpose, we will not be liable for any consequences thereof.

The Report assumes that the Transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Companies will be managed in a competent and responsible manner. Further, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not represented to us by the Management. Our fairness opinion assumes that the assets and liabilities of the companies, reflected in their respective balance sheet remain intact as of the Report date.

The Report does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The fee for the engagement is not contingent upon the results reported.

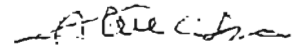
We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Transacting Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed scheme of amalgamation, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of LLL will trade the following announcement of the proposed amalgamation and we express no




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CIN - U65910G11936810008979

000271/2022

5. LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

The fairness opinion contained herein is not intended to represent a fairness opinion at any time other than the report date. We have no obligation to update this report.

This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed as per the terms of our engagement; (ii) the Report Date; (iii) the shareholding pattern of Transacting Companies (iv) audited financial statements for the year ended 31 March 2022 of LEL; and (vi) draft scheme of amalgamation.

A fairness opinion of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The fairness opinion rendered in this Report only represents our opinion based upon information furnished by the Companies and gathered from the public domain (and analysis thereon) and the said opinion shall be considered to be in the nature of non-binding advice. Our fairness opinion should not be used for advising anybody to take a buy or sell decision, for which specific opinion needs to be taken from expert advisors.

We have not independently audited or otherwise verified the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Transacting Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Transacting Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.

It is understood that this opinion is solely for the benefit of confidential use by the Board of Directors of the Transferee Company and the Transferor Company for the purpose of facilitating companies to comply with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10,

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opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the proposed amalgamation.

6. OUR RECOMMENDATION

As stated in the Share Exchange Ratio Report dated 06 August, 2022 prepared by Bhavesh M Rathod, Registered Valuer- Securities or Financial Assets, they have recommended the following:

"23 (Twenty Three) equity shares of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (One Hundred) equity shares held in LEL having face value of INR 10 each fully paid up."

The aforesaid amalgamation shall be pursuant to the draft scheme of amalgamation and shall be subject to receipt of approval from the Hon'ble National Company Law Tribunal, Ahmedabad Bench or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the amalgamation are more fully set forth in the draft scheme of amalgamation. Kunvarji has issued the fairness opinion with the understanding that the draft scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the Proposed Transaction.

Based on the information, data made available to us, to the best of our knowledge and belief, the Share exchange ratio as recommended by Bhavesh M Rathod, Registered Valuer- Securities or Financial Assets in relation to the proposed draft scheme of amalgamation is fair to the equity shareholders of LLL and LEL in our opinion.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)

Date: August 06, 2022

Place: Ahmedabad



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Kunvarji Finstock Pvt. Ltd.

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CIN: U65910GJ1980PTC008979

000272/2022

Date: 24th November, 2022

To,
Kunal Narendra Gandhi,
Managing Director,
Lyka Labs Limited,
4801/B & 4802/A,
GIDC Industrial Estate,
Ankleshwar, Gujarat-393002
India.

To,
Kunal Narendra Gandhi,
Director,
Lyka Exports Limited,
Plot No C/4/10/B/2nd Floor,
Adarsh Industrial Complex,
Gujarat-393002
India.

Subject: Addendum to Fairness opinion dated August 06, 2022

We refer to our Existing Fairness Opinion dated August 06, 2022 wherein fairness opinion was provided on the valuation report of Mr. Bhavesh M Rathod, Registered Valuer - Securities or Financial Assets (Independent Valuer) dated August 06, 2022 in relation to proposed amalgamation of Lyka Exports Limited ("LEL" or "Transferor Company") with Lyka Labs Limited ("LLL" or "Transferee Company") (together Lyka Labs Limited and Lyka Exports Limited are referred to as "Transacting Companies") (hereinafter referred to as "Proposed amalgamation").

The scope of this Addendum to comment on the fairness of the Independent Valuer's Addendum dated 24th November, 2022. The Independent Valuer's Addendum states that the management of LEL and LLL has additionally provided Audited Financial Statement of the Transferor Company and Limited Reviewed Financial Statement of the Transferee Company as on September 30, 2022.

Transaction Overview

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate Lyka Exports Limited with Lyka Labs Limited in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the draft scheme of amalgamation (hereinafter referred to as 'the Scheme').

As a consideration for the proposed amalgamation, equity shareholders of LEL would be issued equity shares of LLL. The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by Independent Valuer appointed by them.

Arun Chandra

Kunvarji Finstock Pvt. Ltd.

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CIN - U65910GJ1986PTC008979

060703/2022



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Independent Valuer's Recommendation as per Addendum to Valuation Report dated 24th November, 2022

As stated in the Addendum to Valuation Report dated 24th November, 2022, the Independent Valuer has recommended the following share exchange ratio:

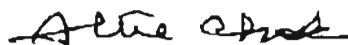
"23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up."

Our Comment on the Independent Valuer's Report

In the circumstance, having regard to the relevant factors and on the basis of information and explanation provided to us, in our review, the proposed exchange ratio as recommended by the Independent Valuer, which forms the basis for the proposed Scheme, is **fair** in our opinion.

The addendum shall be in addition to and should be considered a part of Fairness Opinion dated August 06, 2022. All other facts and figures except the changes as provided by this Addendum mentioned in the Fairness Opinion dated August 06, 2022 shall continue to be in full force and effect. The Addendum along with Fairness Opinion dated August 06, 2022 shall constitute the Fairness Opinion for the purpose of the Scheme.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)



Place: Ahmedabad



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Near Western Express Highway-Metro Station, Andheri (E), Mumbai - 400093.

CIN - U65910GJ1986PTC008979
000704/2022

Date: 24th November, 2022

To,
Kunal Narendra Gandhi,
Managing Director,
 Lyka Labs Limited,
 4801/B & 4802/A,
 GIDC Industrial Estate,
 Ankleshwar, Gujarat-393002
 India.

To,
Kunal Narendra Gandhi,
Director,
 Lyka Exports Limited,
 Plot No C/4/10/B/2nd Floor,
 Adarsh Industrial Complex,
 Gujarat-393002
 India.

Subject: Addendum to Fairness opinion dated August 06, 2022

We refer to our Existing Fairness Opinion dated August 06, 2022 wherein fairness opinion was provided on the valuation report of Mr. Bhavesh M Rathod, Registered Valuer - Securities or Financial Assets (Independent Valuer) dated August 06, 2022 in relation to proposed amalgamation of Lyka Exports Limited ("LEL" or "Transferor Company") with Lyka Labs Limited ("LLL" or "Transferee Company") (together Lyka Labs Limited and Lyka Exports Limited are referred to as "Transacting Companies") (hereinafter referred to as "Proposed amalgamation").

The scope of this Addendum to comment on the fairness of the Independent Valuer's Addendum dated 24th November, 2022. The Independent Valuer's Addendum states that the management of LEL and LLL has additionally provided Audited Financial Statement of the Transferor Company and Limited Reviewed Financial Statement of the Transferee Company as on September 30, 2022.

Transaction Overview

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate Lyka Exports Limited with Lyka Labs Limited in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the draft scheme of amalgamation (hereinafter referred to as 'the Scheme').

As a consideration for the proposed amalgamation, equity shareholders of LEL would be issued equity shares of LLL. The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by Independent Valuer appointed by them.




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CIN - U65910GJ1986PTC008979
 000703/2022



Independent Valuer's Recommendation as per Addendum to Valuation Report dated 24th November, 2022

As stated in the Addendum to Valuation Report dated 24th November, 2022, the Independent Valuer has recommended the following share exchange ratio:

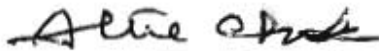
"23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up."

Our Comment on the Independent Valuer's Report

In the circumstance, having regard to the relevant factors and on the basis of information and explanation provided to us, in our review, the proposed exchange ratio as recommended by the Independent Valuer, which forms the basis for the proposed Scheme, is **fair** in our opinion.

The addendum shall be in addition to and should be considered a part of Fairness Opinion dated August 06, 2022. All other facts and figures except the changes as provided by this Addendum mentioned in the Fairness Opinion dated August 06, 2022 shall continue to be in full force and effect. The Addendum along with Fairness Opinion dated August 06, 2022 shall constitute the Fairness Opinion for the purpose of the Scheme.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)



Place: Ahmedabad



Date: December 28, 2022

To,
Kunal Narendra Gandhi,
Managing Director,
 Lyka Labs Limited,
 4801/B & 4802/A,
 GIDC Industrial Estate,
 Ankleshwar, Gujarat-393002
 India.

To,
Kunal Narendra Gandhi,
Director,
 Lyka Exports Limited,
 Plot No C/4/10/B/2nd Floor,
 Adarsh Industrial Complex,
 Gujarat-393002
 India.

Subject: Second Addendum to Fairness opinion dated August 06, 2022 and first addendum dated November 24, 2022

We refer to our Existing Fairness Opinion dated August 06, 2022 and first addendum to fairness opinion dated November 24, 2022 wherein fairness opinion was provided on the valuation report of Mr. Bhavesh M Rathod, Registered Valuer - Securities or Financial Assets (Independent Valuer) dated August 06, 2022 in relation to proposed amalgamation of Lyka Exports Limited ("LEL" or "Transferor Company") with Lyka Labs Limited ("LLL" or "Transferee Company") (together Lyka Labs Limited and Lyka Exports Limited are referred to as "Transacting Companies") (hereinafter referred to as "Proposed amalgamation").

The scope of this Second Addendum to comment on the fairness of the Independent Valuer's Second Addendum dated December 28, 2022.

Transaction Overview

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate Lyka Exports Limited with Lyka Labs Limited in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the draft scheme of amalgamation (hereinafter referred to as 'the Scheme').

As a consideration for the proposed amalgamation, equity shareholders of LEL would be issued equity shares of LLL. The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by Independent Valuer appointed by them.



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 CIN - U65910GJ1986PTC008979
 000009/2023



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Independent Valuer's Recommendation as per Second Addendum to Valuation Report dated December 28, 2022

As stated in the Second Addendum to Valuation Report dated December 28, 2022, the Independent Valuer has recommended the following share exchange ratio:

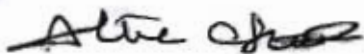
"23 (Twenty Three) equity share of LLL having face value of INR 10 each fully paid up shall be issued for every 100 (Hundred) equity shares held in LEL having face value of INR 10 each fully paid up."

Our Comment on the Independent Valuer's Report

In the circumstance, having regard to the relevant factors and on the basis of information and explanation provided to us, in our review, the proposed exchange ratio as recommended by the Independent Valuer, which forms the basis for the proposed Scheme, is **fair** in our opinion.

The second addendum shall be in addition to and should be considered a part of Fairness Opinion dated August 06, 2022 and first addendum to fairness opinion dated November 24, 2022. All other facts and figures except the changes as provided by this second addendum mentioned in the Fairness Opinion dated August 06, 2022 and first addendum to fairness opinion dated November 24, 2022 shall continue to be in full force and effect. The second addendum along with Fairness Opinion dated August 06, 2022 and first addendum to fairness opinion dated November 24, 2022 shall constitute the Fairness Opinion for the purpose of the Scheme.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)



Place: Ahmedabad

Kunvarji Finstock Pvt. Ltd.

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CIN - U65910GJ1986PTC008979

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To,
The Board of Directors,
Lyka Labs Limited
4801/B & 4802/A, GIDC Industrial Estate,
Ankleshwar Gujarat, India 393002

To,
The Board of Directors,
Lyka Exports Limited
Plot No C/4/10/B/2nd Floor
Adarsh Industrial Complex Opp: S B I, Bharuch
Ankleshwar Gujarat, India 393002

Dear Sir,

Sub: Certificate on adequacy and accuracy of disclosure of information pertaining to the unlisted Company i.e. Lyka Exports Limited ("Transferor Company" or "LEL"), in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 in compliance with SEBI Master Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/00093 dated June 20, 2023 ("SEBI Circulars") for the purpose of Scheme of Arrangement in the nature of merger/amalgamation of the Transferor Company with Lyka Labs Limited ("Transferee Company" or "LLL") and their respective shareholders and creditors ("Scheme").

We, Kunvarji Finstock Private Limited ("KFPL", "Kunvarji", "We" or "us"), a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012564 have been appointed by Board of Directors ("Board") of Lyka Labs Limited (CIN L24230GJ1976PLC008738) for the purpose of certifying the adequacy and accuracy of disclosure of information pertaining to the unlisted Company, Lyka Exports Limited (CIN: U51100GJ1992PLC023975) in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, involved in the proposed Scheme of Arrangement in the nature of merger/amalgamation of the Transferor Company with Lyka Labs Limited and their respective shareholders and creditors ("Scheme").

Scope and Purpose of the Certificate:

As required under SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00093 dated June 20, 2023 ("SEBI Circular") inter alia prescribed that the listed entity in the present case Lyka Labs Limited (CIN : L24230GJ1976PLC008738) shall include the applicable information pertaining to the unlisted entity involved in the Scheme, in the present case being Lyka Exports Limited, in the format specified for Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), in the explanatory statement or notice or proposal accompanying resolution to be passed, will be sent to the

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☎ +917966669000 ✉ mb@kunvarji.com

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CIN : U65910GJ1986PTC008979



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shareholders while seeking approval of the Scheme. SEBI Circulars further prescribe that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.

This certificate is restricted to meet the above-mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

1. **Certification:**

We state and confirm as follows:

- 1) We have examined various documents and other materials made available to us by the management of LLL and LEL in connection with finalization of disclosure document containing information in the format prescribed for abridged prospectus ("Disclosure Document") dated January 16, 2024, pertaining to LEL, which will be circulated to the shareholders and creditors of LLL at the time of seeking their consent to the Scheme of Arrangement in the nature of merger/amalgamation of LEL with LLL as a part of explanatory statement to the notice.
- 2) Based on the information, documents, confirmation, representation, undertakings and certificates provided to us by LLL and LEL and as well discussions with their management, Directors and officers, we confirm that, the information contained in the Disclosure Document of LEL is adequate and accurate in the terms of the SEBI Circulars read with Part E of Schedule VI of the SEBI ICDR Regulations.

2. **Disclaimer:**

Our scope of work did not include the following:-

- An audit of the financial statements of LEL.
- Carrying out a market survey / financial feasibility for the Business of LEL.
- Financial and Legal due diligence of LEL.

It may be noted that in carrying out our work, we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of LEL and LLL.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate

Kunvarji Finstock Pvt. Ltd.

☎ +91 79 6446 9000 ✉ mb@kunvarji.com

📍 Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Ahmedabad - 380 051

Corporate Office : 1208-20, 12th Floor, Summit Business Bay, Opp. PVR Cinema,

Near Western Express Highway - Metro Station, Andheri (E), Mumbai, Maharashtra - 400093.

CIN - U65910GJ1986PTC008979



www.kunvarji.com

We understand that the management of LEL and LLL, during our discussions with them, would have drawn our attention to all such information and matters which may have an impact on our Certificate.

The fee for our services is not contingent upon the result of the Scheme.

The management of LEL and LLL or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate.

Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the Scheme of Amalgamation with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the Company or any of its related parties (holding companies/subsidiaries/associates etc.)

In no event, KFPL, its Directors and employees will be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Yours faithfully,
For, Kunvarji Finstock Private Limited

Satish	Digitally signed by
Virjibhai	Satish Virjibhai
Bhanushali	Bhanushali
	Date: 2024.01.16
	09:39:08 +05'30'

Satish Bhanushali
Compliance Officer
Date: January 16, 2024
Place: Mumbai



ABRIDGED PROSPECTUS

This is an abridged prospectus containing the information pertaining to the unlisted company, Lyka Exports Limited (“LEL”), involved in the Scheme of Amalgamation of Lyka Exports Limited (the “Transferor Company” or the “Company”) with Lyka Labs Limited (the “Transferee Company” or “LLL”) and their respective shareholders (“Scheme of Amalgamation”), in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/SEEP/CIR/P/2022/14 dated February 4, 2022 in accordance with SEBI Master Circular No. SEBI/HO/CFD/POD- 2/P/CIR/2023/93 dated June 20, 2023. This abridged prospectus should be read together with the Scheme of Amalgamation.

THIS ABRIDGED PROSPECTUS CONTAINS 08 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

You may download the Scheme of Amalgamation from the website of Lyka Labs Limited and the stock exchanges where the equity shares of Lyka Labs Limited are listed i.e. www.nseindia.com and www.bseindia.com.

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Scheme of Amalgamation)

LYKA EXPORTS LIMITED

CIN: U51100GJ1992PLC023975, Date of Incorporation: December 04, 1992

Registered Office	Corporate Office	Contact person	E-mail and Telephone	Website
Plot No C/ 4/ 10/ B/ 2nd Floor Adarsh Industrial Complex Opp: S B I Ankleshwaer, Bharuch 393 002.	–	Yogesh B. Shah Chairman	companysecretary@lykalabs.com Telephone: 022 -6611 2200	N.A.

NAME OF PROMOTERS OF TRANSFEROR COMPANY

1. Mr. Kunal Narendra Gandhi (Promoter)
2. Mrs. Nehal Narendra Gandhi (Promoter)
3. Late Mr. Narendra Ishwarlal Gandhi (Promoter)
4. Lyka Labs Limited (Promoter Group)
5. Enai Trading & Investment Pvt. Ltd. (Promoter Group)

DETAILS OF OFFER TO PUBLIC

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs.)	OFS Size (by no. of shares or by amount in Rs.)	Total Issue Size (by no. of shares or by amount in Rs.)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Not applicable							

OFS: Offer for Sale

DETAILS OF THE SCHEME OF AMALGAMATION AND LISTING

DETAILS OF THE SCHEME OF AMALGAMATION

Scheme of Amalgamation of Lyka Exports Limited (the “Transferor Company”) with Lyka Labs Limited (the “Transferee Company”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the “Act”) (hereinafter referred to as the “Scheme” / “Scheme of Amalgamation”) is proposed.

The Scheme provides for (i) amalgamation of the Transferor Company with the Transferee Company; (ii) cancellation of equity shares of Transferor Company to the extent held by Transferee Company; and (iii) allotment of equity shares of the Transferee Company to the shareholders of the Transferor Company in the proportion of equity shares held by them in the Transferor Company.

The Appointed Date of the Scheme means April 01, 2022, or such other date as may be approved by the Hon’ble NCLT. The Effective Date of the Scheme means the last of the dates on which the certified or authenticated copies

of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company.

The Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

Rationale for the Scheme:

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve *inter-alia* economies of scale and efficiency, the amalgamation of the Transferor Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

Consideration for the amalgamation of the Transferor Company under the Scheme:

In consideration for the amalgamation of the Transferor Company, the Transferee Company shall issue and allot its equity shares on proportionate basis to shareholders of the Transferor Company as on the Effective Date, in the manner given below:

“23 (Twenty Three) equity shares of the Transferee Company of the face value of Rs.10 (Rupees Ten Only) each fully paid up for every 100 (Hundred) equity shares of the Transferor Company of the face value of Rs.10/- (Rupees Ten Only) each fully paid up to the registered equity shareholders of the Transferor Company.”

Further, upon the Scheme of Amalgamation becoming effective, all equity shares held by the Transferee Company in the share capital of the Transferor Company (held either directly or through its nominees) shall stand cancelled.

LISTING

The equity shares of the Transferor Company are not listed on any recognised stock exchanges. The equity shares of the Transferee Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

The equity shares of the Transferee Company, issued as consideration to the shareholders of the Transferor Company, are proposed to be listed on BSE and NSE.

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Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto a maximum of 10 selling shareholders)							
Name	Type	No of Shares offered/ Amount in ₹	WACA in ₹ per Equity	Name	Type	No. of Shares offered/ Amount in ₹	WACA in ₹ per Equity
Not applicable							

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES	
Price Band*	Not applicable
Minimum Bid Lot Size	
Bid/Offer Open On	
Bid/Closes Open On	
Finalisation of Basis of Allotment	
Initiation of Refunds	
Credit of Equity Shares to Demat accounts of Allottees	
Commencement of trading of Equity Shares	

*For details of price band and basis of offer price, please refer to price band advertisement and page xx of RHP- Not applicable

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP- Not applicable			
Period	Weighted Average Cost of Acquisition (in ₹)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in ₹)
Trailing Eighteen Month from the date of RHP	Not applicable		

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of RHP

RISKS IN RELATION TO THE FIRST OFFER
Not applicable

GENERAL RISKS
<p>Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme of Amalgamation or Abridged Prospectus.</p> <p>Transferor Company would be amalgamated with and into the Transferee Company. Specified attention of the investors is invited to the section titled "Internal Risk Factors" on page 07 of this Abridged Prospectus.</p>

PROCEDURE
The procedure with respect to public issue/ offer would not be applicable as this issue is only to the shareholders of the Transferor Company, pursuant to the Scheme of Amalgamation, without any cash consideration. Hence, the procedure with respect to a General Information Document is not applicable.

PRICE INFORMATION OF BRLM's*				
Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)- 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)- 90th calendar days from Listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
Not applicable				

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ABRIDGED PROSPECTUS

Name of Merchant Banker and contact details (telephone and email id) of each BRLM/ Merchant Banker	Kunvarji Finstock Private Limited SEBI Registration Number: INM000012564 Address: Kunvarji, B-Wing, Siddhivinayak Towers, Nr. D.A.V. School, Off. S. G. Road, Makarba, Ahmedabad-380051, Gujarat. Telephone Number: +91 7966669000 Email Id: info@kunvarji.com Website: www.kunvarji.com Contact Person: Mr. Atul Chokshi CIN: U65910GJ1986PTC008979
Name of Syndicate Members	Not applicable

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included - **Not applicable**

Name of Statutory Auditor	M/s. D. Kothary & Co. Address: 102 Ameya House, Near Azadnagar Metro Station, Adjacent to Standard Chartered Bank, Andheri (West), Mumbai – 400058, Maharashtra. Telephone Number: +91 22 6865 1155 Email Id: info@dkothary.com Website: www.dkothary.com Contact Person: CA Mehul Patel Membership No: 132650 Firm Registration No. 105335W
Name of Registrar to the Issue and contact details (telephone and email id)	Not applicable
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any	
Self-Certified Syndicate Banks	
Non Syndicate Registered Brokers	
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	

PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	Mr. Kunal Narendra Gandhi	Individual	Master of Science (Lancaster University, Lancaster, U.K.) Director of Company since 7th July 2014, and contributed to the overseas business of the Company
2.	Mrs. Nehal Narendra Gandhi	Individual	B.A., having experience of 25 years in Business Management, previously held Directorship in this Company and several other Companies.
3.	Late Mr. Nsarendra Ishwarlal Gandhi	Individual	B. Com, Industrialist, A well-known personality in the Pharma Industry, Winner of Udyog Ratna Award and “Girnar ‘Award, Managing Director of the Company during the period from 1964 to 2019.
4.	Lyka Labs Limited (Promoter Group)	Corporate	The Transferee Company is engaged in the business of manufacturing and marketing of pharmaceutical products. The Transferee Company’s equity shares are listed on BSE Limited and National Stock Exchange of India Limited.

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ABRIDGED PROSPECTUS

5.	Enai Trading & Investment Pvt. Ltd. (Promoter Group)	Corporate	Enai Trading and Investment Private Limited is a private company, limited by shares, incorporated on 23 rd November, 1993 under the Companies Act, 1956. It is primarily in the business of investment in securities.
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Details of promoter/s should not exceed 500 words while explaining their experience and educational qualifications

BUSINESS OVERVIEW AND STRATEGY

Company Overview: The Transferor Company was incorporated on December 04, 1992, as a private company under the Companies Act, 1956. The Transferor Company was converted into a public company on November 23, 1994.
Product/Service Offering: Marketing and Distribution of Generic Pharmaceutical Formulations pan India & across various segments
Revenue segmentation by product/service offering: NA
Geographies Served: NA
Revenue segmentation by geographies: NA
Key Performance Indicators: The Transferor Company does not publish any key performance indicators other than financial information as stated in its audited financial statements.
Client Profile or Industries Served: Pharmaceuticals Industry
Revenue segmentation in terms of top 5/10 clients or Industries: NA
Intellectual Property, if any: Trade Mark/Brand
Market Share: NA
Manufacturing plant, if any: NIL
Employee Strength: 3 Employees

Note:

- 1) The quantitative statements shall be substantiated with Key Performance Indicators (KPIs) and other quantitative factors.
- 2) No qualitative statements shall be made which cannot be substantiated with KPIs.
- 3) Information provided in the table should not exceed 1000 words.

