



LYKIS LIMITED

Corporate Office: Grandeur Bldg., 4th Floor, Veera Desai Road, Opp Gundecha Symphony, Near Country Club, Andheri-West, Mumbai- 400 053.
Registered Office: Omer Mansion, 29A, Weston Street, 2nd Floor, R. No. B5, Kolkata, West Bengal - 700 012
Tel.: (+9122) 4069 4069 website: www.lykisgroup.com
CIN NO. L74999WB1984PLC038064

September 28, 2018

To,
The Manager,
Department of Corporate Services,
BSE Limited,
P.J.Towers, Dalal Street,
Mumbai - 400 001.

Script Code: 530689

Subject: Annual Report

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 please find enclosed herewith the Annual Report 2017-18 of Lykis Limited which is approved and adopted in the 34th Annual General Meeting of the Company held on Monday, September 24, 2018 at 10:30 A.M at Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026.

Kindly acknowledge and take on record.

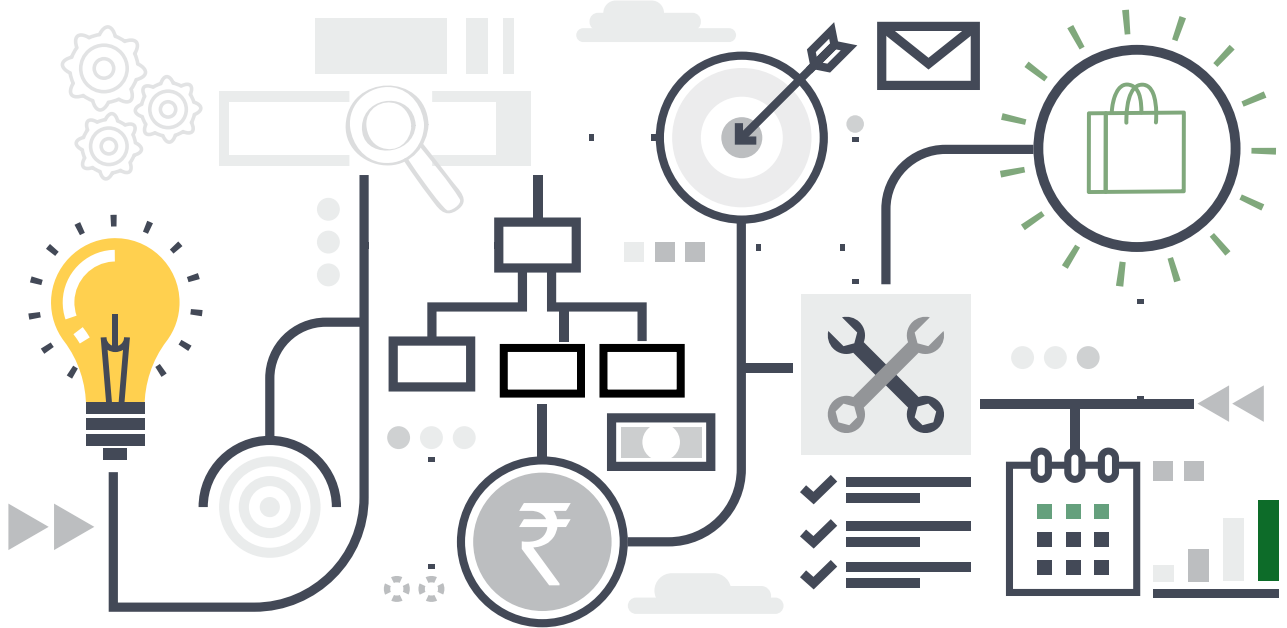
Yours Faithfully,

For Lykis Limited

Neha Mankame



Neha Mankame
Company Secretary & Compliance Officer



ANNUAL REPORT 2017-18

www.lykisgroup.com



Lykis Limited is the fastest growing Home & Personal care Company in India. Lykis has a portfolio of 1000+ SKU product that stretches across the Beauty & Grooming segment, Homecare segment, Food & Beverages segment, Health & Wellbeing segment. These include an enviable portfolio of brand names such as Lykis, Cheers, Britex, Rox, Vogly, etc.