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole Time/ Executive/ Nominee)	Experience & Educational Qualification	Other Directorships
1.	Yogesh Babulal Shah (DIN: 06396150)	Chairman	Commerce Graduate, having more than 41 years of experience in the field of Accounts, Finance and Taxation.	1. Lyka Labs Limited 2. Hiralaxmi Business Finance Private Limited
2.	Narendra Chimanlal Rathod (DIN: 09719860)	Director	MBA in Finance, having more than 25 years of experience in the field of Accounts and Finance.	1. Lyka Generics Limited 2. Enai Trading And Investment Private Limited 3. Hiralaxmi Business Finance Private Limited
3.	Dhara Pratik Shah (DIN: 07530998)	Director	B. Com, LLB and CS, having a professional experience in Corporate Laws and Corporate Governance.	1. Lyka BDR International Limited 2. Lyka Labs Limited

OBJECTS OF THE ISSUE

Not applicable

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ABRIDGED PROSPECTUS

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Transferor Company in the preceding 10 years - Not applicable

Name of monitoring agency, if any - Not applicable

Terms of Issuance of Convertible Security, if any

Convertible securities being offered by the Company	Not applicable
Face Value / Issue Price per Convertible securities	
Issue Size	
Interest on Convertible Securities	
Conversion Period of Convertible Securities	
Conversion Price for Convertible Securities	
Conversion Date for Convertible Securities	
Details of Security created for CCD	

SHAREHOLDING PATTERN

Sr. No.	Particular	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	63,19,316	85.45
2.	Public	10,76,108	14.55
	Total	73,95,424	100

Number/amount of equity shares proposed to be sold by selling shareholders, if any - Not applicable

RESTATED AUDITED FINANCIALS

Particular	(Rupees in Lakhs)			
	Latest Stub period 30.06.2023	For F.Y. ended 31.03.2023	For F.Y. ended 31.03.2022	For F.Y. ended 31.03.2021
Total Income from Operations (Net) ¹	45.00	524.11	1866.01	1266.50
Net Profit/(loss) Before Tax and Extraordinary Items ²	26.11	(33.67)	93.47	48.94
Net Profit/(loss) After Tax and Extraordinary Items	14.18	(16.74)	64.82	73.06
Equity Share Capital	739.54	739.54	739.54	739.54
Reserves & Surplus	(272.87)	(287.05)	(272.60)	(337.23)
Net Worth	466.67	452.49	466.94	402.31
Basic earnings per Share ³ (Rs.)	0.19	(2.26)	0.88	0.99
Diluted earnings per Share ³ (Rs.)	0.19	(2.26)	0.88	0.99
Return on Net Worth ⁴ (%)	3.03	(3.70)	13.88	18.16
Net Assets Value Per Share ⁵ (Rs.)	0.631	0.612	0.631	0.544

Note A - Transferor Company is not required to prepare the consolidated financial statements for the year ended March 31, 2023. We have provided the information basis standalone financial statement for the year ended March 31, 2023 (approved by the Board of Directors of the Transferor Company but are yet to be adopted by the shareholders of the Transferor Company).

¹Total income from operations (Net) excludes the amount of other income as mentioned in the financial statements of the Transferor Company.

²Profit before tax and extraordinary items includes the amount of exceptional items.

³Basic and Diluted earnings per share are calculated after considering the exceptional items.

⁴Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.

⁵Net asset value per share has been calculated by applying the following formula: sum of the balance of Equity Share Capital & Reserves and Surplus divided by number of outstanding equity shares.

INTERNAL RISK FACTORS

1. The implementation of the Scheme is subject to receipt of various approvals, including approval from shareholders and creditors of the Transferor Company, regulatory authorities and the NCLT. In the event that these approvals are not received, the Transferor Company may not be able to effect the Scheme and commence business operations.
2. The Transferor Company's performance and growth are dependent on the performance of the Indian and global economy, which in turn, depends on various external factors. Any downturn in the macroeconomic environment in India could affect the business, prospects, financial condition, results of operations and cash flows of the Transferor Company.
3. Post-effectiveness of the Scheme, the Transferee Company intends to operate in the pharmaceutical and consumer healthcare sector which is intensely competitive with numerous major competing. Such competitors may succeed in developing products that are cheaper, popular or more efficient than the products of the Transferee Company, thus adversely affecting the profitability and business of the Transferee Company.
4. In past few years, the Government of India has made frequent changes in regulations covering drug pricing, trade margins and other laws which impact us. Any adverse changes in government policies with respect to pricing or trade margins with respect to our products may impact our performance.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Transferor Company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Transferor Company						
By the Transferor Company	Summons Case SS/2480/2014 M/S. Lyka Export Ltd. Vs. Arvind Bansal (Amount Rs. 1,32,610/-)	NIL	NIL	NIL	Arbpl/18683/2023 M/S. Lyka Export Ltd. Vs. M/S. Cadiz Life Science (Amount Claim Rs. 1,62,99,201/-)	
Against the Transferor Company	Nil	Nil	Nil	Nil	Nil	Nil
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Subsidiaries						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

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- B. Brief details of top 5 material outstanding litigations against the Transferor Company and amount involved: NIL
- C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 words limit in total): N.A.
- D. Brief details of outstanding criminal proceedings against Promoters (200 - 300-word limit in total): NIL

ANY OTHER IMPORTANT INFORMATION AS PER ISSUER COMPANY
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NIL

DECLARATION BY THE TRANSFEROR COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

For **Lyka Exports Limited**

Sd/-

Yogesh B. Shah

Chairman

DIN: 06396150

Mumbai; 16th January 2024.

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: Lyka Exports Ltd.	
2.	Scrip Code/Name of Scrip/Class of Security:	
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)	
	a.	If under 31(1)(b) then indicate the report for Quarter ending as on 31st December 2024
	b.	If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-	

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

*** If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.**

GENERATED ON :27/01/2025	NSDL : NA	CDSL :31/12/2024
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Lyka Exports Ltd.**Table I - Summary Statement holding of specified securities**

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				Shares Underlying Outstanding convertible securities (including	ing, as a % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) =	(VIII) As a	(IX)			(X)	(XI)=	(XII)		(XIII)		(XIV)	
(A)	Promoter & Promoter Group	6	6319316	0	0	6319316	85.449	6319316	0	6319316	85.449	0	85.449	0	0	0	0	891900
(B)	Public	2999	1076108	0	0	1076108	14.551	1076108	0	1076108	14.551	0	14.551	0	0	NA	NA	16068
(C)	Non Promoter - Non Public				0				0			0			0	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0
	Total	3005	7395424	0	0	7395424	100	7395424	0	7395424	100	0	100	0	0	0	0	907968

GENERATED ON :27/01/2025

NSDL : NA

CDSL :31/12/2024

Lyka Exports Ltd.

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category & Name of the shareholders	Entity Type	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			Shares Underlying Outstanding convertible securities (including	ing, as a % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
									No of Voting Rights					Total as a % of Total Voting Rights	No. (a)	As a % of total Shares held(b)	No. (a)		As a % of total Shares held(b)
									Class eg: X	Class eg: y	Total								
(I)		(II)	(III)	(IV)	(V)	(VI)	(VII) =	(VIII) As a	(IX)			(X)	(XI)=	(XII)	(XIII)	(XIV)			
1	Indian																		
(a)	Individuals / Hindu Undivided Family			6	6319316	0	0	6319316	85.449	6319316	0	6319316	85.449	0	85.449	0	0	0	891900
	Lyka Labs Limited	Promoters		1	5383636	0	0	5383636	72.7969	5383636	0	5383636	72.7969	0	72.7969	0	0	0	0
	Kunal N Gandhi	Promoter Group	AJDPG3112D	1	481140	0	0	481140	6.5059	481140	0	481140	6.5059	0	6.5059	0	0	0	454000
	Nehal Narendra Gandhi	Promoter Group	AEJPG2346C	1	437900	0	0	437900	5.9212	437900	0	437900	5.9212	0	5.9212	0	0	0	437900
	Narendra Ishwarlal Gandhi	Promoters		1	8480	0	0	8480	0.1147	8480	0	8480	0.1147	0	0.1147	0	0	0	0
	Nehal Gandhi	Promoters		1	8000	0	0	8000	0.1082	8000	0	8000	0.1082	0	0.1082	0	0	0	0
	N I Gandhi	Promoters		1	160	0	0	160	0.0022	160	0	160	0.0022	0	0.0022	0	0	0	0
(b)	Central Government / State Government(s)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (A)(1)			6	6319316	0	0	6319316	85.449	6319316	0	6319316	85.449	0	85.449	0	0	0	891900
2	Foreign																		
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Government			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Institutions			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Sub Total (A)(2)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)			6	6319316	0	0	6319316	85.449	6319316	0	6319316	85.449	0	85.449	0	0	0	891900

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Not

(1) PAN would not be displayed on website of Stock Exchange(s)

(2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

GENERATED ON :27/01/2025

NSDL : NA

CDSL :31/12/2024

Lyka Exports Ltd.

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				Shares Underlying Outstanding convertible securities (including	ing, as a % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	Sub-categorization of shares				
								No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		Shareholding under Sub-category(i)	No. of shares	Sub-category(i)	Sub-category(ii)	
								Class eg: X	Class eg: Y	Total													
1	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) =	(VIII) As a	(IX)				(X)	(XI) =	(XII)		(XIII)		(XIV)	(XV)			
(a)	Mutual Fund		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(b)	Venture Capital Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(c)	Alternate Investment Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(d)	Banks		1	60	0	0	60	0.0008	60	0	60	0.0008	0	0.0008	0	0	0	NA	NA	0	0	0	0
(e)	Insurance Companies		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(f)	Provident Funds/ Pension Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(G)	Asset Reconstruction Companies		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(h)	Sovereign Wealth Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(i)	NBFCs registered with RBI		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(j)	Other Financial Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(k)	Any Other (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
	Sub Total (B)(1)		1	60	0	0	60	0.0008	60	0	60	0.0008	0	0.0008	0	0	0	NA	NA	0	0	0	0
2	Institutions (Foreign)																						
(a)	Foreign Direct Investment		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(b)	Foreign Venture Capital Investors		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(c)	Sovereign Wealth Funds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(d)	Foreign Portfolio Investors Category I		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(e)	Foreign Portfolio Investors Category II		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(f)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(g)	Any Other (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
	Sub Total (B)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
3	Central Government/ State Government(s)																						
(a)	Central Government / President of India		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(b)	State Government / Governor		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(C)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
	Sub Total (B)(3)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
4	Non-Institutions																						
(a)	Associate companies / Subsidiaries		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(C)	Key Managerial Personnel		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(D)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(E)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(f)	Investor Education and Protection Fund (IEPF)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0			
(g)	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.		2956	666928	0	0	666928	9.0181	666928	0	666928	9.0181	0	9.0181	0	0	0	NA	NA	15908	0	0	0

Lyka Exports Ltd.

Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

	Category & Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				Shares Underlying Outstanding convertible securities (including	ing, as a % assuming full conversion of convertible securities	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: X	Class eg: y	Total								
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) =	(viii) As a	(ix)				(x)	(xi)=	(xii)		(xiii)		(xiv)	
1	Custodian/DR Holder		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII)is not applicable in the above format

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available

GENERATED ON :27/01/2025

NSDL : NA

CDSL :31/12/2024

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities(X)			Total as a % of Total Voting rights	No. Of Shares Underlying Outstanding convertible securities (X)	No. Of Shares Underlying Outstanding Warrants (XI) (a)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (XI) (a)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	Sub-categorization of shares Shareholding (No. of shares) under		
								Class eg: X	Class eg:Y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		Sub-category (i)	Sub-category (ii)	Sub-category (iii)
A Table II - Statement showing shareholding pattern of the Promoter and Promoter Group																							
(1) Indian																							
(a)	Individuals/Hindu undivided Family	7	5092586			5092586	14.27	5092586.00		5092586	14.27			14.27	0	0.00			5092586				
(b)	Central Government/ State Government(s)																						
(c)	Financial Institutions/ Banks																						
(d)	Any Other (specify)	3	15644923			15644923	43.84	15644923.00		15644923	43.84			43.84	7000000	44.74			15644923				
	Sub-Total (A)(1)	10	20737509			20737509	58.10	20737509.00		20737509	58.10			58.10	7000000	33.76			20737509				
(2) Foreign																							
(a)	Individuals (NonResident Individuals/ Foreign Individuals)																						
(b)	Government																						
(c)	Institutions																						
(d)	Foreign Portfolio Investor																						
(e)	Any Other (specify)																						
	Sub-Total (A)(2)																						
	Total Shareholding of Promoter and Promoter Group (A)=(A1)+(A2)	10	20737509			20737509	58.10	20737509.00		20737509	58.10			58.10	7000000	33.76			20737509				

Details of Shares which remain unclaimed for Promoter & Promoter Group

B Table III - Statement showing shareholding pattern of the Public shareholder Note : Kindly show details of shareholders having more than one percentage of total no of shares. Please refer software manual.																						
(1) Institutions (Domestic)																						
(a)	Mutual Funds	4	3400			3400	0.01	3400		3400	0.01			0.01					0	0	0	0
(b)	Venture Capital Funds																					
(c)	Alternate Investment Funds	1	132651			132651	0.37	132651		132651	0.37			0.37					132651	0	0	0
(d)	Banks	4	700			700	0.00	700		700	0.00			0.00					50	0	0	0
(e)	Insurance Companies	2	101000			101000	0.28	101000		101000	0.28			0.28					100000	0	0	0
(f)	Provident Funds/ Pension Funds																					
(g)	Asset reconstruction companies																					
(h)	Sovereign Wealth Funds																					
(i)	NBFCs registered with RBI																					
(j)	Other Financial Institutions																					
(k)	Any Other (specify)																					
	Sub-Total (B)(1)	11	237751			237751	0.67	237751		237751	0.67			0.67					232701	0	0	0
(2) Institutions (Foreign)																						
(a)	Foreign Direct Investment																					
(b)	Foreign Venture Capital Investors																					
(c)	Sovereign Wealth Funds																					
(d)	Foreign Portfolio Investors Category I	3	55076			55076	0.15	55076		55076	0.15			0.15					55076	0	0	0
(e)	Foreign Portfolio Investors Category II	1	2			2	0.00	2		2	0.00			0.00					2	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)																					
(g)	Any Other (specify)																					
	Sub-Total (B)(2)	4	55078			55078	0.15	55078		55078	0.15			0.15					55078	0	0	0
(3) Central Government / State Government(s)																						
(a)	Central Government / President of India																					
(b)	State Government / Governor																					
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter																					
	Sub-Total (B)(3)																					
(4) Non-institutions																						
(a)	Associate companies / Subsidiaries																					
(b)	Directors and their relatives (excluding independent directors and nominee directors)																					
(c)	Key Managerial Personnel																					
(d)	Relatives of promoters (other than "immediate relatives" of promoters disclosed under "Promoter and Promoter Group" category)																					
(e)	Trusts where any person belonging to "Promoter and Promoter Group" category is "trustee", "beneficiary", or "author of the trust"																					
(f)	Investor Education and Protection Fund (IEPF)																					
(g)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	27943	8254390			8254390	23.13	8254390		8254390	23.13			23.13					8054151	0	0	0
(h)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	58	3212634			3212634	9.00	3212634		3212634	9.00			9.00					3212634	0	0	0
(i)	Non Resident Indians (NRIs)	258	410716			410716	1.15	410716		410716	1.15			1.15					405759	0	0	0
(j)	Foreign Nationals	1	88			88	0.00	88		88	0.00			0.00					88	0	0	0
(k)	Foreign Companies																					
(l)	Bodies Corporate	176	1749300			1749300	4.90	1749300		1749300	4.90			4.90					1748438	0	0	0
(m)	Any Other (specify)	638	1032534			1032534	2.89	1032534		1032534	2.89			2.89					1031926	0	0	0
	Sub-Total (B)(4)	29074	14659662			14659662	41.07	14659662.00		14659662	41.07			41.07					14452996	0	0	0
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)	29089	14952491			14952491	41.90	14952491		14952491	41.90			41.90					14740775	0	0	0

Details of the shareholders acting as persons in Concert for Public

Details of Shares which remain unclaimed for Public

C Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder																						
(1)	Custodian/DR Holder - Name of DR Holders, If Available																					
(2)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2020																					
	Total NonPromoter- Non Public Shareholding (C)=(C)(1)+(C)(2)																					
	Total (A+B+C)	29099	35690000			35690000	100.00	35690000.00		35690000	100.00			100.00	7000000	19.61			35478284	0	0	0
	Total (A+B+C)	29099	35690000			35690000	100.00	35690000.00		35690000	100.00			100.00	7000000	19.61			35478284	0	0	0

Disclosure of notes on shareholding pattern	Add Notes
Disclosure of notes in case of promoter holding in dematerialised form is less than 100 percentage	Add Notes
Disclosure of notes in case of public share holding is less than 25 percentage	Add Notes
Disclosure of notes on shareholding pattern for company remarks explanatory	Add Notes

Pre and Post Amalgamation shareholding pattern of Transferee Company

		Transferor Company			Transferee Company					
		LYKA EXPORTS LIMITED			LYKA LABS LIMITED					
				Pre-amalgamation as on December 31, 2024			Pre-amalgamation as on December 31, 2024	Post-amalgamation		
Sr. No.	Description	Name of Shareholder	No. of shares	%	Name of Shareholder	No. of shares	%	No. of shares	%	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
	Individuals/ Hindu Undivided Family		-	-	Bhawna Godha	6,000	0.02	6,000	0.02	
			-	-	Neetu Godha	10,000	0.03	10,000	0.03	
			-	-	Usha Premchand Godha	10,686	0.03	10,686	0.03	
			-	-	Premchand Godha	10,900	0.03	10,900	0.03	
			-	-	Pranay Godha	3,00,000	0.84	3,00,000	0.83	
			Kunal Narendra Gandhi	4,81,140	6.51	Kunal Narendra Gandhi	24,25,000	6.79	25,35,662	7.01
			Nehal Narendra Gandhi	4,45,900	6.03	Nehal Narendra Gandhi	23,30,000	6.53	24,32,557	6.73
			Narendra Ishwarlal Gandhi	8,640	0.12		-	-	1,987	0.01
						-	-	-	-	
(b)	Central Government/ State Government(s)	Names			Names					
			-	-		-	-		-	
(c)	Bodies Corporate	Names			Names					
		Lyka Labs Limited	53,83,636	72.80	Lyka Animal Healthcare Limited	20,000	0.06	20,000	0.06	
					Enai Trading and Investment Pvt Ltd	10,00,000	2.80	10,88,688	3.01	
					IPCA Laboratories Limited	1,46,24,923	40.98	1,46,24,923	40.45	
(d)	Financial Institutions/ Banks		-	-		-	-	-	-	
(e)	Any Others		-	-		-	-	-	-	
	Sub Total(A)(1)		63,19,316	85.45		2,07,37,509	58.10	2,10,41,403	58.20	
2	Foreign									
(a)	Individuals (Non-Residents Individuals/Foreign Individuals)		-	-		-	-	-	-	

Pre and Post Amalgamation shareholding pattern of Transferee Company

		Transferor Company			Transferee Company				
		LYKA EXPORTS LIMITED			LYKA LABS LIMITED				
				Pre-amalgamation as on December 31, 2024		Pre-amalgamation as on December 31, 2024		Post-amalgamation	
Sr. No.	Description	Name of Shareholder	No. of shares	%	Name of Shareholder	No. of shares	%	No. of shares	%
(b)	Bodies Corporate		-	-		-	-	-	-
(c)	Institutions		-	-		-	-	-	-
(d)	Any Others		-	-		-	-	-	-
	Sub Total(A)(2)		-	-		-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		63,19,316	85.45		2,07,37,509	58.10	2,10,41,403	58.20
(B)	Public shareholding								
1	Institutions								
(a)	Mutual Funds/ UTI		-	-		3,400	0.01	3,400	0.01
(b)	Financial Institutions / Banks		60	0.00		700	0.00	713	0.00
(c)	Alternate Investment Funds		-	-		1,32,651	0.37	1,32,651	0.37
(d)	Venture Capital Funds		-	-		-	-	-	-
(e)	Insurance Companies		-	-		1,01,000	0.28	1,01,000	0.28
(f)	Foreign Portfolio Investors		-	-		55,078	0.15	55,078	0.15
(g)	Foreign Venture Capital Investors		-	-		-	-	-	-
(h)	Any Other		-	-		-	-	-	-
	Sub-Total (B)(1)		60	0.00		2,92,829	0.82	2,92,842	0.81

Pre and Post Amalgamation shareholding pattern of Transferee Company

		Transferor Company			Transferee Company				
		LYKA EXPORTS LIMITED			LYKA LABS LIMITED				
		Pre-amalgamation as on December 31, 2024			Pre-amalgamation as on December 31, 2024		Post-amalgamation		
Sr. No.	Description	Name of Shareholder	No. of shares	%	Name of Shareholder	No. of shares	%	No. of shares	%
2	Non-institutions								
(a)	Bodies Corporate		4,06,200	5.49		17,49,300	4.90	17,54,038	4.85
	Enai Trading & Investment Pvt Ltd (incl. in Bodies Corporate)		3,85,600	5.21		-	-	-	-
(b)	Individuals								
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs		6,66,928	9.02		82,54,390	23.13	84,07,783	23.26
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		-	-		32,12,634	9.00	32,12,634	8.89
(c)	Any Other		2,920	0.04		14,43,338	4.04	14,44,009	3.99
	Sub-Total (B)(2)		10,76,048	14.55		1,46,59,662	41.07	1,48,18,464	40.99
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)		10,76,108	14.55		1,49,52,491	41.90	1,51,11,306	41.80
	TOTAL (A)+(B)		73,95,424	100.00		3,56,90,000	100.00	3,61,52,709	100.00
(C)	Shares held by Custodians and against which DRs have been issued		-	-		-	-	-	-
	GRAND TOTAL (A)+(B)+(C)		73,95,424	100.00		3,56,90,000	100.00	3,61,52,709	100.00



INDEPENDENT AUDITOR'S REPORT

To the Members of
Lyka Labs Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Lyka Labs Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the 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 standalone financial statements give the information required by the Companies Act, 2013 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 31st March, 2024, and its loss, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

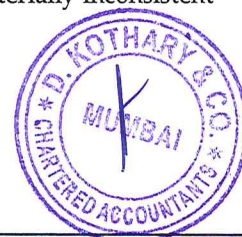
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be disclosed.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone 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 standalone 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 Standard) 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2.
 - A. 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 relating to preparation of the aforesaid financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the financial statements.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.





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- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. In With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of under Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- B. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31st March, 2024 on its financial position in its financial statements - Refer Note 36 to the financial statements.
 - b. The Company has made provisions, as required under the applicable Law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring of amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2024.
 - d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note no. 51(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in note no. 51(vi) to the Standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - e. The Company has neither declared nor paid any dividend during the year.





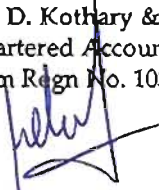
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- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per statutory requirements.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 24132650BKBIHC1464



Place: Mumbai
Date: May 21, 2024



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Annexure A to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. In respect of its Property, Plant & Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment on the basis of available information;
(B) The company has maintained proper records showing full particulars of intangible assets;
 - b) According to the information and explanations given to us, the Company has a regular programme of physical verification of Property, plant & equipment by which all Property, Plant and Equipment of the Company are being verified in a phased periodical manner, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of Property, plant and equipment has been physically verified by the Management during the year and no material discrepancies were noticed on verification conducted during the year as compared with the book records.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties disclosed in the standalone financial statements are held in the name of the Company.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year;
 - e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;
- ii. In respect of its inventories:
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies were not noticed in respect of such confirmations.
 - b) As disclosed in note 21 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of five crore rupees by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the company with such banks and such statements are in agreement with the books of the company for the respective periods which were not subject to audit.
- iii. In respect of loans and advances, guarantee or security provided:
 - a) According to the information and explanations given to us and on the basis of our examination of the records, the company has made investments in and provided loans or advances in the nature of loans or guarantee, to subsidiaries during the year as per details given below.
(A) The aggregate amount during the year is Rs. 298 lakhs, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries is Rs. 219 lakhs;





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- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinions the investments made and the terms and conditions of the grant of loans and advances in the nature of loans year and guarantees provided the during the year are, prima facie, not prejudicial to the interest of the company;
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- f) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans granted, investments made and guarantees and securities provided.
- v. According to the information and explanations given to us, the Company had received National Company Law Tribunal (NCLT) order dated 22nd January, 2016, granting extension of time for repayment of Fixed Deposits. During the year, the Company has repaid deposits that were claimed aggregating to ₹ 31.12 lakhs and transferred to IEPF ₹ 3.11 lakhs. As regards the balance of unclaimed deposits ₹ Nil (Refer note no. 37).
- vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for manufacturing Bulk Drugs and Formulations. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom or Cess or other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities.