Lykis isn't just a name to us; it is an emotion. Since from its humble beginning with the object of managing tea plantation, manufacturing of quality tea and sale of tea in domestic market, now company has diversified its business and launched multiple products under various brands. For international segment, we have exported our products in more than 53 countries.

Lykis believes on honesty, integrity & fairness in all aspects of its business & expects the same in its relationship. We work to create a better future everyday & help **“People look good, feel good everyday with brands that are good for them”**.

REAL FRESHNESS.
REAL TEA.

Cheers 
PURE
ASSAM TEA



Lykis
Limited

RICHNESS

In Mind & Body



SOAPS

Lykis
Limited

The Right Smell
The Right Instinct



DEODORANTS & PERFUMES

Lykis

Feel Good.
Look Good.
NATURALLY.



COSMETICS

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BOARD OF DIRECTORS

1

Mr. Vijay Kishanlal Kedia (DIN: 00230480)

He joined the Board on 19th May, 2009. Mr Vijay Kedia is a Chairman – Non Executive Non Independent Director. He has completed his graduation in Bachelors of Commerce. He is an industrialist and has over 38 years of experience in financial and industrial matters. He is a member of Nomination & Remuneration Committee.

2

Mr. Prince Tulsian (DIN: 02691348)

He joined the Board on 22nd December, 2009. Mr. Prince Tulsian is Managing Director. He has completed his graduation in Bachelors of Commerce. He has more than 20 years vast experience in tea plantation and production of good quality tea. He is a member of Audit Committee and Stakeholder Relationship Committee.

3

Mr. Nadir Umedali Dhrolia (DIN: 03303675)

He joined the Board on 05th December, 2011. Mr. Nadir Dhrolia is Non-Executive, Non-Independent Director. He has completed his graduation in Bachelors of Commerce. He has more than 21 years of rich experience and expertise in the African markets. His contribution towards export business is of immense importance for the company to grow in the industry. He is a member of Nomination & Remuneration Committee.

4

Mr. Mayank Jhunjunwala (DIN: 02695948)

He joined the Board on 26th February, 2014. Mr. Mayan Jhunjunwala is Non-Executive, Independent Director. He is a Chartered Accountant and has completed his graduation in Bachelors of Commerce. He has over 13 years of experience in financial and industrial matters. He is a Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

5

Ms. Jyoti Budhia (DIN: 00332044)

She joined the Board on 31st March, 2015. Ms. Jyoti Budhia is Non-Executive, Independent Director. She has completed her graduation in Bachelors of Commerce. She has over 31 years of experience in financial and industrial matters. She is a Member of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

6

Mr. Rajendra Manilal Shah (DIN: 07259569)

He joined the Board on 14th July, 2015. Mr. Rajendra Shah is Non-Executive, Independent Director. He is B.E. Mechanical & M.E.(Auto). He has over 41 years of experience in plastic engineering. He was a Professor in VTJL, Mumbai for graduation studies for more than 12 years. He is a not a Member of any Committee.

CHAIRMAN'S MESSAGE

**“The Ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge & controversy
– Marten Luther king”**

To Dear Shareholders,

The past year has been full of challenges and hardships for us as a company. Change is a part of growing and therefore inevitable.

Certain past decisions have come to our notice as they were not in the right interest and therefore to amend those decisions and to come through this challenging phase towards a stronger future for our company. We as a team have changed our core management and are consolidating and trying our hardest to review our company.

I would like you all to be assured that the changes taken place internally will help revive our company. That we will do our best to ensure the company comes out of this phase successfully and each stake holder is benefitted by this.

Though current year is challenging but we shall as a team come out of this phase successfully very soon.

I would like to take this opportunity to thank all our shareholders for their continued support and confidence in the company, also thankful to the employees, my colleagues on the Board of Directors and all other stakeholders for their significant contribution to the company.

Warm Regards,

Vijay Kedia
Chairman
DIN : 00230480

August 13, 2018

CORPORATE INFORMATION

The Board of Directors:

Mr. Vijay Kedia

Chairman and Non-Executive Director

Mr. Prince Tulsian

Managing Director

Mr. Nadir Dhrolia

Non-Executive Non Independent Director

Mr. Mayank Jhunjunwala

Independent Director

Ms. Jyoti Budhia

Independent Director

Mr. Rajendra M. Shah

Independent Director

Executive Officers:

Mr. Pratik Kedia

Chief Financial Officer

Ms. Neha Mankame

Company Secretary & Compliance Officer

Auditors:

M/s. Sanjay P. Agarwal & Associates

Chartered Accountants

4, Fairlie Place, "HMP House"

Mazzenine Floor, Room No. M-29

Kolkata- 700 001.

Bankers:

Indian Bank, ICICI Bank, DCB Bank, Canara Bank, Kotak Mahindra Bank

Registrar and Share Transfer Agent:

M/s. R & D Infotech Pvt. Ltd.

7A, Beltala Road, 1st Floor, Kolkata- 700 026.

Phone no. 033-24192642.

Registered Office:

CIN: L74999WB1984PLC038064

Omer Mansion, 29A, Weston Street,

2nd Floor, R. No. B5, Kolkata,

West Bengal- 700 012.

Phone no. 033-40045265.

Corporate Office:

Grandeur Building, 4th Floor, Veera Desai Road, Opp.

Gundecha Symphony, Near Country Club,

Andheri (West), Mumbai- 400 053.

Phone No. 022-40694069.

www.lykisgroup.com

Email. Id- lykisho@lykisgroup.com

World Presence

International Presence - 53 Countries

Haiti
U.S.A
El Salvador
United Kingdom
Georgia
Russia
Azerbaijan
Angola
Namibia
Zambia
Mali
Madagascar
Mozambique

D. R. Congo
Mauritania
Benin
Burkina Faso
Cameroon
Gambia
Ghana
Senegal
Togo
Nigeria
Guinea
Algeria
Ivory Coast
Armenia

Chad
Tanzania
Uganda
Somali Land
South Sudan
Sudan
Malawi
Sierra Leone
Cape Verde
Djibouti
Kenya
South Africa
Somalia
Jordan

Libya
India
Afghanistan
Kuwait
U.A.E.
Yemen
Pakistan
Palestine
Iraq
Oman
Saudi Arabia
Singapore
Bahrain

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DIRECTORS' REPORT

Dear Members,

Yours Company's Directors have pleasure in presenting 34th Annual Report of the Company Lykis Limited along with Audited Financial Statement for the year ended March 31, 2018

1. FINANCIAL HIGHLIGHTS

Particulars	(₹ In Lakhs)			
	For the year ended on 31.03.2018 (standalone)	For the year ended on 31.03.2017 (standalone)	For the year ended on 31.03.2018 (consolidated)	For the year ended on 31.03.2017 (consolidated)
Income				
Revenue from Operation	14828.78	10610.87	14825.45	10726.53
Other Income	256.49	294.76	271.55	294.80
Total Income	15085.27	10905.63	15097.00	11021.33
Expenditure				
Less: Operating & Other Expenses	15077.37	10791.01	15420.60	11292.49
Profit Before Depreciation and Tax	7.90	114.62	(323.60)	(271.16)
Less: Depreciation	47.42	41.73	47.90	42.00
Profit/(Loss) Before Tax	(39.52)	72.89	(371.50)	(313.16)
Less : Provision for Taxes	7.67	12.64	(12.90)	12.64
Net Profit/(Loss) for the year	(47.19)	60.25	(358.60)	(325.80)
Total Comprehensive Income / Loss for the year	(47.19)	60.25	(358.60)	(325.80)

2. COMPANY'S PERFORMANCE

During the year ended March 31, 2018, Operational Revenue including other income on standalone basis was ₹15085.27 lakhs vs ₹10905.63 lakhs last year (For a like to like comparison). Profit/(Loss) Before Tax was ₹(39.52) Lakhs vs 72.89 Lakhs while Net Profit/(Loss) for the financial year ended March 31, 2018 was ₹(47.19) Lakhs vs ₹60.25 lakhs in previous year.

On a consolidated basis the operational revenue including other income was ₹15097 lakhs vs ₹11021.33 lakhs last year and Profit/ (Loss) Before Tax was ₹ (371.50) Lakhs vs ₹ (313.16) Lakhs last year.