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According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom or Cess or other statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authorities by the Company on account of any dispute except as given below:

Sr. No.	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Name of the forum
1	Demand under Drugs Price control Order	1061.96	Demands raised in 1987,1990 and 1995	Gujarat High Court
2	Maharashtra Value Added Tax	369.38	2014-2015	Joint Commissioner of Sales Tax (Appeal)
3	Central Sales Tax	22.24	2014-2015	Joint Commissioner of Sales Tax (Appeal)
4	Gujarat Sales Tax	39.63	2002-2003	Commissioner Of Sales Tax (Appeals)
5	Income Tax	80.85	AY 2010-2011	Commissioner of Income Tax (Applied to Tribunal)
		155.40	AY 2011-2012	Commissioner of Income Tax (Applied to Tribunal)
		61.78	AY 2014-2015	Commissioner of Income Tax (Applied to Tribunal)
		0.42	AY 2018-2019	Commissioner of Income Tax (Appeals)
		80.76	AY 2014-2015	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) Based on our audit procedures and as per the information and explanations given by management, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender. The Company had repaid the Debenture as per the Order of NCLT dated 22nd May, 2017 and 13.00 lakh is outstanding as on 31st March, 2024 due to cheques returned undelivered / unclaimed. (Refer Note no. 38)
- (b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.





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- (c) In our opinion and according to the information and explanations given to us, the Company has taken term loan during the year and it has been utilized for the purpose it was obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short-term basis have, prima facie, not been used during the year for long term purposes.
- (e)) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made preferential allotment of equity shares and equity warrants during the year, the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were obtained.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under Sub-section (12) of Section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company during the year and covering the period upto 31st March, 2024.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with any of its directors or persons connected to its directors, and hence provisions of Section 192 of the Act are not applicable to the Company.



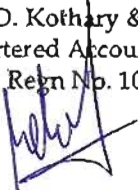


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- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a),(b),(c) and (d) of the Order are not applicable to the Company.
- xvii. The company has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of section 135 are not applicable to the Company. Accordingly, paragraph 3(xx) of the Order is not applicable.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 24132650BKBIHC1464



Place: Mumbai
Date: May 21, 2024



Annexure - B to the Auditors' Report

To the Members of
Lyka Labs 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 Lyka Labs Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 24132650BKBIHC1464



Place: Mumbai
Date: May 21, 2024

Lyka Labs Limited
Balance Sheet as at 31st March, 2024

(₹ in lakh)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	4,579.93	4,730.50
(b) Capital Work- In- Progress	3	2,197.17	1,510.37
(c) Intangible assets	4	984.43	1,822.05
(d) Intangible assets under development	4	108.09	112.28
(e) Financial Assets			
(i) Investments	5	3,240.30	3,240.30
(ii) Other Financial Assets	6	1,671.39	1,626.34
(f) Other Non Current Assets	7	746.06	103.17
(g) Non Current Tax Assets	8	74.63	511.09
		13,602.01	13,656.10
Current Assets			
(a) Inventories	9	955.83	693.96
(b) Financial Assets			
(i) Investments	5	1.71	0.84
(ii) Trade Receivables	10	2,572.86	1,715.97
(iii) Cash and Cash Equivalents	11	588.58	869.57
(iv) Loans	12	223.92	561.44
(v) Other Financial Assets	13	282.78	192.79
(c) Other Current Assets	14	360.68	195.03
		4,986.36	4,229.60
Total Assets		18,588.37	17,885.70
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	3,309.00	3,069.00
(b) Other Equity	16	6,623.91	4,573.63
		9,932.91	7,642.63
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	4,290.67	6,340.26
(ii) Lease Liabilities		125.84	208.06
(iii) Other Financial Liabilities	18	114.31	86.64
(b) Provisions	19	174.31	212.59
(c) Deferred Tax Liabilities (net)	20	372.56	398.88
		5,077.69	7,246.43
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,366.28	763.89
(ii) Lease Liabilities		82.22	84.45
(iii) Trade Payable			
- Micro and Small Enterprise	22	82.56	449.12
- Other than Micro and Small Enterprise	22	1,008.10	373.82
(iv) Other Financial Liabilities	23	774.83	1,068.07
(b) Other Current Liabilities	24	114.44	140.13
(c) Provisions	25	149.34	117.16
		3,577.77	2,996.64
Total Equity and Liabilities		18,588.37	17,885.70

(See accompanying notes to the standalone financial statements.)

In terms of our report of even date,

for D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

Mehul N. Patel

Partner

Membership No. 132650

Place : Mumbai

Date : 21st May, 2024



For and on behalf of the Board of
Directors of Lyka Labs Limited

Kunal Gandhi
Kunal Gandhi
Managing Director & CEO
DIN : 01516156

Prashant Godha
Prashant Godha
Director
DIN : 00012759

Yogesh Shah
Yogesh Shah
Executive Director & CFO
DIN : 06396150

Kishore P. Shah
Kishore P. Shah
Company Secretary &
Compliance Officer

Lyka Labs Limited
Statement of Profit and Loss for the Year Ended 31st March, 2024

(₹ in lakh)

Particulars	Notes	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
INCOME			
Income from Operations	26	10,149.93	7,631.07
Other Operating Income	27	489.70	428.19
		10,639.63	8,059.26
Other Income	28	164.72	345.16
Total Income		10,804.35	8,404.42
EXPENSES			
Cost of Materials Consumed	29	3,214.31	2,307.57
Purchases of Stock-in-Trade		1,158.47	719.42
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	30	(78.61)	(120.71)
Employee Benefits Expense	31	2,601.46	1,748.30
Finance Costs	32	479.79	1,157.00
Depreciation and Amortization Expense	3 & 4	1,228.71	1,351.64
Other Expenses	33	2,287.95	1,844.63
Total Expenses		10,892.09	9,007.85
Profit / (Loss) before Exceptional Items		(87.74)	(603.41)
Exceptional Items	34	5.51	717.41
Profit / (Loss) before Tax		(93.25)	(1,320.82)
Tax Expense:			
Current Tax / Earlier Year Tax		159.97	20.70
Deferred Tax		(26.32)	(12.88)
Profit / (Loss) for the Year		(226.89)	(1,328.64)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (net of tax)		6.17	(6.28)
Total Other Comprehensive Income (Net of Tax) - Net Credit / (Charge)		6.17	(6.28)
Total Comprehensive Income for the Year		(220.72)	(1,334.92)
Earnings per share (of ₹ 10 /- each):			
Basic / Diluted	45	(0.72)	(4.65)

(See accompanying notes to the standalone financial statements)

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

Mehul N. Patel

Partner

Membership No. 132650

Place: Mumbai



For and on behalf of the Board of
Directors of Lyka Labs Limited

Kunal Gandhi
Kunal Gandhi

Managing Director & CEO

DIN : 01516156

Yogesh Shah
Yogesh Shah

Executive Director & CFO

DIN : 06396150

Prashant Godha
Prashant Godha

Director

DIN : 00012759

Kishore P. Shah
Kishore P. Shah

Company Secretary &
Compliance Officer

A. Equity Share Capital (Refer Note No. 15) (₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting Year	3,06,90,000	3,069.00	2,86,90,000	2,869.00
Changes in equity share capital during the Year	24,00,000	240.00	20,00,000	200.00
Balance at the end of reporting period	3,30,90,000	3,309.00	3,06,90,000	3,069.00

B. Other Equity (Refer Note No. 16) (₹ in lakh)

Particulars	Reserves and surplus				Items of Other Comprehensive Income (Remeasurement of the defined benefit plan)	Money received against share warrants (Refer Note No. 16.2)	Total
	Retained Earnings	Securities Premium Account	Capital Reserve	General Reserve			
Balance at 31st march 2023	(10,137.87)	12,333.97	50.68	625.30	(42.19)	1,743.75	4,573.63
Profit/(Loss) for the Year	(226.89)	-	-	-	-	-	(226.89)
Add/(Less) : On Issue / Sale of Equity Shares / Warrants	-	3,108.00	-	-	-	(837.00)	2,271.00
Other Comprehensive Income for the Year (net of tax)	-	-	-	-	6.17	-	6.17
Balance at 31st March, 2024	(10,364.76)	15,441.97	50.68	625.30	(36.02)	905.75	6,623.91

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W



Mehul N. Patel

Partner

Membership No. 132650

Place : Mumbai

Date : 21st May, 2024

For and on behalf of the Board of
Directors of Lyka Labs Limited

Kunal Gandhi
Managing Director & CEO
DIN : 01516156



Prashant Godha
Director
DIN : 00012759

Kishore P. Shah
Company Secretary & Compliance Officer

Lyka Labs Limited
Audited Cash Flow Statement for the Year Ended 31st March 2024

Particulars	For the Year Ended 31st March, 2024		For the year Ended 31st March, 2023	
A. Cash Flow from Operating Activities				
Profit / (Loss) for the Year before tax		(93.25)		(1,320.84)
Adjusted for				
Depreciation	1,228.71		1,351.64	
Interest Income	(63.16)		(109.43)	
Finance Cost	479.79		1,157.00	
Provision for Employee Benefits	60.75		63.41	
Exchange rate fluctuation	(40.39)		(35.95)	
Exceptional Items	-		704.04	
Return on Investment	-		(0.04)	
		1,665.70		3,130.67
Operating profit before working capital change		1,572.45		1,809.83
Changes in Working Capital :				
(Increase) / Decrease in Other Non-Current Financial Assets	(45.05)		(134.31)	
(Increase) / Decrease in Other Non-Current Assets	(219.36)		28.46	
(Increase) / Decrease in Inventories	(261.87)		124.49	
(Increase) / Decrease in Trade and other receivables	(817.48)		66.69	
(Increase) / Decrease in Other Current Financial Assets	(89.99)		(86.96)	
(Increase) / Decrease in Other Current Assets	(165.65)		298.39	
(Increase) / Decrease in Current Loans	337.52		(557.74)	
Increase / (Decrease) in Other Non-Current Financial Liabilities	28.00		17.36	
Increase / (Decrease) in Non-Current Provisions	(38.28)		(31.56)	
Increase / (Decrease) in Trade Payables	267.72		(45.32)	
Increase / (Decrease) in Other Current Financial Liabilities	(64.92)		(244.35)	
Increase / (Decrease) in Other Current Liabilities	(25.69)		(474.02)	
Increase / (Decrease) in Current Provisions	(21.42)		(42.13)	
		(1,116.47)		(1,081.00)
Cash generated from operations		455.98		728.83
Net Income Tax Payment	(147.03)	(147.03)	(41.35)	(41.35)
Net cashflow from operating activities (A)		308.95		687.48
B. Cashflow for Investing activities				
Purchase of Fixed Assets	(923.13)		(882.69)	
Increase in Investment	(0.87)			
Sale of Fixed Assets	-		1,450.00	
Interest Received	63.16		109.43	
Net cash used in Investing activities (B)		(860.84)		676.74
C. Cashflow from Financing activities				
Proceed from / (Repayment) of Non Current Borrowings Net	(1,847.12)		(4,587.77)	
Proceed from / (Repayment) of Current Borrowings Net	315.15		(1,017.74)	
Proceeds from Issue of Equity Shares and Warrants (Including Premium)	2,511.00		4,533.75	
Interest Paid	(708.11)		(961.20)	
Net cash used in Financing activities (C)		270.92		(2,032.96)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(280.97)		(668.74)
Cash and Cash Equivalents at the beginning of the Year				
Cash and Cash Equivalents		57.78		28.02
Earmarked Balances		811.79		1,510.29
		869.57		1,538.31
Cash and Cash Equivalents at the end of the Year				
Cash and Cash Equivalents		19.42		57.78
Deposits with Banks (Rs 119.17 Lien against Bank Gurantee)		569.17		811.79
		588.59		869.57

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

Mehul N. Patel

Partner

Membership No. 132650

Place : Mumbai

Date : 21st May, 2024



Kunal Gandhi
Kunal Gandhi

Managing Director & CEO

DIN : 01516156

Yogesh Shah
Yogesh Shah

Executive Director & CFO

DIN : 06396150

Prashant Godha
Prashant Godha

Director

DIN : 00012759

Kishore P. Shah
Kishore P. Shah

Company Secretary & Compliance Officer

3 Property Plant and Equipment

Carrying amounts of: (₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Land	1,488.93	1,513.36
Buildings	1,577.03	1,682.53
Plant and Machinery	1,148.82	1,099.01
Computers	12.70	12.14
Vehicles	24.12	7.04
Furnitures and Fixtures	98.00	107.91
Office Equipments	14.16	13.77
Right To Use Property	216.16	294.77

Particulars	Land	Buildings	Plant and Machinery	Computers	Vehicles	Furnitures and Fixtures	Office Equipments	Right To Use Property	(₹ in lakh)	
									Total	
Gross Block (Cost or Deemed Cost) :										
Balance at 31st March, 2023	1,751.99	2,936.88	3,922.87	47.66	9.62	191.89	98.83	576.63		9,536.39
Additions		1.13	176.84	6.77	19.39	5.89	3.24			213.26
Deletion										
Disposals / Written Off / Adjustment										
Balance at 31st March, 2024	1,751.99	2,938.01	4,099.71	54.43	29.01	197.78	102.07	576.63		9,749.65
Accumulated Depreciation and Impairment :										
Balance at 31st March, 2023	238.63	1,254.35	2,823.85	35.53	2.58	83.99	85.06	281.87		4,805.87
Depreciation for the Year	24.43	106.62	127.04	6.20	2.31	15.79	2.85	78.60		363.83
Deletion										
Balance at 31st March, 2024	263.06	1,360.97	2,950.88	41.73	4.89	99.78	87.91	360.47		5,169.70
Carrying amounts of :										
Balance at 31st March, 2023	1,513.36	1,682.53	1,099.01	12.14	7.04	107.91	13.77	294.77		4,730.52
Balance at 31st March, 2024	1,488.93	1,577.03	1,148.82	12.70	24.12	98.00	14.16	216.16		4,579.93

The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the Year.

3.1 Details of Tangible Capital Work in Progress : (₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	1,510.37	1,623.49
Capitalised	(79.35)	(306.93)
Additions during the Year	766.15	193.31
Closing Balance	2,197.17	1,510.37



3.2 Capital Work In Progress (CWIP) Tangible Ageing Schedule :

As at 31st March, 2024

Particulars	(₹ in lakh)				
	<1 period	1-2 period	2-3 periods	> 3 periods	Total
Projects in Progress	700.04	101.59	5.31	859.05	1,675.99
Projects temporarily suspended	-	-	-	521.18	521.18
Total	700.04	101.59	5.31	1,390.24	2,197.17

Expected Completion schedule of Capital Work in Progress :

(₹ in lakh)

Particulars	To be completed				
	<1 period	1-2 period	2-3 periods	> 3 periods	Total
Project - I	-	10.00	-	-	10.00
Project - II	3,465.99	-	-	-	3,465.99
Project - III	-	-	-	521.18	521.18
Total	3,465.99	10.00	-	521.18	3,997.17

As at 31st March, 2023

(₹ in lakh)

Particulars	(₹ in lakh)				
	<1 period	1-2 period	2-3 periods	> 3 periods	Total
Projects in Progress	114.83	5.31	10.80	858.25	989.19
Projects temporarily suspended	-	-	-	521.18	521.18
Total	114.83	5.31	10.80	1,379.44	1,510.37

Expected Completion schedule of Capital Work in Progress :

(₹ in lakh)

Particulars	To be completed				
	<1 period	1-2 period	2-3 periods	> 3 periods	Total
Project - I	30.00	-	-	-	30.00
Project - II	1,911.33	-	-	-	1,911.33
Project - III	-	-	-	521.18	521.18
Total	1,941.33	-	-	521.18	2,462.52



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

4 Intangible Assets

Particulars	(₹ in lakh)	
	As at 31st March, 2024	As at 31st March, 2023
Internally Developed Intangible Assets	338.77	474.02
Computer Software	30.65	8.41
Intangible Assets (Trade Mark/Brand)	385.13	1,011.62
Intangible Assets (Goodwill)	19.91	22.06
Technical and Marketing Knowhow	209.97	305.95

Particulars	Internally Developed Intangible Assets (Research and development expenditure)	Computer Software	Intangible Assets (Trade Mark / Brand)	Intangible Assets (Goodwill)	Technical and Marketing Knowhow	(₹ in lakh)
						Total
Gross Block (Cost or Deemed Cost) :						
Balance at 31st March, 2023	1,289.95	148.63	3,752.41	22.59	609.50	5,823.08
Additions	3.75	23.51	-	-	-	27.26
Deletion	-	-	-	-	-	-
Disposals / Written Off / Adjustment	-	-	-	-	-	-
Balance at 31st March, 2024	1,293.70	172.13	3,752.41	22.59	609.50	5,850.34
Accumulated Amortisation and Impairment :						
Balance at 31st March, 2023	815.93	140.22	2,740.79	0.53	303.55	4,001.03
Amortisation for the Year	139.00	1.26	626.49	2.15	95.98	864.88
Balance at 31st March, 2024	954.93	141.48	3,367.28	2.68	399.53	4,865.90
Carrying amounts of :						
Balance at 31st March, 2023	474.02	8.41	1,011.62	22.06	305.95	1,822.05
Balance at 31st March, 2024	338.77	30.65	385.13	19.91	209.97	984.43

4.1 Details of Intangible Assets under Development :

Particulars	(₹ in lakh)	
	As at 31st March, 2024	As at 31st March, 2023
Opening balance	112.28	150.82
Capitalised	(27.26)	(46.78)
Additions during the Year	23.07	-
Disposals / Written Off / Adjustment	-	8.24
Closing Balance	108.09	112.28

4.2 Capital Work In Progress (CWIP) Intangible Ageing Schedule :

Particulars	(₹ in lakh)				
	<1 period	1-2 period	2-3 periods	> 3 periods	Total
As at 31st March, 2024					
Projects in Progress	7.80	-	-	31.22	39.02
Projects temporarily suspended	-	-	-	69.06	69.06
Total	7.80	-	-	100.29	108.09
As at 31st March, 2023					
Projects in Progress	8.24	-	-	31.22	39.46
Projects temporarily suspended	-	-	-	72.82	72.82
Total	8.24	-	-	104.04	112.28



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

5 Non-Current Investments

(₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No of Shares/units	Amount	No of Shares/units	Amount
Investments :				
Investments in Equity Shares of Subsidiaries (Unquoted) (At cost):				
(i) Equity Shares of ₹ 10 each fully paid up in Lyka BDR International Ltd	1,46,74,995	1,469.05	1,46,74,995	1,469.05
(ii) Equity Shares of ₹ 10 each fully paid up in Lyka Exports Ltd	53,83,636	1,771.25	53,83,636	1,771.25
Total		3,240.30		3,240.30

Current Investments

(₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No of Shares/units	Amount	No of Shares/units	Amount
Investments at FVTPL :				
Investments in Mutual Fund :				
Debt Mutual Fund				
Birla Sun Life Plus Collection	12.664	0.05	12.664	0.05
HDFC Liquid Fund Post IPO Collection	35.390	1.66	18.154	0.80
Total		1.71		0.84



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

6 Other Financial Assets (₹ in lakh)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, considered good)		
Security Deposit	638.94	593.89
Others - Deposit with Drug Price Equalisation Account	1,032.45	1,032.45
Total	1,671.39	1,626.34

7 Other Non - Current Assets (₹ in lakh)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, considered good)		
Capital Advances	228.00	8.81
Balance with Government Authorities	518.06	94.36
Total	746.06	103.17

8 Non - Current Tax Assets (₹ in lakh)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Tax and Tax deducted at source	74.63	511.09
Total	74.63	511.09

9 Inventories (₹ in lakh)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw Materials (Refer Note No. 40)	360.04	228.84
Packing Material (Refer Note No. 40)	311.13	259.06
Work-in-Progress	34.45	70.81
Finished Goods	250.21	135.25
Total	955.83	693.96

Inventory write down is accounted, considering the nature of inventory, age, liquidation plan and net realisable value. Write down of inventories during the period amount to ₹ 23.56 lakh (Previous period ₹ 38.07 lakh). The effect of these write down were recognised in cost of materials consumed, and changes in value of inventories of work-in-progress, stock-in-trade and finished goods in the Statement of Profit and Loss.



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

10 Trade Receivables		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
(Unsecured)			
Considered Good	2,572.86	1,715.97	
Considered Doubtful	35.48	34.50	
Less: Provision for Expected Credit Loss	(35.48)	(34.50)	
Total	2,572.86	1,715.97	

10.1 Trade receivables ageing :

As at 31st March, 2024

(₹ in lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,159.72	99.76	216.79	20.15	7.81	2,504.22
(ii) Disputed Trade receivables - considered good	-	-	-	-	104.12	104.12
Total : Trade	2,159.72	99.76	216.79	20.15	111.93	2,608.34

As at 31st March, 2023

(₹ in lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,405.81	197.10	47.87	-	11.09	1,661.87
(ii) Disputed Trade receivables - considered good	-	-	-	4.32	84.28	88.60
Total : Trade	1,405.81	197.10	47.87	4.32	95.37	1,750.47

11 Cash and Cash Equivalents

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(A) Cash and Cash Equivalents		
Balances with Banks	11.64	50.39
Cash on hand	7.77	7.39
(B) Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks (Rs 119.17 Lien against Bank Guarantee)	569.17	811.79
Total	588.58	869.57

12 Current Loans

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, considered good)		
Loan to Employees	4.92	7.44
Loan to Subsidiaries	219.00	554.00
Total	223.92	561.44



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

13 Other Current Financial Assets		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
(Unsecured, considered good)			
Deposits	32.56	21.94	
Others	250.22	170.85	
Total	282.78	192.79	

14 Other Current Assets		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Trade Advances	46.87	12.98	
Prepaid Expenses	25.31	61.19	
Balance with Government Authorities	288.49	120.86	
Total	360.68	195.03	



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

15 Share Capital

(₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Authorised				
Equity Shares of ₹ 10/- each	4,80,00,000	4,800.00	4,80,00,000	4,800.00
Redeemable Preference Shares of ₹ 100/- each	2,00,000	200.00	2,00,000	200.00
	4,82,00,000	5,000.00	4,82,00,000	5,000.00
Issued, Subscribed and Fully Paid				
Equity Shares of ₹ 10/- each	3,30,90,000	3,309.00	3,06,90,000	3,069.00
Redeemable Preference Shares of ₹ 100/- each	1,08,570	108.57	1,08,570	108.57
Total	3,31,98,570	3,417.57	3,07,98,570	3,177.57

15.1 Rights, preferences and restriction attached to equity shares :

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

During the year, Company has allotted 24,00,000 Equity shares to IPCA Laboratories Ltd at a price of Rs. 139.50 (including premium), hence equity capital and securities premium shall stand increased.

15.2 Reconciliation of number of shares outstanding as at the beginning and end of the period

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Balance as at the beginning of the period	3,06,90,000	1,08,570	2,86,90,000	1,08,570
Add : Issued during the period	24,00,000	-	20,00,000	-
Balance as at the end of the period	3,30,90,000	1,08,570	3,06,90,000	1,08,570

15.3 Details of Shares held by the shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 31st March, 2024		As at 31st March, 2023	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Equity Shares of ₹ 10/- each				
Ipca Laboratories Limited	1,20,24,923	36.34%	96,24,923	31.36%
Nehal Narendra Gandhi	23,30,000	7.04%	22,65,082	7.38%
Kunal Narendra Gandhi	24,25,000	7.33%	10,69,152	3.48%
10% Cumulative Redeemable Preference Shares				
Dr. D. B. Parikh	1,08,570	100.00%	1,08,570	100.00%



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

15.4 Details of shares held by promoter / promoter group

Name of the promoter / promoter group	As at 31st March, 2024				
	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total shares	% Change during the period
Equity Shares of ₹ 10/- each					
Kunal Narendra Gandhi	10,69,152	13,55,848	24,25,000	7.33%	126.82%
Nehal Narendra Gandhi	22,65,082	64,918	23,30,000	7.04%	2.87%
Narendra Ishwarlal Gandhi HUF	13,50,000	(13,50,000)	-	0.00%	-100.00%
Enai Trading & Investment Pvt. Ltd.	9,93,827	6,173	10,00,000	3.02%	0.62%
Bhawna Godha	6,000	-	6,000	0.02%	0.00%
Neetu Godha	10,000	-	10,000	0.03%	0.00%
Usha Premchand Godha	10,686	-	10,686	0.03%	0.00%
Premchand Godha	10,900	-	10,900	0.03%	0.00%
Pranay Godha	3,00,000	-	3,00,000	0.91%	0.00%
Lyka Generics Limited	12,100	7,900	20,000	0.06%	65.29%
Ipca Laboratories Limited	96,24,923	24,00,000	1,20,24,923	36.34%	24.94%

Name of the promoter / promoter group	As at 31st March, 2023				
	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total shares	% Change during the period
Equity Shares of ₹ 10/- each					
Kunal Narendra Gandhi	10,18,376	50,776	10,69,152	3.48%	4.99%
Nehal Narendra Gandhi	11,57,453	11,07,629	22,65,082	7.38%	95.70%
Narendra Ishwarlal Gandhi	11,67,629	(11,67,629)	-	0.00%	-100.00%
Narendra Ishwarlal Gandhi HUF	14,00,776	(50,776)	13,50,000	4.40%	-3.62%
Enai Trading & Investment Pvt. Ltd.	9,93,827	-	9,93,827	3.24%	0.00%
Bhawna Godha	6,000	-	6,000	0.02%	0.00%
Neetu Godha	10,000	-	10,000	0.03%	0.00%
Usha Premchand Godha	10,686	-	10,686	0.03%	0.00%
Premchand Godha	10,900	-	10,900	0.04%	0.00%
Pranay Godha	3,00,000	-	3,00,000	0.98%	0.00%
Lyka Generics Limited (formerly known as Lyka Animal Healthcare Limited)	12,100	-	12,100	0.04%	0.00%
Ipca Laboratories Limited	76,24,463	20,00,460	96,24,923	31.36%	26.24%



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

16 Other Equity		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Capital Reserve	50.68	50.68	
Securities Premium Account	15,441.97	12,333.97	
General Reserve	625.30	625.30	
Retained Earning	(10,400.80)	(10,180.07)	
Money Received against Share Warrants (Refer Note No. 16.2)	906.75	1,743.75	
Total	6,623.91	4,573.63	

16.1 Nature of Reserves:

Capital Reserves

The Capital reserve is created from the of forfeiture of equity warrants and receipts of subsidy for setting up the factories in backward areas for performing research on critical medicines for the betterment of the society.

Securities Premium

Securities Premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

General Reserves

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

16.2 During the year ended 31st March 2023, the Company has Issued 50,00,000 Warrants convertible into Equity Shares to IPCA Laboratories Ltd at a price of Rs. 139.50 per warrant, against which the Company has received 25% of the amount and shown under other equity, which will be converted within a period of 18 months from the date of allotment of warrants. During the year, Company has allotted 24,00,000 Equity shares to IPCA Laboratories Ltd, hence reduction in Money received against Share Warrants.



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

17 Non Current Borrowings			(₹ in lakh)
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Secured Loan:			
Term Loans from Banks (Refer Note No 17.1)	717.59	-	
Unsecured Loan:			
10% Redeemable Preference Shares of ₹ 100/- each	108.08	107.76	
Loans and Advances from related parties	3,465.00	6,232.50	
Total	4,290.67	6,340.26	

Details of terms of repayment and security provided for in respect of the Long-Term Borrowings as follows :

- 17.1 a) Term Loan of Rs. 922.62 lakhs from Yes Bank Ltd. Repayable in 18 quarterly instalments starting from 30th April 2024. Interest @ EBLR + 2.10% p.a.
b) Above Term Loan is secured by i) first charged by way of Hypothication on Plant Machineries ii) Second charge by way of Hypothication on Inventory & Book debts. iii) Negative lien on Fixed Assets of the Company at 4801/B & 4802/A GIDC Ankleshwar, Gujarat.
- 17.2 108570 10% Cumulative Redeemable Preference Shares of Rs 100 each fully paid up were issued on 30th September 2005 redeemable at the option of the company but not later than 20 years from the date of allotment.
- 17.3 Interest on Loan and Advances from related parties ranges between 10.50% p.a. to 10.65% p.a. (simple Interest).

18 Other Non-current Financial Liabilities			(₹ in lakh)
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Security Deposit	113.83	85.83	
Interest Accrued but not due on Borrowings	0.49	0.81	
Total	114.31	86.64	

19 Non Current Provisions			(₹ in lakh)
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Employee Benefits:			
Provision for Leave Encashment	70.45	54.61	
Provision for Gratuity	103.86	157.98	
Total	174.31	212.59	

20 Deferred Tax Liabilities (net)			(₹ in lakh)
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Deferred Tax Liabilities	372.56	398.88	
Total	372.56	398.88	



Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

20.1 Deferred Tax (Assets) / Liabilities in relation to:

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
On Account of Property, Plant and Equipment	460.78	489.99
On Account of Section 43B Disallowances	(81.45)	(82.99)
On Account of IndAS Adjustments	(6.77)	(8.12)
Total	372.56	398.88

21 Current Borrowings

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured Loans:		
From Bank		
Loans repayable on demand (Secured Against Fixed Deposits with AU Small Finance Bank)	-	321.39
Loan repayable on demand (refer note no. 21.1)	1,011.26	-
Current Maturities of Long-Term Borrowings	205.03	-
Unsecured:		
Loans and Advances from related parties	150.00	442.50
Total	1,366.28	763.89

Details of terms of repayment in respect of Short -Term Borrowings:

21.1 a) Interest on Loans repayable on demand ranges from 5.40% p.a. to 9.25% p.a. (simple Interest).

b) Above Loan from Yes Bank Ltd is secured by i) second charged by way of Hypothecation on Plant Machineries ii) Exclusive charge by way of Hypothecation on Inventory & Book debts. iii) Negative lien on Fixed Assets of the Company at 4801/B & 4802/A GIDC Ankleshwar, Gujarat.

21.2 Interest on Loans from related parties ranges from 10.50% p.a. to 10.65% p.a. (simple Interest).

22 Trade Payables

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	82.56	449.12
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,008.10	373.82
Total	1,090.66	822.94

22.1 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 as per the records of the Company.

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Principal Amount outstanding to suppliers under MSMED Act,	25.45	232.15
Interest accrued on the dues to suppliers under MSMED Act,	0.26	2.65
Payment made to suppliers (Other than interest) beyond the	NIL	NIL
Interest paid to suppliers under MSMED Act, 2006 (other than Section 16)	NIL	NIL
Interest paid to suppliers under MSMED Act, 2006 (Section 16)	NIL	NIL
Interest due and payable to suppliers under MSMED Act,	NIL	NIL
Interest accrued and remaining unpaid at the end of the period to	NIL	NIL



22.2 Trade payables ageing :

As at 31st March, 2024

(₹ in lakh)

Particulars	Outstanding for following periods from due				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	82.56	-	-	-	82.56
Others	969.50	3.79	3.64	31.17	1,008.11
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	1,052.06	3.79	3.64	31.17	1,090.66

As at 31st March, 2023

(₹ in lakh)

Particulars	Outstanding for following periods from due				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	449.12	-	-	-	449.12
Others	270.45	0.70	7.68	94.99	373.82
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	719.57	0.70	7.68	94.99	822.94

23 Other Current Financial Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current Maturities of Long-Term Debt :		
Debentures - Privately Placed Non Convertible	13.00	13.00
Fixed Deposits	-	34.23
Interest Accrued and due	19.85	248.17
Employee dues	25.18	171.51
Payable Against Acquisition	23.17	86.23
Creditors for:		
Expenses	306.71	167.61
Capital Expenditure	56.54	8.47
Other Outstanding Liabilities	330.38	338.85
Total	774.83	1,068.07

24 Other Current Liabilities

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Payables:		
Statutory dues	67.21	68.48
Advance from Customers	47.24	71.65
Total	114.44	140.13



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

26 Revenue from Operations			(₹ in lakh)
Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Sale of Products	10,149.93	7,631.07	
Total	10,149.93	7,631.07	

27 Other Operating Revenue			(₹ in lakh)
Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Processing Charges Received	213.72	226.85	
Export Incentives	41.44	36.70	
Royalty	59.65	64.22	
Commission Income	-	61.54	
Other Operating Income	174.89	38.88	
Total	489.70	428.19	

28 Other Income			(₹ in lakh)
Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Interest from Banks on Deposits	35.29	88.98	
Other Interest	74.92	132.27	
Rent Received	9.30	14.92	
Foreign Exchange Fluctuation	40.39	35.95	
Miscellaneous Income	4.83	73.04	
ECL Provision Income	-	-	
Total	164.72	345.16	

29 Cost of Material Consumed			(₹ in lakh)
Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Opening stock of raw material and packing material	487.91	733.09	
Add. Purchases	3,397.57	2,062.39	
Less: Closing stock of raw material and packing material	(671.17)	(487.91)	
Total	3,214.31	2,307.57	



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

30 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade (₹ in lakh)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
As at the beginning of the period:		
Finished Goods	135.25	46.56
Work-in-Progress	70.81	38.79
Total Opening Stock (a)	206.05	85.34
As at the end of the period:		
Finished Goods	250.21	135.25
Work-in-Progress	34.45	70.81
Total Closing Stock (b)	284.66	206.05
Net decrease in Finished Goods, work-in-progress and stock in trade(a)-(b)	(78.61)	(120.71)

31 Employee Benefit Expenses (₹ in lakh)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Salaries and Wages	2,313.65	1,522.72
Contribution to Provident and Other Funds		
Provident / ESI Fund	118.28	79.38
Provision for Gratuity	38.77	33.99
Provision for Leave Encashment	21.00	17.29
Staff Welfare Expenses	109.75	94.92
Total	2,601.46	1,748.30

32 Finance Costs (₹ in lakh)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Interest Expenses on:		
Borrowings From Banks.		
Working Capital	25.42	29.82
Borrowing Others:		
Bill Discounting charges	-	2.33
Bank Charges	11.01	10.44
Term Loans	-	38.44
Others	443.36	1,075.98
Total	479.79	1,157.00



Lyka Labs Limited

Notes to the Standalone Financial Statements for the year Ended 31st March, 2024

33 Other Expenses (₹ in lakh)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Consumption of Stores and Spare Parts	33.99	31.36
Power and Fuel	391.63	356.95
Processing Charges	4.29	34.24
Rent Including Lease Rentals	165.46	144.64
Repairs and Maintenance - Buildings	23.73	25.69
Repairs and Maintenance - Machinery	102.69	103.43
Repairs and Maintenance - Others	33.74	35.71
Insurance	28.58	29.73
Rates and Taxes	13.84	24.36
Commission & Discount	140.50	21.47
Communication Expenses	6.63	7.33
Travelling and Conveyance	347.38	169.08
Advertisement and Sales Promotion	110.26	22.48
Legal and Professional Charges	178.08	191.08
Payments to Auditors (Refer Note No.52)	19.50	19.50
Factory Expenses	54.29	50.41
Fees & Subscription	30.45	63.20
Security Service Expenses	41.33	33.12
Laboratory Chemicals & Expenses	196.56	222.71
Printing & Stationery	37.32	17.16
Miscellaneous Expenses	119.39	76.86
ECL Provision Expenses	0.98	12.13
Directors Fees	10.10	11.90
Freight & Forwarding	197.25	140.12
Total	2,287.95	1,844.63

34 Exceptional Items (₹ in lakh)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales Tax Paid / GST Paid	5.51	10.11
Other Balance / Claims Written Off / Written Back	-	12.61
Loss on Sale of Office Premises / Land	-	683.61
Loss on Sale of Motor Car	-	3.26
Fixed Assets Discarded	-	7.83
Total	5.51	717.41



1. CORPORATE INFORMATION

Lyka Labs Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). Its shares are listed on two stock exchanges in India. The Company is engaged in the business of pharmaceutical and related activities, including research.

2. THE MATERIAL ACCOUNTING POLICIES, ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

A. THE MATERIAL ACCOUNTING POLICIES:

2.1A Basis of Preparation of Ind-AS Financial Statements

The Ind-AS financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities measured at fair value (refer accounting policy no. 2.10 regarding financial instruments). 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



2.1B Accounting estimates, assumptions and judgements

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are Deferred Income tax assets and liabilities, Useful lives of property, plant and equipment ('PPE') and intangible assets, Employee benefit obligations, Provisions and contingencies, Impairment of investment in subsidiaries and goodwill

2.2 CURRENT AND NON-CURRENT CLASSIFICATION OF ASSETS AND LIABILITIES AND OPERATING CYCLE:

An asset is considered 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 considered as 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.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

2.3 PROPERTY, PLANT AND EQUIPMENT:

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price,



including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

2.4 DEPRECIATION:

Depreciation on Property, Plant and Equipment is provided on different class of assets on the following basis: Depreciation on Tangible Assets is provided on straight-line method at the rates and manner in accordance with Schedule II to the Companies Act, 2013.

Cost of Leasehold Land and Improvement is written off over the period of Lease.

Depreciation on additions to Property Plant and Equipment is provided on pro-rata basis from the date of acquisition or installation, and in case of new project from the date of commencement of commercial production.

Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 CAPITAL WORK IN PROGRESS AND CAPITAL ADVANCES:

Expenses incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

2.6 INTANGIBLE ASSETS AND AMORTISATION THEREOF:

2.6.1 INTERNALLY GENERATED INTANGIBLE ASSETS (RESEARCH AND DEVELOPMENT):

- i) Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:
 - a) The technical feasibility of completing the intangible asset so that it will be available for use or sale.
 - b) Its intention to complete the asset.
 - c) Its ability to use or sell the asset.
 - d) How the asset will generate future economic benefits.
 - e) The availability of adequate resources to complete the development and to use or sell the



asset.

- f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

2.6.2 OTHER INTANGIBLE ASSETS:

An intangible asset is recognised if

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
(b) the cost of the asset can be measured reliably.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognised.

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.6.3. AMORTISATION OF INTANGIBLE ASSETS:

Amortization of the asset begins on a straight-line basis over the period of expected future benefit from the related project. Amortization is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

Estimated useful life of the following assets :

Class of Assets	Useful life in years
Internally Developed Intangible	05
Computer Software	05
Technical and Marketing Know-How	10
Brands/Trade Mark / Goodwill	10

The residual values, useful lives and methods of amortisation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as on 1st April, 2016 (date of transition) measured as per previous GAAP as its deemed cost on the date of transition.

2.7 IMPAIRMENT OF PROPERTY PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Carrying amount of tangible and intangible assets are reviewed at each Balance Sheet date. These are treated as impaired when the carrying cost thereof exceeds its recoverable value. Recoverable value is higher of the asset's net selling price or value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount receivable from the sale of an asset in an arm's length



transaction between knowledgeable, willing parties, less the cost of disposal. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.8 INVENTORIES

- Raw Materials, Packing Materials, Work-in-Process and Finished Goods are valued at lower of cost or net realisable value. Cost is determined by using FIFO method. Cost comprises of all costs of purchases (net of CENVAT/GST credit, rebates, trade discount etc.), costs of conversion and cost incurred to bring the inventories to the present location and condition.
- Stores and Spares (excluding capital spares) are charged to consumption as and when purchased.

Net realisable value is the estimated selling price in the ordinary course of business.

2.9 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government, discounts and rebates.

- Revenue from Domestic sale is recognised on transfer of significant risks and rewards of ownership which is based on the dispatch of goods.
- Revenue from Export sale is recognised on transfer of significant risks and rewards of ownership based on Bill of lading date.
- Revenue in respect of other income/claims, etc. is recognised only when it is reasonably certain that ultimate collection will be made.

- Interest Income:

For all financial instruments measured at amortised cost, interest income is measured using the Effective Interest Rate (EIR), which is the rate that exactly discounts the estimated future cash flows through the contracted or expected life of the financial instrument, as appropriate, to the net carrying amount of the financial asset.

- Dividend Income:

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.10 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:

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.

Subsequent Measurement:

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

- Financial assets at amortised cost
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Investments measured at fair value through Profit & Loss (FVTPL)

Financial Assets at Amortised Cost:

A financial asset 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 any fees or costs that are an integral part of the EIR.

Equity Instruments at FVTOCI:

For equity instruments not held for trading, an irrevocable choice is made on initial recognition to measure it at FVTOCI. All fair value changes on such investments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale or disposal of the investment. However, on sale or disposal the company may transfer the cumulative gain or loss within equity.

Financial Assets at FVTPL:

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. All other financial assets are measured at fair value through profit or loss.

DERECOGNITION:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement and either;
 - a) The Company has transferred substantially all the risks and rewards of the asset, or
 - b) The Company has neither transferred nor retained substantially all the risks and



rewards of the asset but has transferred control of the asset.

IMPAIRMENT OF FINANCIAL ASSETS:

The company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposures:

- Financial assets at amortised cost.
- Trade Receivables

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognises impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.

FINANCIAL LIABILITIES:

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. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent Measurement:

This is dependent upon the classification thereof as under:



Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. 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 as finance costs in the statement of profit and loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

OFFSETTING OF FINANCIAL INSTRUMENTS:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise an asset and settle the liabilities simultaneously.

EQUITY INSTRUMENTS:

An equity instrument is any contract that evidences a residual interest in the assets of an entity in accordance with the substance of the contractual arrangements. These are recognised at the amount of the proceeds received, net of direct issue costs.

2.11 EMPLOYEE BENEFITS

- **Defined Contribution Plan:**

The Company's contribution paid / payable during the year to Provident Fund , ESIC, Superannuation Fund etc., are recognized as expenses in the Statement of Profit and Loss. These are approved / recognised schemes of the Company.

- **Defined Benefit Plan:**

The Company's annual liability towards Gratuity is funded on the basis of actuarial valuation furnished by the Independent Actuarial Valuer / Life Insurance Corporation of India under Group Gratuity Scheme.

- The undiscounted amount of short-term employee benefit expected to be paid in exchange for the service rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives and are determined using the Projected Unit Credit Method. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. Actuarial gains and losses are recognised immediately in the



Balance Sheet with a corresponding effect in the Statement of Other Comprehensive Income. Past service cost is recognised immediately in the Statement of Profit or Loss.

2.12 BORROWING COST

Borrowing costs comprising of interest and other costs that are incurred in connection with the borrowing of funds, that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

2.13 LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and furniture. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may



not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell) and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(ii) Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

2.14 FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



2.15 TAXES ON INCOME:**Current Income Taxes:**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in other comprehensive income / equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, when the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except, when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Minimum Alternate Tax (MAT):

MAT paid in accordance with the tax laws in India, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the



Company will pay normal income tax after the specified years. Accordingly, MAT is recognised as a deferred tax asset in the Balance Sheet when the asset can be measured reliably, and it is probable that the future economic benefits associated with it will flow to the Company.

2.16 PROVISIONS AND CONTINGENT LIABILITIES:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

When the Company expects some or all of a provision to be reimbursed, the same is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes.

2.17 EARNINGS PER SHARE:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

2.18 CASH AND CASH EQUIVALENT:

Cash and cash equivalent for the purpose of Cash Flow Statement comprise cash at bank and in hand and short term highly liquid investments which are subject to insignificant risk of changes in value.

2.19 CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash



receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.20 COMMITMENTS:

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

- (a) The estimated amount of contracts remaining to be executed on capital accounts and not provided for; and
- (b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.21 SEGMENT REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.22 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of Financial Statements is in conformity with the recognition and measurement principles of Ind AS which requires the management to make judgements for estimates and assumptions that affect the amounts of assets, liabilities and the disclosure of contingent liabilities on the reporting date and the amounts of revenues and expenses during the reporting period and the disclosure of contingent liabilities. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

2.23 ESTIMATES ASSUMPTIONS AND JUDGEMENTS:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Estimation of current tax expense and deferred tax:

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.



b) Recognition of deferred tax assets/ liabilities:

The recognition of deferred tax assets/ liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts.

c) Estimation of Provisions & Contingent Liabilities:

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision

d) Estimated useful life of Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, its expected usage pattern and the expected residual value at the end of its life. The useful lives, usage pattern and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology etc.

e) Estimation of Provision for Inventory:

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

f) Estimation of Defined Benefit Obligation:

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post-employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

- g) The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.**



h) Estimated fair value of Financial Instruments.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.



Lyka Labs Limited

Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

Other Notes:

35 Estimated amounts of commitments remaining to be executed as on 31st March, 2024 are as follows: (₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Against Purchase of Capital Goods	901.95	257.74
Against Purchase of RM and PM	171.53	48.27
Total	1,073.48	306.01

36 Contingent Liabilities are not provided for In respect of following:

- (i) Demands were raised against the Company aggregating to ₹ 680.62 Lakhs (as at 31st March 2023 ₹ 680.62 Lakhs) plus interest thereon under the Drug Price Control Order 1979 by the Government of India and the same was contested by the Company. In the earlier years, the Company had received recovery notices for recovery of ₹ 2,094.41 Lakhs (as at 31st March 2023 ₹ 2,094.41 Lakhs) to be deposited into "Drug Price Equalisation Account".
The Company has challenged the said notices in the writ petitions before the Hon'ble High Court of Gujarat. The Hon'ble High Court has admitted the writ petitions subject to the Company depositing certain amounts against the said demands. Accordingly, the Company has deposited ₹ 1,032.45 Lakhs (as at 31st March 2023 ₹ 1,032.45 Lakhs).
The Company expects favourable outcome in the said writ petitions and hence, the amounts paid have been treated as advances which are considered by the Company as good and recoverable.
- (ii) (a) The Company has received an Order from the Gujarat Sales Tax Commissioner (Appeals) Baroda, dated 24th January, 2011 in respect of Company's appeal against the demand for Gujarat Sales Tax of ₹ 1,324.08 Lakhs for the financial year 2002-2003 for non-submission of proof of export. The Commissioner of Sales Tax (Appeals) based on the facts as submitted, has revised the demand to ₹ 85.44 Lakhs (as at 31st March 2023 ₹ 85.44 Lakhs) against which Company has made payment of ₹ 45.81 Lakhs (as at 31st March 2023 ₹ 45.81 Lakhs) under protest. The Company has further contested this demand before the Sales Tax Tribunal. The matter is sub-judice and the payments of ₹ 45.81 Lakhs (as at 31st March 2023 ₹ 45.81 Lakhs) are considered by the Company as good and recoverable.
- (b) There are disputed Sales Tax demands from state of Maharashtra in respect of prior years amounting to ₹ 412.41 Lakhs (as at 31st March 2022 ₹ 412.41 Lakhs) against which the Company has made payment of ₹ 20.78 Lakhs (as at 31st March 2023 ₹ 20.78 Lakhs) under protest. The Company has further contested these demands before the Sales Tax Commissioner / Tribunal. The matters are sub-judice and the payments of ₹ 20.78 Lakhs for the Maharashtra state demand (as at 31st March 2023 ₹ 20.78 Lakhs) are considered by the Company as good and recoverable.
- (iii) The Company has received orders from Income Tax Department raising demands aggregating to ₹ 313.90 Lakhs (as at 31st March 2023 ₹ 463.91 Lakhs) relating to prior years against which the Company has paid ₹ 15.44 Lakhs (as at 31st March 2023 ₹ 15.44 Lakhs). The matter is sub-judice and the payment of ₹ 15.44 Lakhs (as at 31st March 2023 ₹ 15.44 Lakhs) is considered by the Company as good and recoverable.
- (iv) Employees (Including Ex-Employees) Claims relating to ex-gratia and other benefits aggregating to ₹ 433.66 Lakhs (as at 31st March 2023 ₹ 433.66 Lakhs) as the matter is sub-judice.
- (v) Arrears of dividend on 10% Cumulative Redeemable Preference Shares aggregates to ₹ 200.86 Lakhs (as at 31st March 2023 ₹ 190.00 Lakhs).
- (vi) The Company has received order from Income Tax Department raising demand aggregating to ₹ 100.76 Lakhs (as at 31st March 2023 ₹ 100.76 Lakhs) relating to prior years against which the Company has paid ₹ 20.00 Lakhs (as at 31st March 2023 ₹ 20.00 Lakhs). The matter is sub-judice and the payment of ₹ 20.00 Lakhs (as at 31st March 2023 ₹ 20.00 Lakhs) is considered by the Company as good and recoverable.



Lyka Labs Limited

Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

(vii) A legal cases is ongoing against the Company at the Metropolitan Magistrate Court in Mazgaon. The case involves a cheque bounce complaint filed under Section 138 of the Negotiable Instruments Act (NI Act).

The complainant requested interim compensation (partial payment) from the court under Section 143-A of the NI Act. This section empowers the Ld. Court to award temporary compensation while the main case continues. The Ld. Court approved the complainant's request and ordered the Company to pay 20% of the cheque amount being the subject matter of the Complaint as interim compensation. The Company has complied the order dated 04/01/2022 making the payment for an aggregating amount of ₹1,24,25,500 (as of 31st March 2024). The main Complaint is pending and sub-judice. Lyka labs Limited is seriously contesting the matters. Despite the interim payment, the Company believes this amount is recoverable.

A Suit (commercial summary suit) has been filed against the Company in the Mumbai City Civil Court. The Ld. Court ordered the Company to deposit ₹22,00,000 (as of 31st March 2024) to be allowed to defend the case. In compliance of the order and to defend their case the Company has made the required deposit of ₹22,00,000 (as of 31st March 2024). The matter is pending and sub-judice. The company considers this amount is recoverable on disposal of the Suit.

37 Fixed Deposits:

During the year, the Holding Company has repaid deposits that were claimed aggregating to ₹ 31.12 Lakhs and transferred to IEPF ₹ 3.11 lakhs. As regards the balance of unclaimed deposits ₹ Nil (as at 31st March 2023 ₹ 34.23 Lakhs).

38 Debentures:

Debenture of ₹ 13.00 Lakhs (as at 31st March 2021 ₹ 13.00 Lakhs) is outstanding due to cheques returned undelivered / Unclaimed.

39 Capital Expenditure:

- (i) Tangible Project Capital Work-in-Progress ₹ 2,197.17 Lakhs as at 31st March 2024, (as at 31st March 2023 ₹ 1,510.37 Lakhs) includes allocable indirect expenditure in respect of modernization/expansion of Ankleshwar unit aggregating to ₹ 700.04 Lakhs (as at 31st March 2023 ₹ 114.83 Lakhs) which is pending allocation to Fixed Assets on completion of the project
- (ii) The Company has incurred direct expenditure and allocable indirect expenditure up to 31st March 2024 in respect of "new product development and applied research" aggregating to ₹ 108.09 Lakhs (as at 31st March 2023 ₹ 112.28 Lakhs) which is carried forward under "Capital Work in Progress – Intangibles", to be recognized as "Self-Generated Intangible Assets" upon successful development of respective products or to be charged to Statement of Profit and Loss in the year in which development is abandoned. During the year, the Company has capitalized ₹ 3.75 Lakhs (as at 31st March 2023 ₹ 46.78 Lakhs) as "Self-Generated Intangible Assets" upon successful development of respective products.

- 40 During the year, inventories include slow / non-moving raw-material and packing materials procured during the earlier years amounting to ₹ 48.39 Lakhs (as at 31st March 2023 ₹ 88.84 Lakhs), which are valued at lower of net realisable value or cost whichever is lower. The Company is evaluating to utilize / realize the same.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

41 Employment and Retirement Benefits

(i) The actuarial valuation of the present value of the defined benefit obligation in respect of Gratuity has been carried out as at 31st March, 2024. The following tables set out the amounts recognized in the financial statements as at 31st March, 2024 for the defined benefit plans.

(₹ in lakh)

Sr. No.	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a)	Liability recognized in Balance Sheet		
	Change in Benefit Obligation		
	Opening Balance of Present Value of Obligations	262.90	249.36
	Service Cost	20.86	17.12
	Interest Cost	20.93	17.70
	Liability Transferred In / Acquisitions	17.64	17.06
	Actuarial Loss / (Gain) on Obligations	(5.31)	6.27
	Benefits Paid	(31.49)	(44.61)
	Closing Balance of Present Value of Obligations	285.53	262.90
	Less : Fair Value of Plan Assets		
	Opening Balance of Plan Assets	40.48	14.55
	Expected Return on Plan assets	(3.02)	1.03
	Employer's Contribution	48.48	24.91
	Return on plan assets, excluding amount recognised in net interest expenses	0.86	(0.01)
	Closing Balance of Plan Assets	86.80	40.48
	Net Liability	198.73	222.42
b)	Expense during the year		
	Service Cost	20.86	17.12
	Interest Cost	17.91	17.70
	Expected Return on Plan Assets	-	(1.03)
	Actuarial Loss / (Gain) on Obligations	(6.17)	6.28
	Total	32.60	40.07
c)	Principal Actuarial Assumptions		
	Rate of Discounting	7.19%	7.46%
	Rate of Return on Plan Assets	7.19%	7.46%
	Salary Growth Rate	5.00%	5.00%



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

- (ii) The actuarial valuation of the present value of the defined benefit obligation in respect of Compensated Absence Liabilities has been carried out as at 31st March, 2024. The following tables set out the amounts recognized in the financial statements as at 31st March, 2024 for the defined benefit plan.

(₹ in lakh)

Sr. No.	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
a)	Liability recognized in Balance Sheet		
	Change in Benefit Obligation		
	Opening balance of present value of obligations	99.75	91.23
	Service Cost	18.11	12.16
	Interest Cost	7.44	6.48
	Liability Transferred In / Acquisitions	6.06	2.98
	Actuarial (Gain) on Obligations	16.26	(0.56)
	Benefits Paid	(13.57)	(12.55)
	Closing balance of present value of obligations	134.05	99.75
	Less : Fair Value of Plan Assets		
	Opening Balance of Plan Assets	20.64	16.58
	Expected Return on Plan Assets	1.63	1.16
	Employer's Contribution	7.89	2.90
	Return on plan assets, excluding amount recognised in net interest expenses	-	-
	Adjustment to the Opening Value of Plan Assets	-	-
	Closing Balance of Plan Assets	30.16	20.64
	Net Liability	103.89	79.11
b)	Expense during the year		
	Service Cost	18.11	12.16
	Interest Cost	7.44	6.48
	Expected Return on Plan Assets	(1.63)	(1.16)
	Actuarial (Gain) / Loss on Obligations	16.26	(0.56)
	Return on plan assets, excluding amount recognised in net interest expenses	-	-
	Total	40.19	16.92
c)	Principal Actuarial Assumptions		
	Rate of Discounting	7.19%	7.46%
	Rate of Return on Plan Assets	7.19%	7.50%
	Salary Growth Rate	5.00%	5.00%



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Decrease	Increase	Decrease	Increase
Defined Benefit Obligation (Base)	285.52		262.90	
(₹ in lakh)				
Particulars	For the year ended 31st March, 2024		For the year ended 31st March, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%) (% change compared to base due to sensitivity)	295.88 3.6%	276.02 -3.3%	273.41 4.0%	253.22 -3.7%
Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity)	276.6 -3.1%	295.1 3.4%	249.2 -5.2%	268.5 2.1%
Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity)	284.30 -0.4%	286.91 0.5%	260.00 -1.1%	268.89 2.3%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

42 Assets taken on operating lease:

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Not later than one year	97.17	90.55
Later than one year but not later than five years	170.05	267.23
Total	267.23	357.78

43 Segment Disclosures

(a) Segment information for primary segment reporting (by business segments):

Based on guiding principles given in the Indian Accounting standard on 'Operating Segments' (IndAS-108), the primary segment of the Company is business segment, which comprises of pharmaceutical products/ pharma related services. As the Company operates in a single primary business segment, no segmental information thereof is given.

(b) Segment information for secondary segment reporting (by geographical segments)

The Board of Directors evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments.

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Revenue by Geography		
India	6,336.95	3,749.80
Rest of world	3,812.98	3,881.27
Total	10,149.93	7,631.07



44 Disclosure of related parties/ related party transactions pursuant to Ind AS 24 "Related Party Disclosures" :

(a) List of related parties over which control exist and status of transactions entered during the year :

Sr. No.	Name of the Related Party	Relationship
1	Lyka BDR International Limited Lyka Export Limited	Subsidiaries
2	Ipca Laboratories Limited Resonance Specialities Limited Makers Laboratories Limited Trophic Wellness Private Limited	Entity Exercising Significant Influence
3	Mr. Kunal Gandhi - Managing Director & Chief Executive Officer Mr. Yogesh Shah - Executive Director & Chief Financial Officer Mr. Kishore P. Shah - Company Secretary & Compliance officer (w.e.f. 9th November 2022) Mrs. Dhara P. Shah - Independent Director Mr. Sandeep. P. Parikh - Independent Director (upto 25th September 2023) Mr. Babu Lal Jain - Chairman & Independent Director Mr. Prashant Godha - Non Executive Director Mr. Shashil Mendonsa - Non Executive Director Mr. Neeraj Golas - Independent Director (from 16th January 2024) Mr. Vinod. S. Shanbhag - Independent Director (upto 1st August 2022) Mr. Piyush G. Hindia - Company Secretary (upto 8th November 2022)	Key Management Personnel (KMP)
4	Mrs. Nehal N. Gandhi - Non - Executive Director (up to 8th August 2022)	Relative of KMP
5	Enai Trading & Investment Private Limited Lyka Generics Limited Hiralaxmi Business Finance Private Limited	Entities owned by / over which KMP is able to exercise significant influence



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

(b) Disclosure of related party transactions:

(₹ in lakh)

Sr. No.	Description	Subsidiaries	Entity Exercising Significant Influence	KMP	Relative of KMP	Entities Owned by KMP	Total
1	Sale of Goods & Services	49.16 (367.93)	1857.84 (1,510.35)	- -	- -	- -	1,907.00 (1,878.28)
2	Purchases of Goods / Machinery	- -	- (34.80)	- -	- -	144.93 (48.49)	144.93 (83.29)
3	Purchases of Service	- -	- (0.07)	- -	- -	- -	- (0.07)
4	Rent Expenses	- -	- -	18.00 (9.00)	18.00 (9.00)	31.50 (31.50)	67.50 (49.50)
5	Rent Income	9.30 (14.92)	- -	- -	- -	- -	9.30 (14.92)
6	Other Income	- (1.08)	- -	- -	- -	- -	- (1.08)
7	Remuneration (Payments / Provisions) to	- -	- -	305.92 (194.03)	- -	- -	305.92 (194.03)
8	Commission Income	- (61.54)	- -	- -	- -	- -	- (61.54)
9	Directors Sitting Fees	- -	- -	10.10 (11.90)	- -	- -	10.10 (11.90)
10	Interest Income	25.05 (15.42)	- -	- -	- -	- -	25.05 (15.42)
11	Interest Expenses	- -	345.01 (948.15)	- (2.45)	41.76 (57.48)	52.72 (44.88)	439.49 (1,052.97)
12	Loan Received	- -	- (9,800.00)	- (10.00)	477.82 -	170.00 (188.00)	647.82 (9,998.00)
13	Loan Repaid	- -	3,050.00 (10,500.00)	- (50.00)	467.82 (300.00)	190.00 (183.00)	3,707.82 (11,033.00)
14	Loan Given	298.00 (662.35)	- -	- -	- -	- -	298.00 (662.35)
15	Loan (Principle) Received Back	633.00 (108.35)	- -	- -	- -	- -	633.00 (108.35)
16	Issue of Equity Shares	- -	240.00 (200.00)	- -	- -	- -	240.00 (200.00)
17	Issue of Security Premium	- -	3108.00 (2,590.00)	- -	- -	- -	3,108.00 (2,590.00)
18	Issue of Share Warrant	- -	- (1,743.75)	- -	- -	- -	- (1,743.75)

() Indicate previous year figures

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2024

(c) Balance for the year ended

(₹ in lakh)

Sr. No.	Description	Entity Exercising Significant Influence	KMP	Relative of KMP	Entities Owned by KMP	Total
1	Security Deposit given	-	251.25	251.25	-	502.50
		-	(251.25)	(251.25)	-	(502.50)
2	Loan Taken	2750.00	-	385.00	480.00	3,615.00
		(5,800.00)	-	(375.00)	(500.00)	(6,675.00)
3	Sundry Debtors	170.84	-	-	-	170.84
		(50.75)	-	-	-	(50.75)
4	Sundry Creditors	-	-	-	87.89	87.89
		-	(0.23)	-	(4.12)	(4.35)
5	Other Payable (Interest)	-	-	3.08	3.96	7.04
		(217.15)	-	(7.33)	(3.66)	(228.13)
6	Other Payable (Remuneration)	-	-	-	-	-
		-	(9.94)	-	-	(9.94)

() indicate previous year figures

Note : Related party information is as identified by the Group Companies and relied upon by the Auditors.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2024

45 Earnings per Share (EPS) :

Particulars	As at 31st March, 2024	As at 31st March, 2023
Adjusted (Loss)/Profit for the year (₹ in lakh) (A)	(237.76)	(1,339.54)
Weighted Average number of Equity Shares (B)	3,29,78,525	2,87,83,151
Face Value per Equity Share (₹) (C)	10.00	10.00
Basic and Diluted Earnings per Share (₹) (D = A/B)	(0.72)	(4.65)

46 Taxation :

Deferred Tax :

Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2024 and 31st March 2023.

Particulars	As at 31st March, 2024	As at 31st March, 2023
Accounting profit before tax (after exceptional items)	(93.25)	(1,320.86)
At India's statutory income tax rate of 25.168% (P.Y. 25.168%)	(23.47)	(332.43)
Deferred Tax impact on:		
On Account of Property, Plant and Equipment	(29.21)	(218.44)
On Account of Section 43B Disallowances	1.54	208.60
On Account of IndAS Adjustments	1.35	(3.04)
Less: Deferred Tax Assets not recognised in current year	(23.47)	(332.43)
Income tax expenses reported in the Statement of Profit and loss	(26.32)	(12.88)

47 Disclosures on Financial Instruments

(a) Financial Instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March, 2024

Particulars	Measured at FVTOCI	Measured at FVTPL	Cost / Amortised Cost	Total Carrying Amount
Financial Assets				
Investment in subsidiaries	-	-	3,240.30	3,240.30
Other Investments	-	1.71	-	1.71
Other Financial Assets	-	-	1,954.17	1,954.17
Trade Receivables	-	-	2,572.86	2,572.86
Loans	-	-	223.92	223.92
Total	-	1.71	7,991.25	7,992.96
Financial Liabilities				
Other Financial Liabilities	-	-	889.15	889.15
Borrowings	-	-	5,656.96	5,656.96
Trade Payable	-	-	1,090.66	1,090.66
Total	-	-	7,636.77	7,636.77



The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st March, 2023

(₹ in lakh)

Particulars	Measured at FVTOCI	Measured at FVTPL	Cost / Amortised Cost	Total Carrying Amount
Financial Assets				
Investment in subsidiaries	-	-	3,240.30	3,240.30
Investment	-	0.84	-	0.84
Other Financial Assets	-	-	1,819.13	1,819.13
Trade Receivables	-	-	1,715.97	1,715.97
Loans	-	-	561.44	561.44
Total	-	0.84	7,336.83	7,337.68
Financial Liabilities				
Other Financial Liabilities	-	-	1,154.71	1,154.71
Borrowings	-	-	7,104.15	7,104.15
Trade Payable	-	-	822.94	822.94
Total	-	-	9,081.79	9,081.79

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

(₹ in lakh)

Particulars	As at 31st March, 2024			Total
	Fair Value Measurement Using			
	Quoted Price in active markets	Significant observable input	Significant unobservable inputs	
	Level 1	Level 2	Level 3	
Assets measured at fair value FVTPL financial investments Mutual Funds	-	1.71	-	1.71
Total	-	1.71	-	1.71

(₹ in lakh)

Particulars	As at 31st March, 2023			Total
	Fair Value Measurement Using			
	Quoted Price in active markets	Significant observable input	Significant unobservable inputs	
	Level 1	Level 2	Level 3	
Assets measured at fair value FVTPL financial investments Mutual Funds	-	0.84	-	0.84
Total	-	0.84	-	0.84



(c) Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments :

The management assesses that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other

- (i) current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external

- (ii) valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The carrying value of those investments are individually immaterial.

(d) Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury Management Group ('TMG') manages these risks with a six monthly rolling basis due to which a natural hedge exist. TMG advises on financial risks and the appropriate financial risk governance framework for the Company and provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

All hedging activities are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company's policy is not to trade in derivatives for speculative purposes.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises of risks relating to interest rate risk and other price risks such as equity price risk and commodity price risk. Financial instruments affected by market risks mainly include borrowings, deposits and investments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure above a threshold

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and other income/expenses in foreign currency, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

Particulars of foreign currency exposure is as follows:

Particulars	Currency	As at 31st March, 2024	As at 31st March, 2023
Trade Receivable	USD \$	24,12,372.38	9,10,694.51
Trade Receivable - Advance	USD \$	(10,590.54)	(5,292.04)
Trade Payable	USD \$	(1,17,200.00)	(40,000.00)
Net Exposure (\$)	USD \$	22,84,581.84	8,65,402.47
Trade Receivable	EURO €	-	-
Trade Receivable - Advance	EURO €	-	(2,771.28)
Net Exposure (€)	EURO €	-	(2,771.28)
Trade Payable	JPY ¥	(10,23,000.00)	(10,23,000.00)
Net Exposure (¥)	JPY ¥	(10,23,000.00)	(10,23,000.00)

The company's exposure to foreign currency changes for all other currencies is not material.

The Company has entered into various derivatives transactions, which are not intended for trading or speculative purpose but to hedge the exports receivables included in above and future receivables.



Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Impact on profit before tax		
INR / USD - Increase by 5%	2.02	1.80
INR / USD - Decrease by 5%	(2.02)	(1.80)

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations and investments in debt instruments including debt mutual fund.

Interest rate sensitivity

The below table demonstrate the sensitivity of the company's profit before tax to a reasonable possible change in interest rate with all other variables being constant.

(₹ in lakh)

Particulars	Increase / Decrease	Change in interest rate	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense	Increase	100 basis point	4.58	10.53
	Decrease	100 basis point	(4.58)	(10.53)

(e) 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 Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade Receivable

Customer credit risk is managed by SCM team subject to the company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and followed up.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy.

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of bank deposits and cash credit facilities. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

(₹ in lakh)

Particulars	Year	Less than 1 Year	More than 1 Year	Total
Financial Liabilities				
Trade Payable	31st March 2024	1,052.06	38.61	1,090.66
	31st March 2023	719.57	103.37	822.94
Borrowings	31st March 2024	1,366.28	4,290.66	5,656.95
	31st March 2023	763.89	6,340.26	7,104.15
Other Financial Liabilities	31st March 2024	774.83	114.31	889.14
	31st March 2023	1,068.08	86.64	1,154.71



(f) Excessive risk concentration

Concentrations arise when a number of counter parties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Company believes that there is no such excessive risk concentration.

48 Capital Management

The Company's objective when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholders expectations. The policy of the company is to borrow through banks supported by committed borrowing facility to meet anticipated funding requirements. The capital structure is governed by policies approved by the Board of Directors.

49 Derivatives Financial Instruments

The details of outstanding foreign exchange forward contracts and other derivatives designated as cash flow hedges:

Particulars	Currency	As at 31st March, 2024	As at 31st March, 2023
Forward Contracts - Exports	USD	9,75,000.00	-

The foreign exchange forward contracts mature within one year or more. The table below shows the derivative financial instruments into relevant maturity grouping based on the remaining period as at Balance Sheet Date:

Particulars	Currency	As at 31st March, 2024	As at 31st March, 2023
Forward Contracts - Exports			
Not later than one months	USD	-	-
Later than one month and not later than three months	USD	-	-
Later than three months and not later than one year	USD	9,75,000.00	-



50 Payments to Auditors :

(₹ in lakh)

Sr. No.	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i)	Audit Fees	16.00	16.00
(ii)	GST Compliance Fees	3.50	1.25
(ii)	Tax Audit Fees	3.50	3.50
(iii)	For other services (certification work etc.)	1.38	2.70
(iv)	Due Dilligence Fees	2.50	3.00
	Total	26.88	26.45

51 Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for
- (ii) The Company do not have any transactions with companies struck off.
- (iii) Company has created various charges in favour of Banks, Financial Institutions and Others for securing loan to the Company. The Company is in process of satisfaction of Charges and filing with the Registrār of Companies, Ahamadabad in respect of which dues are settled.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (ix) The Company has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

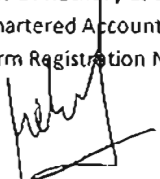


52 Ratio Analysis

Sr. No.	Ratio	As at 31st March, 2024	As at 31st March, 2023	% change	Reason for variance
1	Current Ratio	1.39	1.41	-1.26%	
2	Debt Equity Ratio	0.60	0.98	-38.52%	Ratio improved due to Repayment of Loans during the year and Issue of Equity Shares.
3	Interest Coverage Ratio	0.80	-0.14	-668.03%	EBIT is higher in current year & reduction in finance cost.
4	Return on Equity Ratio	-0.03	-0.22	-88.23%	Loss for the year is less than previous year, hence ratio has improved.
5	Inventory Turnover Ratio	5.68	4.32	31.64%	Inventory Increased in line with turnover.
6	Trade Receivables Turnover Ratio	4.73	4.39	7.76%	
7	Trade Payables Turnover Ratio	4.90	3.86	26.91%	Trade payable increased in line with material consumption
8	Net Capital Turnover Ratio	7.21	6.19	16.42%	
9	Net Profit Ratio	-2.24%	-17.41%	-87.13%	Loss for the year is less than previous year, hence ratio has improved.
10	Return on Capital employed	2.39%	-1.06%	-324.90%	Profit for the year is higher than previous year & increased in net worth.
11	Return on Investment	5.11%	7.66%	-33.32%	Fixed Deposits are matured in 2nd Qtr & new FD created from 3rd quarter hence average return on Investment is lower.


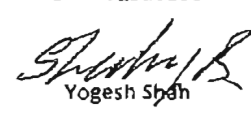
53 The Company has regrouped / reclassified the previous years figures in order to confirm to the figures of the current year.


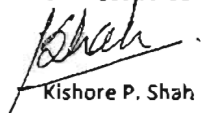
In terms of our report of even date,
For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W


Mehul N. Patel
Partner
Membership No. 132650
Place : Mumbai
Date : 21st May, 2024



For and on behalf of the Board of
Directors of Lyka Labs Limited


Kanal Gandhi
Managing Director
DIN : 01516156

Yogesh Shah
Executive Director & CFO
DIN : 06396150


Prashant Godha
Director
DIN : 00012759

Kishore P. Shah
Company Secretary &
Compliance Officer



D. KOTHARY & CO.

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of
Lyka Exports Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Lyka Exports Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the 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 standalone financial statements give the information required by the Companies Act, 2013 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 31st March, 2024, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

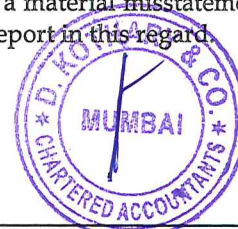
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be disclosed.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone 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 standalone 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.





Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 Standard) 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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.





concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

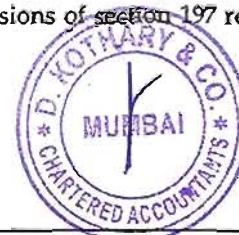
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 A", 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 and proper returns adequate for the purposes of our audit have been received from the branch not visited by us.
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.
 - (d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account and with the returns received from the branch not visited by us.
 - (e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (h) In our opinion, the managerial remuneration for the year ended 31st March, 2024 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.





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- (i) 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the pending litigations which has impact on its financial position in its financial statements – Refer Note 31 to the standalone financial statements.
 - ii. The Company has made provisions, as required under the applicable Law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring of amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 37(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 37(vi) to the Standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The dividend has not been declared or paid during the year by the Company.
 - vi. Based on our examination, which included test checks, the Company has widely used Tally Prime as its accounting software for maintaining its books of account, but the feature of recording audit trail (edit log) facility was not enabled during the financial year.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is not applicable for the financial year ended March 31, 2024.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W

Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 24132650BKBIHB5499
Place: Mumbai
Date: 17th May, 2024





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Annexure A to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i. In respect of its property, plant & equipment:
 - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant & equipment on the basis of available information;

(B) The company has maintained proper records showing full particulars of intangible assets;
 - b) As explained to us, all the property, plant & equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification;
 - c) According to the information and explanations given to us, the title deeds of immovable properties including leasehold land, as disclosed in Note 3 on property, plant and equipment to the Financial Statements, are held in the name of the Company;
 - d) According to the information and explanations given to us the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year;
 - e) There are no proceedings initiated and are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii.
 - a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. In respect of loans and advances, guarantee or security provided:
 - a) In our opinion and according to the information and explanations given to us, the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity

(A) The aggregate amount during the year is Rs. 417 lakhs, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security is Rs. 299 lakhs.
 - b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided during the year are not prejudicial to the company's interest
 - c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.





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- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans granted, investments made and guarantees and securities provided.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company and hence clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.
- b) There are no statutory dues pending to be deposited on account of disputes pending with various forums.
- viii. There are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
- a) Based on our audit procedures and as per the information and explanations given by management, the Company has not defaulted in repayment of dues to any lender.
- b) The Company has not declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.





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- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long term purposes by the Company.
- e) The company does not have any subsidiaries hence reporting under clause (ix) (e) & (f) are not applicable.
- x.
- a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x) of the Order is not applicable.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi.
- a) To the best of our knowledge, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. The provisions of section 138 are not applicable to the Company. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. In our opinion during the year the Company has not entered into non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- xvii. The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to





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the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The provisions of section 135 are not applicable to the Company. Accordingly, paragraph 3(xx) of the Order is not applicable.

For D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 24132650BKBIHB5499



Place: Mumbai
Date: 17th May, 2024



Annexure - B to the Auditors' Report

To the Members of
Lyka Exports 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 Lyka Exports Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

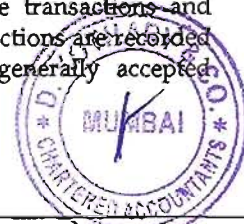
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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





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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

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 D. Kothary & Co
Chartered Accountants
Firm Regn No. 105335W


Mehul N. Patel
(Partner)
Membership No. 132650
UDIN: 24132650BKBIHB5499



Place: Mumbai

Date: 17th May, 2024

LYKA EXPORTS LIMITED

Significant Accounting Policies for the year ended 31st March, 2024

1. CORPORATE INFORMATION

"Lyka Exports Limited" is unlisted entity incorporated and domiciled in India. The address of its registered office and principal place of business are disclosed in the introduction to the annual report.

Company is engaged in the business of pharmaceutical products.

2. THE MATERIAL ACCOUNTING POLICIES

A. BASIS OF PREPARATION AND PRESENTATION

The Ind-AS financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with the Companies (Indian Accounting Standards) Amendment Rules, 2017 and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 -- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 -- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 -- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



LYKA EXPORTS LIMITED

Significant Accounting Policies for the year ended 31st March, 2024

Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

An asset is considered as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized 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 considered as 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.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating Cycle is the time between the acquisition of assets for business purpose and their realization into cash and cash equivalents.

B. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Property, Plant and Equipment:

Property, Plant and Equipment are recorded at their cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties, if any, and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognized.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant and Equipment recognized as on 1st April 2017 measured as per previous GAAP as its deemed cost on the date of transition.

Depreciation on Property, Plant and Equipment is being provided on "Straight Line method" basis at the Useful lives/rates specified as per Schedule II of the Companies Act, 2013. Depreciation in respect of addition to the fixed assets is provided on Pro-rata basis from the date in which such assets are acquired/ installed/ put to use.



The residual value, useful lives and method of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate.

Gains or losses arising out of de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

b) Intangible Assets:

Intangible Assets are recorded at their cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, borrowing costs and directly attributable cost for bringing the asset to its working condition for its intended use.

An item of intangible asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the intangible asset is derecognized.

For transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Asset recognized as on 1st April 2017 measured as per previous GAAP as its deemed cost on the date of transition.

Depreciation on Intangible Asset is being provided on "Straight line Method" basis at the Useful lives/rates specified as per Schedule II of the Companies Act, 2013, considering estimated useful life of 10 years. Depreciation in respect of addition to the Intangible Assets is provided on Pro-rata basis from the date in which such assets are acquired or put to use.

The residual value, useful lives and method of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate.

Gains or losses arising out of de-recognition of Intangible Asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

c) Inventories:

The Company has complied with Ind AS on Valuation of Inventories issued by the Institute of Chartered Accountants of India, to the extent practicable keeping in mind the peculiar nature of the industry.

Inventories are valued at lower of cost, determined based on weighted average, or net realizable value and valued by using FIFO method of valuation. In the opinion of the management of the Company, this does not have any material impact on the operating results of the Company.

d) Impairment of non-financial asset- property, plant and equipment and intangible assets

The company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called as cash generating units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.



An impairment Loss is recognized in the Statement of Profit and Loss to the extent asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

e) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

f) Employee Benefits:

Short Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity as applicable under the Payment of Gratuity Act 1972. The gratuity liability amount is contributed to the approved gratuity fund with Life Insurance Corporation of India, exclusively for gratuity payment to the employees. The said contributions are charged to profit and loss account in the year in which they accrue. Contribution paid/ payable for the year/ period to Defined Contribution Retirement Benefit Plans is charged to Statement of Profit and Loss account. The gratuity fund has been approved by respective IT authorities.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. compensated absences are determined based on Actuarial Valuation. Actuarial gains and losses are recognized immediately in the Balance Sheet with a corresponding effect in the Statement of Other Comprehensive Income. Past service cost is recognized immediately in the Statement of Profit or Loss.



LYKA EXPORTS LIMITED

Significant Accounting Policies for the year ended 31st March, 2024

g) Revenue Recognition:

Sales are net of discount and Sales Tax. Revenue is recognized on dispatch of goods, and significant risk, reward and ownership of products is transferred to customers.

h) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

i) Taxes on Income:

Current Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized directly in equity is recognized in Other Comprehensive Income / Equity and not in the Statement of Profit and Loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax asset and liabilities are reviewed at each reporting date.

j) 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.

i) Financial Assets:

A) Initial Recognition and Measurement:

All financial assets and liabilities are recognized 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.



B) Subsequent Measurement:

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

(i) Financial Assets at Amortized Cost (AC):

A financial asset is measured at the amortized cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and, the 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.

(ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial Assets at Fair Value through Statement of Profit and Loss. (FVTPL):

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

C) De-recognition:

A financial asset (or, where applicable, a part of a financial asset or group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

D) Impairment of Financial Assets:

The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss of Financial assets at amortized cost.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realized from the asset.



Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

ii) **Financial Liabilities:**

A) **Initial Recognition and Measurement:**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, trade and other payables and financial guarantee contracts.

There is no significant impact on valuation of Financial Liabilities at fair value through comprehensive income and hence no profit or loss on such valuation is provided.

B) **Subsequent Measurement:**

This is dependent upon the classification thereof as under:

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

There is no significant impact on valuation of Financial Liabilities at fair value through comprehensive income and hence no profit or loss on such valuation is provided.

iii) **Offsetting of Financial Instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize an asset and settle the liabilities simultaneously.



LYKA EXPORTS LIMITED

Significant Accounting Policies for the year ended 31st March, 2024**iv) De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

ix) Contingent Liabilities:

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Contingent Liabilities are not recognized but are disclosed in the notes.



Lyka Exports Limited
Balance Sheet as at 31st March, 2024

(₹ in lakh)

Particulars	Notes	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	107.08	126.00
(b) Intangible assets	4	98.16	129.44
(d) Intangible assets under development	4	-	-
(c) Financial Assets			
(i) Investments	5	7.47	3.99
(ii) Other Financial Assets	6	0.45	0.45
(d) Non Current Tax Assets	7	2.84	5.65
(h) Deferred tax assets(net)	8	-	-
		216.00	265.54
Current Assets			
(a) Financial Assets			
(ii) Trade Receivables	9	-	10.80
(iii) Cash and Cash Equivalents	10	2.82	298.92
(iv) Loans	11	299.74	4.68
(b) Other Current Assets	12	0.35	0.35
(c) Current tax Assets	13	3.91	15.51
		306.82	330.27
		522.81	595.81
Total Assets			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	739.54	739.54
(b) Other Equity	15	(271.32)	(287.05)
		468.23	452.49
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	-	38.59
(ii) Other Financial Liabilities	17	-	21.00
(b) Provisions	18	6.56	6.36
(C) Deferred tax Liabilities(net)	8	15.29	15.30
		21.85	81.25
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	-	27.74
(ii) Trade Payable			
- Micro and Small Enterprise	20	-	-
- Other than Micro and Small Enterprise	20	-	-
(iii) Other Financial Liabilities	21	31.40	30.83
(b) Other Current Liabilities	22	0.62	2.79
(c) Provisions	23	0.72	0.69
		32.74	62.06
		522.81	595.81
Total Equity and Liabilities			

See accompanying notes to the financial statements

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

(Mehul H. Pate) 

Partner

Membership No. 132650

Place : Mumbai

Date : 17th May, 2024

For and on behalf of the Board of
Directors of Lyka Exports Limited(Yogesh B. Shah) 

Director

DIN : 06396150

(Narendra C. Rathod) 

Director

DIN : 09719860



Lyka Exports Limited
Statement of Profit and Loss for the Year Ended 31st March, 2024

(₹ in lakh)

Particulars	Notes	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
INCOME			
Income from Operations	24	-	423.21
Other Operating Income	25	112.50	100.90
		112.50	524.11
Other Income	26	32.90	28.18
Total Income		145.40	552.29
EXPENSES			
Cost of Materials Consumed		-	-
Purchases of Stock-in-Trade		-	403.05
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade		-	-
Employee Benefits Expense	27	33.19	40.08
Finance Costs	28	4.55	21.15
Depreciation and Amortization Expense	3 & 4	50.21	59.72
Other Expenses	29	21.71	24.49
Total Expenses		109.66	548.50
Profit/ (Loss) before Exceptional items		35.74	3.79
Exceptional items	30	-	37.46
Profit/ (Loss) before tax		35.74	(33.67)
Prior Period Adjustments (Net)			
Tax Expense:			
Deferred Tax (for CY Rs 406)		(0.00)	(16.69)
Current /Earlier Year Tax		24.03	(0.25)
Profit / (Loss) for the year		11.71	(16.74)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (net of tax)		0.54	(0.81)
Fair Value Changes of Investments in Equity Shares		3.48	3.09
Total Other Comprehensive Income		4.02	2.28
Total Comprehensive Income for the year		15.73	(14.45)
Earnings per share (of Rs. 10 /- each):			
Basic / Diluted	33	0.16	(0.23)

See accompanying notes to the financial statements

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

(Mehul N. Patel)

Partner

Membership No. 132650

Place : Mumbai

Date : 17th May, 2024



For and on behalf of the Board of Directors

Lyka Exports Limited

(Yogesh B. Shah)

Director

DIN : 06396150

(Narendra C. Rathod)

Director

DIN : 09719860

Lyka Exports Limited
Statement of Changes in Equity For the Year Ended 31st March, 2024

A. Equity Share Capital (Refer note 14) (₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	73,95,424	740	73,95,424	740
Balance at the end of reporting year	73,95,424	740	73,95,424	740

B. Other Equity (Refer note 15) (₹ in lakh)

Particulars	Reserves and surplus				Total
	Retained Earnings	Securities Premium Account	Capital Reserve	General Reserve	
Balance As at 31st March, 2023	(1,353.11)	1,063.67	-	-	2.39
Profit / (Loss) for the year	11.71	-	-	-	-
Other Comprehensive Income for the year, net of income tax	-	-	-	-	4.02
Balance as at 31st March, 2024	(1,341.39)	1,063.67	-	-	6.41
					(287.05)
					11.71
					4.02
					(271.32)



Lyka Exports Limited
Cash Flow Statement For the Year Ended 31st March, 2024

(₹ in lakh)

Particulars	For the Year Ended 31st March, 2024		For the Year Ended 31st March, 2023	
A. Cash Flow from Operating Activities				
Profit / (Loss) for the year before tax		35.74		(33.67)
Adjusted for				
Depreciation	50.21		59.72	
Interest Income	(32.90)		(28.18)	
(Profit) / Loss on sale of fixed assets (net)	-		16.78	
Finance Cost	4.55		21.15	
Provision for Doubtful Trade Receivables / Advances / Deposits / Gratuity / Leave Encashment	-		24.79	
Provision/ Credit Balance no longer required Written Back	-		(13.85)	
Exchange rate fluctuation	-		-	
Irrecoverable Advances written off	-		-	
Return on Investment	-		-	
		21.86		80.42
Operating profit before working capital change		57.60		46.75
Changes in Working Capital :				
(Increase) / Decrease in Other Non-Current Financial Assets	-		-	
(Increase) / Decrease in Other Non-Current Assets	-		72.00	
(Increase) / Decrease in Trade and other receivables	10.80		(14.35)	
(Increase) / Decrease in Other Current Assets	0.00		2.33	
(Increase) / Decrease in Loans & Advances	(295.06)		(3.94)	
Increase / (Decrease) in Other Non-Current Financial Liabilities	(21.00)		21.00	
Increase / (Decrease) in Non-Current Provisions	0.73		(65.72)	
Increase / (Decrease) in Other Current Financial Liabilities	0.57		0.86	
Increase / (Decrease) in Other Current Liabilities	(2.18)		(1.19)	
Increase / (Decrease) in Current Provisions	0.02		-	
		(306.11)		10.99
Cash generated from operations		(248.51)		57.74
Exchange rate fluctuation			-	
Net Income Tax Payment	(9.61)	(9.61)	81.12	81.12
Net cashflow from operating activities (A)		(258.12)		138.86
B. Cashflow for Investing activities				
Purchase of fixed assets	-		-	
Proceeds from sale of fixed assets	-		47.37	
Change in Loan	-		-	
Interest Received	32.90		28.18	
Net cash used in Investing activities (B)		32.90		75.54
C. Cashflow from Financing activities				
Proceed from / (Repayment) of Non Current Borrowings Net	(66.34)		(55.77)	
(Repayment) of Current Borrowings Net	-		-	
Proceeds from Issue of Equity Shares net (Including Premium)	-		-	
Interest Paid	(4.55)		(21.15)	
Net cash used in Financing activities (C)		(70.88)		(76.92)
Net (decrease) / Increase in cash and cash equivalents (A+B+C)		(296.11)		137.48
Cash and Cash Equivalents at the beginning of the year				
Cash and Cash Equivalents		213.82		101.35
Earmarked Balances		85.10		60.10
		298.92		161.45
Cash and Cash Equivalents at the end of the year				
Cash and Cash Equivalents		2.82		213.82
Earmarked Balances		-		85.10
		2.82		298.92

See accompanying notes to the financial statements

In terms of our report of even date,

For D. Kothary & Co.

Chartered Accountants

Firm Registration No. 105335W

(Mehu N. Patel)

Partner

Membership No. 132650

Place : Mumbai

Date : 17th May, 2024

For and on behalf of the Board of Directors
Lyka Exports Limited

Yogesh B. Shah
 Yogesh B. Shah
 Director
 DIN : 06395150

Narendra C. Rathod
 Narendra C. Rathod
 Director
 DIN : 09719860

Lyka Exports Limited

Notes to the Financial Statements For the Year Ended 31st March, 2024

3 Property Plant and Equipment

Carrying amounts of :

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Buildings	0.84	0.86
Plant and Machinery	-	-
Vehicles	106.24	125.14

(₹ in lakh)

Particulars	Buildings	Plant and Machinery	Vehicles	Office Equipments	Total
Gross Block (Cost or Deemed Cost) :					
Balance at 31st March, 2023	1.60	1.59	159.26	-	162.46
Disposals	-	-	-	-	-
Balance at 31st March, 2024	1.60	1.59	159.26	-	162.46
Accumulated Depreciation and Impairment :					
Balance at 31st March, 2023	0.74	1.59	34.12	-	36.45
Depreciation for the year	0.03	-	18.90	-	18.92
Disposals	-	-	-	-	-
Balance at 31st March, 2024	0.76	1.59	53.02	-	55.38
Carrying amounts of :					
Balance at 31st March, 2023	0.86	-	125.14	-	126.00
Balance at 31st March, 2024	0.84	-	106.24	-	107.08



Lyka Exports Limited

Notes to the Financial Statements For the Year Ended 31st March, 2024

4 Intangible Assets

Carrying amounts of :

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Intangible Assets (Trade Mark/Brand)	98.16	129.44

(₹ in lakh)

Particulars	Intangible Assets (Trade Mark/Brand)	Total
Gross Block (Cost or Deemed Cost) :		
Balance at 31st March, 2023	238.50	238.50
Balance at 31st March, 2024	238.50	238.50
Accumulated Amortisation and Impairment :		
Balance at 31st March, 2023	109.06	109.06
Amortisation for the year	31.29	31.29
Balance at 31st March, 2024	140.34	140.34
Carrying amounts of :		
Balance at 31st March, 2023	129.44	129.44
Balance at 31st March, 2024	98.16	98.16



Lyka Exports Limited

Notes to the Financial Statements For the Year Ended 31st March, 2024

5 Non-Current Investments

(₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No of Shares / units	Amount	No of Shares / units	Amount
Investments :				
(a) Investments in Equity Shares (Unquoted) (At cost):				
(i) Equity Shares of Rs. 100 each fully paid up in Janata Sahakari Bank Ltd	10	0.01	10	0.01
(b) Other Investments (Quoted) - FVTPL :				
Equity Shares of Rs. 10 each fully paid up in Paramount Printpackaging Ltd	10,000	0.08	10,000	0.08
Equity Shares of Rs. 1 each fully paid up in Themis Medicare Ltd	3,340	7.38	334	3.90
	13,350	7.47	10,344	3.99



6 Other Non-current Financial Assets

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, considered good) Security Deposit	0.45	0.45
Total	0.45	0.45

7 Non-Current Tax Assets

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Tax and Tax deducted at source	2.84	5.65
Total	2.84	5.65

8 Deferred Tax Assets (net)

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred Tax Assets Less: Deferred Tax Liabilities	(15.29)	0.33 (15.63)
Total	(15.29)	(15.30)

Deferred Tax Assets / (Liabilities) in	FY 2023-24			FY 2022-23		
	Opening Balance	Recognised in Profit or Loss	Closing Balance	Opening Balance	Recognised in Profit or Loss	Closing Balance
ECL Provisions	0.33	0.33	(0.00)	0.33	-	0.33
Property, Plant and Equipment	(15.63)	(0.34)	(15.29)	(32.32)	16.69	(15.63)
Total	(15.30)	(0.01)	(15.29)	(31.99)	16.69	(15.30)



9 Trade Receivables

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured) Considered Good	-	10.80
Total	-	10.80

10 Cash and Cash Equivalents

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(A) Cash and Cash Equivalents		
Balances with Banks	2.82	213.82
Cash on hand (2024 Rs 387 & 2023 Rs 387)	0.00	0.00
(B) Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks held as margin money including interest accrued	-	85.10
Total	2.82	298.92

11 Current Loans

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, considered good)		
Loan to Employees	0.74	0.74
Loan to Related Party	299.00	3.94
Total	299.74	4.68

12 Other Current Assets

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Prepaid Expenses	0.35	0.35
Total	0.35	0.35

13 Current Tax Assets

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance tax & TDS (Net of Provision)	3.91	15.51
Total	3.91	15.51



Lyka Exports Limited

Notes to the Financial Statements For the Year Ended 31st March, 2024

14 Share Capital (₹ in lakh)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Authorised Equity Shares of Rs. 10/- each	90,00,000	900.00	90,00,000	900.00
	90,00,000	900.00	90,00,000	900.00
Issued, Subscribed and Fully Paid Equity Shares of Rs. 10/- each	73,95,424	739.54	73,95,424	739.54
Total	73,95,424	739.54	73,95,424	739.54

14.1 Rights, preferences and restriction attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

14.2 Reconciliation of number of shares outstanding as at the beginning and end of the year

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Balance as at the beginning of the Year	73,95,424	-	73,95,424	-
Balance as at the end of the Year	73,95,424	-	73,95,424	-

14.3 Details of Shares held by the Shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 31st March, 2024		As at 31st March, 2023	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Equity Shares of Rs. 10/- each				
Lyka Labs Limited	53,83,636	72.80%	53,83,636	72.80%
Enai Trading & Investment Pvt. Ltd.	3,85,600	5.21%	3,85,600	5.21%
Kunal N. Gandhi	4,81,140	6.51%	4,63,440	6.27%
Nehal N. Gandhi	4,45,900	6.03%	4,45,900	6.03%



14.4 Details of Shares held by the Promoter in the Company

Name of the promoter / promoter group	As at 31st March 2024				
	No. of shares as at 31st March 2023	Change during the year	No. of shares as at 31st March 2024	% of Total shares	% Change during the year
Equity Shares of Rs. 10/- each					
Lyka Labs Limited	53,83,636	-	53,83,636	72.80%	0.00%
Kunal N. Gandhi	4,63,440	17,700	4,81,140	6.51%	3.82%
Nehal N. Gandhi	4,45,900	-	4,45,900	6.03%	0.00%
Narendra Ishwarlal Gandhi	8,640	-	8,640	0.12%	0.00%

Details of Shares held by the Promoter in the Company

Name of the promoter / promoter group	As at 31st March 2023				
	No. of shares as at 31st March 2022	Change during the year	No. of shares as at 31st March 2023	% of Total shares	% Change during the year
Equity Shares of Rs. 10/- each					
Lyka Labs Limited	53,83,636	-	53,83,636	72.80%	0.00%
Kunal N. Gandhi	27,140	4,36,300	4,63,440	6.27%	1607.59%
Nehal N. Gandhi	9,600	4,36,300	4,45,900	6.03%	4544.79%
Narendra Ishwarlal Gandhi	8,640	-	8,640	0.12%	0.00%
Narendra I Gandhi (HUF)	17,700	-	17,700	0.24%	0.00%

15 Other Equity

(₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earning	(1,341.39)	(1,353.11)
Securities Premium Account	1,063.67	1,063.67
Items of Other Comprehensive Income	6.41	2.39
Total	(271.32)	(287.05)



Lyka Exports Limited

Notes to the Financial Statements For the Year Ended 31st March, 2024

16 Non Current Borrowings		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Secured Loan: Vehicle Loan From Financial Institution	-	38.59	
Total	-	38.59	

17 Other Non-current Financial Liabilities		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Security Deposit	-	21.00	
Total	-	21.00	

18 Non Current Provisions		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Employee Benefits: Provision for Leave Encashment	3.35	3.51	
Provision for Gratuity	3.20	2.85	
Total	6.56	6.36	

19 Current Borrowings		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Secured Loans: From Others			
Current Maturity of Long Term Debts	-	27.74	
Total	-	27.74	

20 Trade Payables		(₹ in lakh)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-	
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	-	-	
Total	-	-	



21 Other Current Financial Liabilities (₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Employee dues	0.25	2.67
Creditors for : Expenses	6.63	3.83
Other Outstanding Liabilities	24.52	24.33
Total	31.40	30.83

22 Other Current Liabilities (₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Payables : Statutory dues	0.62	2.79
Total	0.62	2.79

23 Current Provisions (₹ in lakh)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Employee Benefits : Provision for Gratuity	0.31	0.26
Provision for Leave Encashment	0.41	0.44
Total	0.72	0.69



Lyka Exports Limited

Notes to the Financial Statements For the Year Ended 31st March, 2024

24 Revenue From Operations		(₹ in lakh)	
Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Sale of products	-	423.21	
Total	-	423.21	
25 Other Operating Revenue		(₹ in lakh)	
Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Royalty / Commission Received	112.50	100.90	
Total	112.50	100.90	
26 Other Income		(₹ in lakh)	
Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Interest from Banks on Deposits	0.67	8.12	
Other Interest	32.23	20.06	
Miscellaneous Income	-	-	
Total	32.90	28.18	
27 Employee Benefit Expenses		(₹ in lakh)	
Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Salaries and Wages	31.91	37.18	
Contribution to Provident and Other Funds :			
Provident / ESI Fund	0.10	0.42	
Provision for Gratuity	0.94	0.69	
Provision for Leave Encashment	0.23	1.80	
Total	33.19	40.08	
28 Finance Costs		(₹ in lakh)	
Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023	
Interest Expenses on :			
Borrowings From Banks :			
Working Capital	0.16	6.19	
Borrowing Others :			
Bank Charges	0.04	0.02	
Interest Expenses	4.31	8.68	
Others	0.03	6.26	
Total	4.55	21.15	



29 Other Expenses

(₹ in lakh)

Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Rent including Lease Rentals	3.30	4.59
Repairs and Maintenance - Buildings	-	0.08
Repairs and Maintenance - Vehicles	1.45	4.27
Insurance	2.14	4.47
Rates and Taxes	0.28	0.28
Travelling and Conveyance	6.56	3.03
Advertisement and Sales Promotion	0.67	0.26
Legal and Professional Charges	3.75	2.92
Payments to Auditors (Refer Note No.37)	1.25	1.25
Miscellaneous Expenses	1.42	2.90
Directors Fees	0.90	0.45
Total	21.71	24.49

30 Exceptional Items

(₹ in lakh)

Particulars	For Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Sales tax Paid	-	12.22
Other Balance Written Off	-	(13.85)
Loss on Sale of Car	-	16.78
Compounding Charges	-	22.30
Total	-	37.46



31 Contingent Liability:

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to Rs. -- Nil -- (Previous period Rs. -- Nil --) net of advances.

In the opinion of the Management, Current Assets and Loans & Advances have values at least equal to the amount shown in the Balance Sheet, if realized in the ordinary course of business. The provisions for depreciation and all the known liabilities are not in excess of the amount reasonably considered to be necessary.

32 As per Ind AS 24, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

a. List of related parties and their relationship:

Name of Related Party	Relationship
Lyka Labs Ltd.	Holding Company
Lyka BDR International Ltd.	Fellow Subsidiary
Lyka Generics Ltd. (Formerly known as Lyka Animal Healthcare Ltd.)	KMP have Significant Control
Kunal N. Gandhi	Key Management Personnel (KMP)
Nehal N. Gandhi	Relative of KMP
Alisha K. Gandhi	Relative of KMP
Enai Trading and Investment Private Limited	Entities owned by/over which KMP is able to exercise control

b. Related party Transactions:

(Rs. In Lakhs)

Related Party	Nature of Transactions	FY 2023-24	FY 2022-23
Lyka Labs Ltd.	Rent expenses	3.30	3.30
	Amount received (Net)	-	72
Lyka Generics Ltd. (Formerly known as Lyka Animal Healthcare Ltd)	Amount received (Net)	-	0.20
Lyka BDR International Ltd.	Loan given	417	490
	Loan repayment	118	490
	Interest received	31.91	18.61



Related Party	Nature of Transactions	FY 2023-24	FY 2022-23
Alisha K. Gandhi	Salary	29.45	30.93
Alisha K. Gandhi	Reimbursement of Exp.	3.00	3.00

C. Balance Outstanding of related parties: (Rs in Lakhs)

Financial Head	Related Party	FY 2023-24	FY 2022-23
Financials Assets	Lyka BDR International Ltd.	299.00	-
Other Payable	Alisha K. Gandhi	0.25	0.25

33 Earnings Per Share (EPS):

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
Profit for the Year (Rs in Lakhs) (A)	11.71	(16.74)
Weighted Average Number of Equity Shares (B)	73,95,424	73,95,424
Face Value Per Equity Shares (Rs in Lakhs) (C)	10	10
Basic & Diluted EPS Per Share	0.16	(0.23)

34 Segmental Reporting: -

Segment Information for primary segment reporting (By geographical segments)

Based on the guiding principles given in Ind AS 108 on Operating Segments, primary segment of the company is geographical segment, which comprises of Domestic sales. The company operates in only one business segment- pharmaceutical products. There is no secondary segment.

35 Payment to Auditors

(Rs. In Lakhs)

Sr. No.	Particulars	For the Year Ended 31 st March 2024	For the Year Ended 31 st March 2023
(i)	Audit Fees	1.25	1.25
(ii)	Tax Audit Fees	-	-

36 Ratio Analysis

Sr. No.	Ratio	As at 31 March, 2024	As at 31 March, 2023	% Change	Reason for Variance
1)	Current Ratio (Current Assets / Current Liabilities)	9.37	5.32	89.58%	Due to Repayment of Loans during the year
2)	Debt Equity Ratio (Borrowings / Shareholders' Equity)	-	0.15	-100.00%	Ratio improved due to Repayment of Loans during the year



3)	Debt Service Coverage Ratio (Earnings for Debt Service / Debt Service)	0.81	0.73	10.66%	
4)	Return on Equity (%) (NPAT / Avg. Shareholders' Equity)	2.54%	-3.64%	-169.89%	Due to increase in net profit in Current year as compare to previous year.
5)	Trade Receivable Turnover (Net Credit Sales / Avg. Trade Receivables)	20.83	23.34	-10.75%	
6)	Net Capital Turnover (Net Sales / Avg. Working Capital)s	0.41	1.95	-79.00%	Due to decrease in sales volume in Current year and increase in working capital.
7)	Net Profit Ratio (%) (NPAT / Net Sales)	10.41%	-3.19%	-426.04%	Due to decrease in sales volume in Current year
8)	Return on Capital Employed (%) (EBIT / Capital Employed)	10.45%	-3.09%	-437.87%	Due to increase in net profit in Current year as compare to previous year.

37 Other Statutory Information

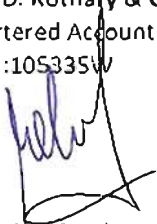
- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,



- vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Company has not been declared as a Willful Defaulter by any bank or financial institution or government or any government authority.
- ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

38 Previous year's figures have been re-classified/re-grouped, wherever necessary.

As per our attached report of even date
For D. Kothary & Co.
Chartered Accountants
FRN :105335W



Mehul N. Parel
(Partner)
Membership No: 132650
Mumbai
Date : 17th May, 2024.



For and on behalf of the Board



Yogesh B. Shah
(Director)
DIN: 06396150



Narendra C. Rathod
(Director)
DIN: 09719860

Lyka Labs Limited
Provisional Balance Sheet as at 30th June, 2024

Annexure-17

(₹ in lakh)

Particulars	Notes	As at 30th June, 2024	As at 31st March, 2024
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	4,563.51	4,579.93
(b) Capital Work- In- Progress	3	2,351.81	2,197.17
(c) Intangible assets	4	937.47	984.43
(d) Intangible assets under development	4	100.29	108.09
(e) Financial Assets			
(i) Investments	5	3,240.30	3,240.30
(ii) Other Financial Assets	6	1,671.39	1,671.39
(f) Other Non Current Assets	7	687.14	746.06
(g) Non Current Tax Assets	8	53.18	74.63
		13,605.08	13,602.01
Current Assets			
(a) Inventories	9	941.62	955.83
(b) Financial Assets			
(i) Investments	5	1.74	1.71
(ii) Trade Receivables	10	2,565.07	2,572.86
(iii) Cash and Cash Equivalents	11	617.96	588.58
(iv) Loans	12	155.26	223.92
(v) Other Financial Assets	13	287.46	282.79
(c) Other Current Assets	14	461.62	360.68
		5,030.73	4,986.36
Total Assets		18,635.83	18,588.37
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	3,569.00	3,309.00
(b) Other Equity	16	9,259.11	6,623.90
		12,828.11	9,932.90
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1,756.46	4,290.67
(ii) Lease Liabilities		125.84	125.84
(iii) Other Financial Liabilities	18	114.23	114.31
(b) Provisions	19	104.67	174.31
(c) Deferred Tax Liabilities (net)	20	392.16	372.56
		2,493.36	5,077.69
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,131.57	1,366.28
(ii) Lease Liabilities		60.90	82.22
(iii) Trade Payable			
- Micro and Small Enterprise	22	-	82.56
- Other than Micro and Small Enterprise	22	1,022.29	1,008.10
(iv) Other Financial Liabilities	23	774.36	774.83
(b) Other Current Liabilities	24	171.58	114.44
(c) Provisions	25	153.66	149.34
		3,314.36	3,577.77
Total Equity and Liabilities		18,635.83	18,588.37

(See accompanying notes to the standalone financial statements)

For and on behalf of the Board of
Directors of Lyka Labs Limited



Shahyeb
Xogesh Shah

Executive Director & CFO
DIN : 06396150

Kunal Gandhi
Kunal Gandhi

Managing Director & CEO
DIN : 01516156

Lyka Labs Limited
Provisional Statement of Profit and Loss for the quarter Ended 30th June, 2024

(₹ in lakh)

Particulars	Notes	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
INCOME			
Income from Operations	26	2,917.50	10,149.93
Other Operating Income	27	92.97	489.70
		3,010.47	10,639.63
Other Income	28	61.95	164.72
Total Income		3,072.42	10,804.35
EXPENSES			
Cost of Materials Consumed	29	777.53	3,214.31
Purchases of Stock-in-Trade		400.09	1,158.47
Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade	30	(28.09)	(78.61)
Employee Benefits Expense	31	803.50	2,601.46
Finance Costs	32	65.07	479.79
Depreciation and Amortization Expense	3 & 4	167.70	1,228.71
Other Expenses	33	652.05	2,287.95
Total Expenses		2,837.85	10,892.09
Profit / (Loss) before Exceptional Items		234.57	(87.74)
Exceptional Items	34	-	5.51
Profit / (Loss) before Tax		234.57	(93.25)
Tax Expense:			
Current Tax / Earlier Year Tax		40.00	159.97
Deferred Tax		19.61	(26.32)
Profit / (Loss) for the Year		174.96	(226.89)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (net of tax)		-	6.17
Total Other Comprehensive Income (Net of Tax) - Net Credit / (Charge)		-	6.17
Total Comprehensive Income for the Year		174.96	(220.72)
Earnings per share (of ₹ 10 /- each):			
Basic / Diluted	45	0.49	(0.72)

(See accompanying notes to the standalone financial statements)

For and on behalf of the Board of
Directors of Lyka Labs Limited



Yogesh Shah
Yogesh Shah
Executive Director & CFO
DIN : 06396150

Kunal Gandhi
Kunal Gandhi
Managing Director & CEO
DIN : 01516156

Lyka Labs Limited
Provisional Statement of Changes in Equity for the period Ended 30th June, 2024

Particulars	(₹ in lakh)			
	As at 30th June, 2024		As at 31st March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting Year	33,090,000	3,309.00	30,690,000	3,069.00
Changes in equity share capital during the Year	2,600,000	260.00	2,400,000	240.00
Balance at the end of reporting period	35,690,000	3,569.00	33,090,000	3,309.00

Particulars	(₹ in lakh)				Total
	Reserves and surplus		Items of Other Comprehensive Income (Remeasurement of the defined benefit plan)	Money received against share warrants (Refer Note No. 16.2)	
	Retained Earnings	Securities Premium Account			
Balance at 31st march 2024	(10,364.77)	15,441.97	50.68	625.30	6,623.90
Profit/(Loss) for the Year	174.96	-	-	-	174.96
Add/(Less) : On Issue / Sale of Equity Shares / Warrants	-	3,367.00	-	-	(906.75)
Other Comprehensive Income for the Year (net of tax)	-	-	-	-	-
Balance at 30th June, 2024	(10,189.81)	18,808.97	50.68	625.30	9,259.11

8. Other Equity (Refer Note No. 16)

For and on behalf of the Board of
Directors of Lyka Labs Limited



Shubh
Yogesh Shah
Executive Director & CFO
DIN : 06396150

Arjun
Arjun Gandhi
Managing Director & CEO
DIN : 01516156

Lyka Labs Limited			
Provisional Cash Flow Statement for the quarter Ended 30th June 2024			
(₹ in lakh)			
Particulars	For the Quarter Ended 30th June, 2024		For the year Ended 31st March, 2024
A. Cash Flow from Operating Activities			
Profit / (Loss) for the Year before tax		234.57	(93.25)
Adjusted for			
Depreciation	167.70		1,228.71
Interest Income	(16.18)		(63.16)
Finance Cost	65.07		479.79
Provision for Employee Benefits	(6.97)		60.75
Exchange rate fluctuation	(21.53)		(40.39)
Exceptional Items	-		-
Return on Investment	-		-
		188.09	1,665.71
Operating profit before working capital change		422.66	1,572.46
Changes in Working Capital			
(Increase) / Decrease in Other Non-Current Financial Assets	-		(45.05)
(Increase) / Decrease in Other Non-Current Assets	58.92		(219.37)
(Increase) / Decrease in Inventories	14.21		(261.87)
(Increase) / Decrease in Trade and other receivables	51.29		(817.48)
(Increase) / Decrease in Other Current Financial Assets	(4.67)		(90.00)
(Increase) / Decrease in Other Current Assets	(101.03)		(165.65)
(Increase) / Decrease in Current Loans	68.66		337.52
Increase / (Decrease) in Other Non-Current Financial Liabilities	-		28.00
Increase / (Decrease) in Non-Current Provisions	(69.64)		(38.29)
Increase / (Decrease) in Trade Payables	(68.28)		267.72
Increase / (Decrease) in Other Current Financial Liabilities	7.94		(64.92)
Increase / (Decrease) in Other Current Liabilities	57.14		(25.69)
Increase / (Decrease) in Current Provisions	(10.68)		(21.43)
		3.86	(1,116.45)
Cash generated from operations		426.52	456.01
Net Income Tax Payment	(18.55)	(18.55)	(147.03)
Net cashflow from operating activities (A)		407.97	308.98
B. Cashflow from Investing activities			
Purchase of Fixed Assets	(251.15)		(923.14)
Increase in Investment	(0.03)		(0.87)
Sale of Fixed Assets	-		-
Interest Received	16.18		63.16
Net cash used in Investing activities (B)		(235.00)	(860.86)
C. Cashflow from Financing activities			
Proceed from / (Repayment) of Non Current Borrowings Net	(2,527.32)		(1,847.11)
Proceed from / (Repayment) of Current Borrowings Net	(263.01)		315.15
Proceeds from Issue of Equity Shares and Warrants (Including Premium)	2,720.25		2,511.00
Interest Paid	(73.49)		(708.11)
Net cash used in Financing activities (C)		(143.57)	270.93
Net Increase / (decrease) in cash and cash equivalents (A+B+C)		29.40	(280.97)
Cash and Cash Equivalents at the beginning of the Year			
Cash and Cash Equivalents		19.43	57.78
Earmarked Balances		569.17	811.79
		588.60	869.59
Cash and Cash Equivalents at the end of the Year			
Cash and Cash Equivalents		16.80	19.43
Deposits with Banks (₹s 120.00 Lien against Bank Guarantee)		601.15	569.17
		617.95	588.59



Shankar B.
Yogesh Bhan
Executive Director & CFO
DIN : 06396150

Kunal Gandhi
Kunal Gandhi
Managing Director & CEO
DIN : 01516156

Lyka Labs Limited
Notes to the Standalone Financial Statements for the quarter Ended 30th June, 2024

3 Property Plant and Equipment

Particulars	(` in lakh)	
	As at 30th June, 2024	As at 31st March, 2024
Land	1,482.86	1,488.93
Buildings	1,550.52	1,577.03
Plant and Machinery	1,187.35	1,148.81
Computers	12.57	12.71
Vehicles	23.26	24.12
Furnitures and Fixtures	97.11	98.00
Office Equipments	13.33	14.16
Right To Use Property	196.51	216.16

Particulars	Land	Buildings	Plant and Machinery	Computers	Vehicles	Furnitures and Fixtures	Office Equipments	Right To Use Property	Total
Gross Block (Cost or Deemed Cost):									
Balance at 31st March, 2024	1,751.99	2,938.01	4,099.71	54.44	29.01	197.78	102.07	576.63	9,749.64
Additions	-	-	76.90	1.49	-	3.12	-	-	81.51
Deletion	-	-	-	-	-	-	-	-	-
Disposals / Written Off / Adjustment	-	-	-	-	-	-	-	-	-
Balance at 30th June, 2024	1,751.99	2,938.01	4,176.61	55.93	29.01	200.90	102.07	576.63	9,831.16
Accumulated Depreciation and Impairment:									
Balance at 31st March, 2024	263.06	1,360.97	2,950.89	41.73	4.89	99.78	87.91	360.47	5,169.71
Depreciation for the Year	6.07	26.51	38.36	1.64	0.86	4.02	0.83	19.65	97.94
Deletion	-	-	-	-	-	-	-	-	-
Balance at 30th June, 2024	269.13	1,387.49	2,989.26	43.36	5.75	103.80	88.74	380.12	5,267.65
Carrying amounts of:									
Balance at 31st March, 2024	1,488.93	1,577.03	1,148.81	12.71	24.12	98.00	14.16	216.16	4,579.93
Balance at 30th June, 2024	1,482.86	1,550.52	1,187.35	12.57	23.26	97.11	13.33	196.51	4,563.51

The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the Year

3.1 Details of Tangible Capital Work in Progress: (` in lakh)

Particulars	(` in lakh)	
	As at 30th June, 2024	As at 31st March, 2024
Opening balance	2,197.17	1,510.37
Capitalised	(30.83)	(79.35)
Additions during the Year	285.47	766.15
Closing Balance	2,351.81	2,197.17



4 Intangible Assets

Carrying amounts of :

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Internally Developed Intangible Assets	302.54	338.77
Computer Software	36.84	30.65
Intangible Assets (Trade Mark/Brand)	392.61	385.13
Intangible Assets (Goodwill)	19.38	19.91
Technical and Marketing Knowhow	186.11	209.97

(₹ in lakh)

Particulars	Internally Developed Intangible Assets (Research and development expenditure)	Computer Software	Intangible Assets (Trade Mark / Brand)	Intangible Assets (Goodwill)	Technical and Marketing Knowhow	Total
Gross Block (Cost or Deemed Cost) :						
Balance at 31st March, 2024	1,293.70	172.13	3,752.41	22.59	609.50	5,850.34
Additions	-	7.80	15.00	-	-	22.80
Deletion	-	-	-	-	-	-
Disposals / Written Off / Adjustment	-	-	-	-	-	-
Balance at 30th June, 2024	1,293.70	179.93	3,767.41	22.59	609.50	5,873.14
Accumulated Amortisation and Impairment :						
Balance at 31st March, 2024	954.93	141.48	3,367.28	2.68	399.53	4,865.90
Amortisation for the Year	36.23	1.61	7.52	0.54	23.86	69.76
Balance at 30th June, 2024	991.16	143.10	3,374.80	3.22	423.39	4,935.67
Carrying amounts of :						
Balance at 31st March, 2024	338.77	30.65	385.13	19.91	209.97	984.43
Balance at 30th June, 2024	302.54	36.84	392.61	19.38	186.11	937.47

4.1 Details of Intangible Assets under Development :

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Opening balance	108.09	112.28
Capitalised	(7.80)	(27.26)
Additions during the Year	-	23.07
Disposals / Written Off / Adjustment	-	-
Closing Balance	100.29	108.09

4.2 Capital Work In Progress (CWIP) Intangible Ageing Schedule :

As at 30th June, 2024

(₹ in lakh)

Particulars	<1 period	1-2 period	2-3 periods	> 3 periods	Total
Projects in Progress	-	-	-	31.22	31.22
Projects temporarily suspended	-	-	-	69.06	69.06
Total	-	-	-	100.29	100.29

As at 31st March, 2024

(₹ in lakh)

Particulars	<1 period	1-2 period	2-3 periods	> 3 periods	Total
Projects in Progress	7.80	-	-	31.22	39.02
Projects temporarily suspended	-	-	-	69.06	69.06
Total	7.80	-	-	100.28	108.08



5 Non-Current Investments

(₹ in lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	No of Shares/units	Amount	No of Shares/units	Amount
Investments :				
Investments in Equity Shares of Subsidiaries (Unquoted) (At cost):				
(i) Equity Shares of ₹ 10 each fully paid up in Lyka BDR International Ltd	14,674,995	1,469.05	14,674,995	1,469.05
(ii) Equity Shares of ₹ 10 each fully paid up in Lyka Exports Ltd	5,383,636	1,771.25	5,383,636	1,771.25
Total		3,240.30		3,240.30

Current Investments

(₹ in lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	No of Shares/units	Amount	No of Shares/units	Amount
Investments at FVTPL :				
Investments in Mutual Fund :				
Debt Mutual Fund				
Birla Sun Life Plus Collection	12.664	0.05	12.664	0.05
HDFC Liquid Fund Post IPO Collection	35.390	1.69	35.390	1.66
Total		1.74		1.71



Notes to the Standalone Financial Statements for the quarter Ended 30th June, 2024

6 Other Financial Assets		(₹ in lakh)	
Particulars	As at 30th June, 2024	As at 31st March, 2024	
(Unsecured, considered good)			
Security Deposit	638.94	638.94	
Others - Deposit with Drug Price Equalisation Account	1,032.45	1,032.45	
Total	1,671.39	1,671.39	

7 Other Non - Current Assets		(₹ in lakh)	
Particulars	As at 30th June, 2024	As at 31st March, 2024	
(Unsecured, considered good)			
Capital Advances	169.15	228.00	
Balance with Government Authorities	517.99	518.06	
Total	687.14	746.06	

8 Non - Current Tax Assets		(₹ in lakh)	
Particulars	As at 30th June, 2024	As at 31st March, 2024	
Advance Tax and Tax deducted at source	53.18	74.63	
Total	53.18	74.63	

9 Inventories		(₹ in lakh)	
Particulars	As at 30th June, 2024	As at 31st March, 2024	
Raw Materials	325.11	360.04	
Packing Material	303.76	311.13	
Work-in-Progress	88.21	34.45	
Finished Goods	224.53	250.21	
Total	941.62	955.83	



10 Trade Receivables

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(Unsecured)		
Considered Good	2,565.07	2,572.86
Considered Doubtful	13.52	35.48
Less: Provision for Expected Credit Loss	(13.52)	(35.48)
Total	2,565.07	2,572.86

11 Cash and Cash Equivalents

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(A) Cash and Cash Equivalents		
Balances with Banks	8.97	11.65
Cash on hand	7.83	7.77
(B) Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks (Rs 120.00 Lien against Bank Guarantee)	601.15	569.17
Total	617.96	588.59

12 Current Loans

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(Unsecured, considered good)		
Loan to Employees	4.76	4.92
Loan to Subsidiaries	150.50	219.00
Total	155.26	223.92

13 Other Current Financial Assets

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(Unsecured, considered good)		
Deposits	37.24	32.56
Others	250.22	250.22
Total	287.46	282.79

14 Other Current Assets

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Trade Advances	63.20	46.87
Prepaid Expenses	93.38	25.31
Balance with Government Authorities	305.13	288.49
Total	461.71	360.68



15 Share Capital

(₹ in lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Authorised				
Equity Shares of ₹ 10/- each	48,000,000	4,800.00	48,000,000	4,800.00
Redeemable Preference Shares of ₹ 100/- each	200,000	200.00	200,000	200.00
	48,200,000	5,000.00	48,200,000	5,000.00
Issued, Subscribed and Fully Paid				
Equity Shares of ₹ 10/- each	35,690,000	3,569.00	33,090,000	3,309.00
Redeemable Preference Shares of ₹ 100/- each	108,570	108.57	108,570	108.57
Total	35,798,570	3,677.57	33,198,570	3,417.57

15.1 Rights, preferences and restriction attached to equity shares :

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

During the year, Company has allotted 26,00,000 Equity shares to IPCA Laboratories Ltd at a price of Rs. 139.50 (including premium), hence equity capital and securities premium shall stand increased.

15.2 Reconciliation of number of shares outstanding as at the beginning and end of the year

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Balance as at the beginning of the year	33,090,000	108,570	30,690,000	108,570
Add : Issued during the year	2,600,000	-	2,400,000	-
Balance as at the end of the year	35,690,000	108,570	33,090,000	108,570

15.3 Details of Shares held by the shareholders holding more than 5% shares in the Company

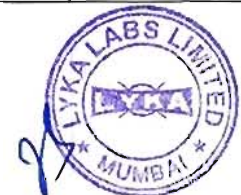
Name of the shareholders	As at 30th June, 2024		As at 31st March, 2024	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Equity Shares of ₹ 10/- each				
Ipca Laboratories Limited	14,624,923	40.98%	12,024,923	36.34%
Nehal Narendra Gandhi	2,330,000	6.53%	2,330,000	7.04%
Kunal Narendra Gandhi	2,425,000	6.79%	2,425,000	7.33%
10% Cumulative Redeemable Preference Shares				
Dr. D. B. Parikh	108,570	100.00%	108,570	100.00%



15.4 Details of shares held by promoter / promoter group

Name of the promoter / promoter group	As at 30th June, 2024				
	No. of shares at the beginning of the year	Change during the Quarter	No. of shares at the end of period	% of Total shares	% Change during the year
Equity Shares of ₹ 10/- each					
Kunal Narendra Gandhi	2,425,000	-	2,425,000	6.79%	0.00%
Nehal Narendra Gandhi	2,330,000	-	2,330,000	6.53%	0.00%
Narendra Ishwarlal Gandhi HUF	-	-	-	0.00%	0.00%
Enai Trading & Investment Pvt. Ltd	1,000,000	-	1,000,000	2.80%	0.00%
Bhawna Godha	6,000	-	6,000	0.02%	0.00%
Neetu Godha	10,000	-	10,000	0.03%	0.00%
Usha Premchand Godha	10,686	-	10,686	0.03%	0.00%
Premchand Godha	10,900	-	10,900	0.03%	0.00%
Pranay Godha	300,000	-	300,000	0.84%	0.00%
Lyka Generics Limited	20,000	-	20,000	0.06%	0.00%
Ipca Laboratories Limited	12,024,923	2,600,000	14,624,923	40.98%	21.62%

Name of the promoter / promoter group	As at 31st March, 2024				
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Change during the year
Equity Shares of ₹ 10/- each					
Kunal Narendra Gandhi	1,069,152	1,355,848	2,425,000	7.33%	126.82%
Nehal Narendra Gandhi	2,265,082	64,918	2,330,000	7.04%	2.87%
Narendra Ishwarlal Gandhi HUF	1,350,000	(1,350,000)	-	0.00%	-100.00%
Enai Trading & Investment Pvt. Ltd.	993,827	6,173	1,000,000	3.02%	0.62%
Bhawna Godha	6,000	-	6,000	0.02%	0.00%
Neetu Godha	10,000	-	10,000	0.03%	0.00%
Usha Premchand Godha	10,686	-	10,686	0.03%	0.00%
Premchand Godha	10,900	-	10,900	0.03%	0.00%
Pranay Godha	300,000	-	300,000	0.91%	0.00%
Lyka Generics Limited (formerly known as Lyka Animal Healthcare Limited)	12,100	7,900	20,000	0.06%	65.29%
Ipca Laboratories Limited	9,624,923	2,400,000	12,024,923	36.34%	24.94%



16 Other Equity

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Capital Reserve	50.68	50.68
Securities Premium Account	18,808.97	15,441.97
General Reserve	625.30	625.30
Retained Earning	(10,225.86)	(10,400.80)
Money Received against Share Warrants (Refer Note No. 16.2)	-	906.75
Total	9,259.11	6,623.90

16.1 Nature of Reserves:

Capital Reserves

The Capital reserve is created from the of forfeiture of equity warrants and receipts of subsidy for setting up the factories in backward areas for performing research on critical medicines for the betterment of the society.

Securities Premium

Securities Premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

General Reserves

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

- 16.2 During the year ended 31st March 2023, the Company has issued 50,00,000 Warrants convertible into Equity Shares to IPCA Laboratories Ltd at a price of Rs. 139.50 per warrant, against which the Company has received 25% of the amount and shown under other equity, which will be converted within a period of 18 months from the date of allotment of warrants. During the quarter, Company has allotted 26,00,000 Equity shares to IPCA Laboratories Ltd, hence reduction in Money received against Share Warrants.



20.1 Deferred Tax (Assets) / Liabilities in relation to:

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
On Account of Property, Plant and Equipment	451.73	460.78
On Account of Section 43B Disallowances	(58.73)	(81.45)
On Account of IndAS Adjustments	(0.84)	(6.77)
Total	392.16	372.56

21 Current Borrowings

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Secured Loans:		
From Bank		
Loans repayable on demand (Secured Against Fixed Deposits with Yes Bank)		
Loan repayable on demand (refer note no. 21.1)	748.25	1,011.26
Current Maturities of Long-Term Borrowings	233.32	205.03
Unsecured:		
Loans and Advances from related parties	150.00	150.00
Total	1,131.57	1,366.28

Details of terms of repayment in respect of Short -Term Borrowings:

21.1 a) Interest on Loans repayable on demand ranges from 5.40% p.a. to 9.25% p.a. (simple Interest).

b) Above Loan from Yes Bank Ltd is secured by i) second charged by way of Hypothication on Plant Machineries ii) Exclusive charge by way of Hypothication on Inventory & Book debts. iii) Negative lien on Fixed Assets of the Company at 4801/B & 4802/A GIDC Ankleshwar, Gujarat.

21.2 Interest on Loans from related parties ranges from 10.50% p.a. to 10.65% p.a. (simple Interest)

22 Trade Payables

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(i) Total outstanding dues of Micro Enterprises and Small Enterprises		82.56
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,022.29	1,008.10
Total	1,022.29	1,090.66



23 Other Current Financial Liabilities

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Current Maturities of Long-Term Debt :		
Debentures - Privately Placed Non Convertible	13.00	13.00
Interest Accrued and due	11.44	19.85
Employee dues	94.29	25.18
Payable Against Acquisition	22.46	23.17
Creditors for:		
Expenses	211.90	306.71
Capital Expenditure	81.10	56.54
Other Outstanding Liabilities	340.18	330.38
Total	774.36	774.83

24 Other Current Liabilities

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Other Payables:		
Statutory dues	130.74	67.21
Advance from Customers	40.84	47.24
Total	171.58	114.44

25 Current Provisions

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Employee Benefits:		
Provision for Bonus	31.38	27.06
Provision for Gratuity	88.83	88.83
Provision for Leave Encashment	33.44	33.44
Total	153.66	149.34



Notes to the Standalone Financial Statements for the quarter Ended 30th June, 2024

26 Revenue from Operations (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Sale of Products	2,917.50	10,149.93
Total	2,917.50	10,149.93

27 Other Operating Revenue (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Processing Charges Received	78.39	213.72
Export Incentives	6.32	41.44
Royalty	8.26	59.65
Other Operating Income	-	174.89
Total	92.97	489.70

28 Other Income (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Interest from Banks on Deposits	9.65	35.29
Other Interest	6.53	74.92
Rent Received	1.50	9.30
Foreign Exchange Fluctuation	21.53	40.39
Miscellaneous Income	0.78	4.83
ECL Provision Income	21.97	-
Total	61.95	164.72

29 Cost of Material Consumed (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Opening stock of raw material and packing material	671.17	487.91
Add: Purchases	735.23	3,397.57
Less: Closing stock of raw material and packing material	(628.87)	(671.17)
Total	777.53	3,214.31



Notes to the Standalone Financial Statements for the quarter Ended 30th June, 2024

30 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
As at the beginning of the period:		
Finished Goods	250.21	135.25
Work-in-Progress	34.45	70.81
Total Opening Stock (a)	284.66	206.05
As at the end of the period:		
Finished Goods	224.53	250.21
Work-in-Progress	88.21	34.45
Total Closing Stock (b)	312.75	284.66
Net decrease in Finished Goods, work-in-progress and stock in trade(a)-(b)	(28.09)	(78.61)

31 Employee Benefit Expenses (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Salaries and Wages	722.74	2,313.65
Contribution to Provident and Other Funds		
Provident / ESI Fund	34.00	118.28
Provision for Gratuity	9.00	38.77
Provision for Leave Encashment	6.00	21.00
Staff Welfare Expenses	31.76	109.75
Total	803.50	2,601.46

32 Finance Costs (₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Interest Expenses on:		
Borrowings From Banks:		
Working Capital	14.98	25.42
Borrowing Others:		
Bank Charges	9.95	11.01
Term Loans	-	-
Others	40.15	443.36
Total	65.07	479.79



33 Other Expenses

(₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Consumption of Stores and Spare Parts	4.80	33.99
Power and Fuel	101.42	391.63
Processing Charges	-	4.29
Rent Including Lease Rentals	33.89	165.46
Repairs and Maintenance - Buildings	13.65	23.73
Repairs and Maintenance - Machinery	38.18	102.69
Repairs and Maintenance - Others	11.66	33.74
Insurance	10.22	28.58
Rates and Taxes	4.75	13.84
Commission & Discount	56.23	140.50
Communication Expenses	1.00	6.63
Travelling and Conveyance	90.38	347.38
Advertisement and Sales Promotion	48.00	110.26
Legal and Professional Charges	69.88	178.08
Payments to Auditors (Refer Note No.52)	4.88	19.50
Factory Expenses	16.24	54.29
Fees & Subscription	6.27	30.45
Security Service Expenses	10.94	41.33
Laboratory Chemicals & Expenses	50.30	196.56
Printing & Stationery	8.38	37.32
Miscellaneous Expenses	20.82	119.39
ECL Provision Expenses	-	0.98
Directors Fees	2.67	10.10
Freight & Forwarding	47.48	197.25
Total	652.05	2,287.95

34 Exceptional Items

(₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Sales Tax Paid / GST Paid	-	5.51
Total	-	5.51



Lyka Exports Limited
Provisional Balance Sheet as at 30th June, 2024

Annexure-18

(₹ in lakh)

Particulars	Notes	As at 30th June, 2024	As at 31st March, 2024
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	0.83	107.08
(b) Intangible assets	4	90.33	98.16
(d) Intangible assets under development	4	-	-
(c) Financial Assets			
(i) Investments	5	7.13	7.47
(ii) Other Financial Assets	6	0.45	0.45
(d) Non Current Tax Assets	7	3.70	2.84
(h) Deferred tax assets(net)	8	-	-
		102.45	216.00
Current Assets			
(a) Financial Assets			
(ii) Trade Receivables	9	-	-
(iii) Cash and Cash Equivalents	10	17.67	2.82
(iv) Loans	11	374.74	299.74
(b) Other Current Assets	12	-	0.35
(c) Current tax Assets	13	4.62	3.91
		397.03	306.81
Total Assets		499.48	522.81
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	739.54	739.54
(b) Other Equity	15	(285.23)	(271.32)
		454.31	468.23
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	-	-
(ii) Other Financial Liabilities	17	-	-
(b) Provisions	18	6.56	6.56
(C) Deferred tax Liabilities(net)	8	13.11	15.29
		19.67	21.85
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	-	-
(ii) Trade Payable			
- Micro and Small Enterprise	20	-	-
- Otherthan Micro and Small Enterprise	20	-	-
(iii) Other Financial Liabilities	21	23.56	31.40
(b) Other Current Liabilities	22	0.66	0.62
(c) Provisions	23	1.28	0.72
		25.50	32.73
Total Equity and Liabilities		499.48	522.81

See accompanying notes to the financial statements



For and on behalf of the Board of
Directors of Lyka Exports Limited

Yogesh B. Shah **Narendra C. Rathod**
 Director Director
 DIN : 06396150 DIN : 09719860

Place : Mumbai
Date : 01st August 2024

Lyka Exports Limited
Provisional Statement of Profit and Loss for the Quarter Ended 30th June, 2024

(₹ in lakh)

Particulars	Notes	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
INCOME			
Income from Operations	24	-	-
Other Operating Income	25	-	112.50
		-	112.50
Other income	26	8.58	32.90
Total Income		8.58	145.40
EXPENSES			
Cost of Materials Consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade		-	-
Employee Benefits Expense	27	7.90	33.19
Finance Costs	28	0.02	4.55
Depreciation and Amortization Expense	3 & 4	7.83	50.21
Other Expenses	29	8.60	21.71
Total Expenses		24.35	109.66
Profit/ (Loss) before Exceptional items		(15.76)	35.74
Exceptional items	30	-	-
Profit/ (Loss) before tax		(15.76)	35.74
Prior Period Adjustments (Net)			
Tax Expense:			
Deferred Tax (for CY Rs 406)		(2.18)	(0.00)
Current /Earlier Year Tax		-	24.03
Profit / (Loss) for the year		(13.58)	11.71
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (net of tax)		-	0.93
Fair Value Changes of Investments in Equity Shares		(0.34)	3.09
Total Other Comprehensive Income		(0.34)	4.02
Total Comprehensive Income for the year		(13.92)	15.73
Earnings per share (of Rs. 10 /- each):			
Basic / Diluted	31	(0.18)	0.16

See accompanying notes to the financial statements

In terms of our report of even date,

For and on behalf of the Board of Directors

Lyka Exports Limited



Yogesh B. Shah
 Yogesh B. Shah
 Director

DIN : 06396150

Narendra C. Rathod
 Narendra C. Rathod
 Director

DIN : 09719860

Place : Mumbai

Date : 01st August 2024

Lyka Exports Limited

Provisional Statement of Changes in Equity For the Year Ended 30th June, 2024

A. Equity Share Capital (Refer note 14)

(₹ in lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	7,395,424	740	7,395,424	740
Balance at the end of reporting year	7,395,424	740	7,395,424	740

B. Other Equity (Refer note 15)

(₹ in lakh)

Particulars	Reserves and surplus					Total
	Retained Earnings	Securities Premium Account	Capital Reserve	General Reserve	Items of Other Comprehensive Income	
Balance As at 31st March, 2024	(1,341.39)	1,063.67	-	-	6.41	(271.37)
Profit / (Loss) for the year	(13.58)	-	-	-	-	(13.58)
Other Comprehensive Income for the year, net of income tax	-	-	-	-	(0.34)	(0.34)
Balance as at 30th June 2024	(1,354.97)	1,063.67	-	-	6.07	(285.23)



Lyka Exports Limited
Provisional Cash Flow Statement For the Quarter Ended 30th June, 2024

(₹ in lakh)

Particulars	For the Quarter Ended 30th June, 2024		For the Year Ended 31st March, 2024	
A. Cash Flow from Operating Activities				
Profit / (Loss) for the year before tax		(15.76)		35.74
Adjusted for				
Depreciation	7.83		50.21	
Interest Income	(8.58)		(32.90)	
(Profit) / Loss on sale of fixed assets (net)	6.24		-	
Finance Cost	0.02		4.55	
		5.51		21.86
Operating profit before working capital change		(10.25)		57.60
Changes in Working Capital :				
(Increase) / Decrease in Trade and other receivables	-		10.80	
(Increase) / Decrease in Other Current Assets	0.35		0.00	
(Increase) / Decrease in Loans & Advances	(75.00)		(295.06)	
Increase / (Decrease) in Other Non-Current Financial Liabilities	-		(21.00)	
Increase / (Decrease) in Non-Current Provisions	-		0.73	
Increase / (Decrease) in Other Current Financial Liabilities	(7.83)		0.57	
Increase / (Decrease) in Other Current Liabilities	0.04		(2.18)	
Increase / (Decrease) in Current Provisions	0.56		-	
		(81.88)		(306.13)
Cash generated from operations		(92.13)		(248.53)
Exchange rate fluctuation				
Net Income Tax Payment	(1.57)	(1.57)	(9.61)	(9.61)
Net cashflow from operating activities (A)		(93.71)		(258.14)
B. Cashflow for Investing activities				
Purchase of fixed assets	(0.00)		-	
Proceeds from sale of fixed assets	100.01		-	
Interest Received	8.58		32.90	
Net cash used in Investing activities (B)		108.59		32.90
C. Cashflow from Financing activities				
Proceed from / (Repayment) of Non Current Borrowings Net			(66.34)	
Interest Paid	(0.02)		(4.55)	
Net cash used in Financing activities (C)		(0.02)		(70.88)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		14.86		(296.13)
Cash and Cash Equivalents at the beginning of the year				
Cash and Cash Equivalents		2.82		213.82
Earmarked Balances		-		85.10
		2.82		298.92
Cash and Cash Equivalents at the end of the year				
Cash and Cash Equivalents		17.67		2.82
Earmarked Balances		-		-
		17.67		2.82

See accompanying notes to the financial statements

in terms of our report of even date,

For and on behalf of the Board of Directors
 Lyka Exports Limited



Yogesh B. Shan
 Director
 DIN : 06396150

Narendra C. Rathod
 Director
 DIN : 09719860

Place : Mumbai

Date : 01st August 2024

Lyka Exports Limited

Notes to the Provisional Financial Statements For the Quarter Ended 30th June, 2024

3 Property Plant and Equipment

Carrying amounts of :

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Buildings	0.83	0.84
Plant and Machinery	-	-
Vehicles	-	106.24

(₹ in lakh)

Particulars	Buildings	Plant and Machinery	Vehicles	Office Equipments	Total
Gross Block (Cost or Deemed Cost) :					
Balance at 31st March, 2024	1.60	1.59	159.26	-	162.46
Additions	-	-	-	-	-
Disposals	-	-	(159.26)	-	(159.26)
Balance at 30th June 2024	1.60	1.59	-	-	3.19
Accumulated Depreciation and Impairment :					
Balance at 31st March, 2024	0.76	1.59	53.02	-	55.38
Depreciation for the year	0.01	-	3.15	-	3.16
Disposals	-	-	(56.17)	-	(56.17)
Balance at 30th June 2024	0.77	1.59	-	-	2.36
Carrying amounts of :					
Balance at 31st March, 2024	0.84	-	106.24	-	107.08
Balance at 30th June 2024	0.83	-	-	-	0.83



Lyka Exports Limited

Notes to the Provisional Financial Statements For the Quarter Ended

4 Intangible Assets

Carrying amounts of :

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Intangible Assets (Trade Mark/Brand)	90.33	98.16

(₹ in lakh)

Particulars	Intangible Assets (Trade Mark/Brand)	Intangible Assets (Trade Mark/Brand)
Gross Block (Cost or Deemed Cost) :		
Balance at 31st March, 2024	238.50	238.50
Additions	-	-
Disposals	-	-
Balance at 30th June 2024	238.50	238.50
Accumulated Amortisation and Impairment :		
Balance at 31st March, 2024	140.34	109.06
Amortisation for the year	7.82	31.29
Balance at 30th June 2024	148.17	140.35
Carrying amounts of :		
Balance at 31st March, 2024	129.44	129.44
Balance at 30th June 2024	90.33	98.16



5 Non-Current Investments

(₹ in lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	No of Shares / units	Amount	No of Shares / units	Amount
Investments :				
(a) Investments in Equity Shares (Unquoted) (At cost):				
(i) Equity Shares of Rs. 100 each fully paid up in Janata Sahakari Bank Ltd	10	0.01	10	0.01
(b) Other Investments (Quoted) - FVTPL :				
Equity Shares of Rs. 10 each fully paid up in Paramount Printpackaging Ltd	10,000	0.08	10,000	0.08
Equity Shares of Rs. 1 each fully paid up in Themis Medicare Ltd	3,340	7.04	3,340	7.38
	13,350	7.13	13,350	7.47



6 Other Non- current Financial Assets

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(Unsecured, considered good) Security Deposit	0.45	0.45
Total	0.45	0.45

7 Non-Current Tax Assets

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Advance Tax and Tax deducted at source	3.70	2.84
Total	3.70	2.84

8 Deferred Tax Assets (net)

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Deferred Tax Assets		-
Less: Deferred Tax Liabilities	13.11	15.29
Total	13.11	15.29

Deferred Tax Assets / (Liabilities) in relation to:	FY 2024-25			FY 2023-24		
	Opening Balance	Recognised in Profit or Loss	Closing Balance	Opening Balance	Recognised in Profit or Loss	Closing Balance
ECL Provisions	-	-	-	0.33	(0.33)	-
Property, Plant and Equipment	(15.29)	(2.18)	(13.11)	(15.63)	0.34	(15.29)
Total	(15.29)	(2.18)	(13.11)	(15.30)	0.01	(15.29)



9 Trade Receivables

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(Unsecured) Considered Good	-	-
Total	-	-

10 Cash and Cash Equivalents

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(A) Cash and Cash Equivalents		
Balances with Banks	17.66	2.82
Cash on hand (2024 Rs 387 & 2023 Rs 387)	0.00	-
(B) Bank Balances other than Cash and Cash Equivalents		
Deposits with Banks held as margin money including interest accrued	-	-
Total	17.67	2.82

11 Current Loans

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(Unsecured, considered good)		
Loan to Employees	0.74	0.74
Loan to Related Party	374.00	299.00
Total	374.74	299.74

12 Other Current Assets

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Prepaid Expenses	-	0.35
Total	-	0.35

13 Current Tax Assets

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Advance tax & TDs (Net of Provision)	4.62	3.91
Total	4.62	3.91



Lyka Exports Limited

Notes to the Provisional Financial Statements For the Quarter Ended 30th June, 2024

14 Share Capital

(₹ In lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
Authorised Equity Shares of Rs. 10/- each	9,000,000	900.00	9,000,000	900.00
	9,000,000	900.00	9,000,000	900.00
Issued, Subscribed and Fully Paid Equity Shares of Rs. 10/- each	7,395,424	739.54	7,395,424	739.54
Total	7,395,424	739.54	7,395,424	739.54

14.1 Rights, preferences and restriction attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

14.2 Reconciliation of number of shares outstanding as at the beginning and end of the year

(₹ in lakh)

Particulars	As at 30th June, 2024		As at 31st March, 2024	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
Balance as at the beginning of the Year	7,395,424	-	7,395,424	-
Balance as at the end of the Year	7,395,424	-	7,395,424	-

14.3 Details of Shares held by the Shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 30th June, 2024		As at 31st March, 2024	
	No of Shares held	% of Shares	No of Shares held	% of Shares
Equity Shares of Rs. 10/- each				
Lyka Labs Limited	5,383,636	72.80%	5,383,636	72.80%
Enai Trading & Investment Pvt. Ltd.	385,600	5.21%	385,600	5.21%
Kunal N. Gandhi	481,140	6.51%	481,140	6.51%
Nehal N. Gandhi	445,900	6.03%	445,900	6.03%



14.4 Details of Shares held by the Promoter in the Company

Name of the promoter / promoter group	As at 30th June 2024				
	No. of shares as at 31st March 2024	Change during the year	No. of shares as at 30th June 2024	% of Total shares	% Change during the year
Equity Shares of Rs. 10/- each					
Lyka Labs Limited	5,383,636	-	5,383,636	72.80%	0.00%
Kunal N. Gandhi	481,140	-	481,140	6.51%	0.00%
Nehal N. Gandhi	445,900	-	445,900	6.03%	0.00%
Narendra Ishwarlal Gandhi	8,640	-	8,640	0.12%	0.00%

Details of Shares held by the Promoter in the Company

Name of the promoter / promoter group	As at 31st March 2024				
	No. of shares as at 31st March 2023	Change during the year	No. of shares as at 31st March 2024	% of Total shares	% Change during the year
Equity Shares of Rs. 10/- each					
Lyka Labs Limited	5,383,636	-	5,383,636	72.80%	0.00%
Kunal N. Gandhi	463,440	17,700	481,140	6.51%	3.82%
Nehal N. Gandhi	445,900		445,900	6.03%	0.00%
Narendra Ishwarlal Gandhi	8,640		8,640	0.12%	0.00%

15 Other Equity

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Retained Earning	(1,354.97)	(1,341.39)
Securities Premium Account	1,063.67	1,063.67
Items of Other Comprehensive Income	6.07	6.41
Total	(285.23)	(271.32)



Lyka Exports Limited

Notes to the Provisional Financial Statements For the Quarter Ended 30th June, 2024

16 Non Current Borrowings

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Secured Loan: Vehicle Loan From Financial Institution	-	-
Total	-	-

17 Other Non-current Financial Liabilities

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Security Deposit	-	-
Total	-	-

18 Non Current Provisions

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Employee Benefits: Provision for Leave Encashment	3.35	3.35
Provision for Gratuity	3.20	3.20
Total	6.56	6.56

19 Current Borrowings

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Secured Loans: From Others Current Maturity of Long Term Debts	-	-
Total	-	-

20 Trade Payables

(₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	-	-
Total	-	-



21 Other Current Financial Liabilities (₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Employee dues	-	0.25
Creditors for : Expenses	6.74	6.63
Other Outstanding Liabilities	16.83	24.52
Total	23.56	31.40

22 Other Current Liabilities (₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Other Payables : Statutory dues	0.66	0.62
Total	0.66	0.62

23 Current Provisions (₹ in lakh)

Particulars	As at 30th June, 2024	As at 31st March, 2024
Employee Benefits : Provision for Gratuity	0.53	0.31
Provision for Leave Encashment	0.75	0.41
Provision for Superannuation		
Tax Provision: Provision for Tax	-	-
Total	1.28	0.72



Lyka Exports Limited

Notes to the Provisional Financial Statements For the Quarter Ended 30th June, 2024

24 Revenue From Operations

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Sale of products	-	-
Total	-	-

25 Other Operating Revenue

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Royalty / Commission Received	-	112.50
Total	-	112.50

26 Other Income

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Interest from Banks on Deposits	-	0.67
Other Interest	8.58	32.23
Total	8.58	32.90



27 Employee Benefit Expenses

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Salaries and Wages	7.32	31.91
Contribution to Provident and Other Funds :		
Provident / ESI Fund	0.02	0.10
Provision for Gratuity	0.23	0.94
Provision for Leave Encashment	0.34	0.23
Total	7.90	33.19

28 Finance Costs

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Interest Expenses on :		
Borrowings From Banks :		
Working Capital	-	0.16
Borrowing Others :		
Bank Charges	0.02	0.04
Interest Expenses	-	4.31
Others	-	0.03
Total	0.02	4.55

29 Other Expenses

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Rent including Lease Rentals	-	3.30
Repairs and Maintenance - Vehicles	-	1.45
Insurance	0.36	2.14
Rates and Taxes	0.03	0.28
Travelling and Conveyance	0.75	6.56
Advertisement and Sales Promotion	0.25	0.67
Legal and Professional Charges	0.38	3.75
Payments to Auditors (Refer Note No.52)	0.31	1.25
Miscellaneous Expenses	0.29	1.42
Loss on Sale of Car	6.24	-
Directors Fees	-	0.90
Total	8.60	21.71

30 Exceptional Items

(₹ in lakh)

Particulars	For Quarter Ended 30th June, 2024	For the Year Ended 31st March, 2024
Sales tax Paid	-	-
Other Balance Written Off	-	-
Loss on Sale of Car	-	-
Compounding Charges	-	-
Total	-	-



Lyka Labs Limited		
Consolidated Balance Sheet as at 30th June, 2024		
(₹ in lakh)		
Particulars	Pre Merger As at 30th June 2024	Post Merger As at 30th June 2024
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	4,564.34	4,564.34
(b) Capital Work- In- Progress	2,351.81	2,351.81
(c) Intangible Assets	1,027.98	1,027.98
(d) Intangible Assets Under Development	100.29	100.29
(e) Financial Assets		
(i) Investments	7.13	7.13
(ii) Loan	-	-
(ii) Other Financial Assets	1,675.53	1,675.53
(f) Other Non Current Assets	687.14	687.14
(g) Non Current Tax Assets	100.89	100.89
	10,515.11	10,515.11
Current Assets		
(a) Inventories	942.97	942.97
(b) Financial Assets		
(i) Investments	1.74	1.74
(ii) Trade Receivables	2,608.01	2,608.01
(iii) Cash and Cash Equivalents	644.51	644.51
(iv) Loans	379.51	379.51
(v) Other Financial Assets	350.04	350.04
(c) Other Current Assets	527.70	527.70
	5,454.48	5,454.48
Total Assets	15,969.59	15,969.59
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	3,569.00	3,615.27
(b) Other Equity	6,110.34	6,187.66
Equity attributable to owners of the company	9,679.34	9,802.93
(c) Non - Controlling Interest	(3.95)	(127.54)
	9,675.39	9,675.39
Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,756.46	1,756.46
(ii) Lease Liabilities	125.84	125.84
(iii) Other Financial Liabilities	100.28	100.28
(b) Provisions	113.05	113.05
(c) Deferred Tax Liabilities (net)	400.06	400.06
	2,495.69	2,495.69
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,505.57	1,505.57
(ii) Lease Liabilities	60.90	60.90
(iii) Trade Payables due to :		
- Micro and Small Enterprise	105.09	105.09
- Other than Micro and Small Enterprise	983.26	983.26
(iv) Other Financial Liabilities	790.88	790.88
(b) Other Current Liabilities	181.87	181.87
(c) Provisions	170.93	170.93
	3,798.50	3,798.50
Total Equity and Liabilities	15,969.59	15,969.59