Your Company has taken several remedial steps to meet the challenges viz. measures in saving cost at all front of operations, optimize use of available resources etc.

A detailed analysis on the operations of the Company during the year under report and outlook for the current year is included in the Management Discussion and Analysis Report forming part of this Annual Report.

3. DIVIDEND

Your Directors have not recommended dividend for the financial year March 31, 2018.

4. RESERVES

There is no amount proposed to be transferred to the General Reserve during the year under review.

5. SUBSIDIARY AND ASSOCIATES COMPANIES

As on March 31, 2018, your company has one subsidiary company and five associate companies, details whereof as under:

➤ SUBSIDIARY COMPANY

Lykis Marketing is the wholly owned subsidiary of Lykis Limited. The Company has main focused on domestic market of Tea and FMCG product.

In accordance with the provision of section 136 of the Companies Act, 2013, the annual report of the Lykis Marketing Private Limited are placed on the company website i.e. www.lykisgroup.com

➤ **ASSOCIATE COMPANY**

Lykis Packaging Private Limited, Lykis Soaps Private Limited, Lykon Foods Private Limited, Lykis Confectionery Private Limited and Lyfresh Private Limited are the associate companies. Your company has sold of its all shareholding held in Lykis Confectioners Private Limited, Lyfresh Private Limited and Lykis Soaps Private Limited on July 02, 2018, August 01, 2018 and August 16, 2018 respectively consequent upon which these company ceased to be the Associate companies.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary and associate company in Form AOC-1 is attached as "Annexure A" to this report.

6. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provision of Section 129(3) of the Companies Act, 2013 and Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the consolidated financial statements forms part of this Annual Report and shall also be laid before the ensuing Annual General Meeting of the company.

7. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- i. In the preparation of annual accounts, the applicable accounting standards have been followed and they are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in according with the provision of this Act for safeguard the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared annual accounts on a going concern basis.
- v. They have laid down internal financial control to be followed by the company and that such internal financial control are adequate and were operating effectively.

8. BOARD OF DIRECTOR

In accordance with the provision of Companies Act, 2013, Mr.Nadir Dhrolia retires by rotation in the forthcoming Annual General Meeting and being eligible for re-appointment. The Board of Directors recommends his re-appointment.

The necessary resolutions for the appointment /re-appointment of the above mentioned director and their brief profile have been included in the notice convening the ensuing Annual General Meeting.

All the directors of the company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of section 164(2) of the companies act, 2013.

The Board met five times during the financial year 2017-18, the details of which are given in the Corporate Governance Report that form a part of Annual Report.

9. KEY MANAGERIAL PERSONNEL

Company Secretary and Compliance Officer

During the year under review, Mr. Shailesh K. Bhaskar and Ms. Rupa Khanna being Company Secretary and Key Managerial Personnel of the Company resigned w.e.f from April 21, 2017 and November 25, 2017 respectively. The Board of Directors places on record the contribution made by them during their association with the company.

Ms. Neha Mankame was appointed as the Company Secretary and Key Managerial Personnel w.e.f 14th February, 2018 and also as the Compliance Officer of the Company w.e.f May 30, 2018 in place of Mr. Udayan Bal.

Chief Executive Officer and Chief Financial Officer

Mr. Pawan Kumar Gupta Chief Executive Officer (CEO) and Mr. Ankit Maheshwari Chief Financial Officer (CFO) of the company has resigned from the services of the company with effect from February 27, 2018. The Board of Directors places on record the contribution made by them during their long association with the company.

Further, The Board has appointed Mr. Pratik Kedia as Chief Financial Officer of the company w.e.f August 13, 2018. As on March 31, 2018 Mr. Pawan Kumar Gupta (CEO), Mr. Ankit Maheshwari (CFO) and Ms. Neha Mankame (CS) were the Key Managerial Personnel of the company.

10. INDEPENDENT DIRECTORS

Mr. Mayank Jhunjhunwala, Mr. Rajendra Manilal Shah and Mrs. Jyoti Budhia are Independent Directors of the company. The company has received declaration from all Independent Directors of the company confirming that they meet with criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

11. BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, board committee and individual directors pursuant to provision of the Act and the corporate governance requirement as prescribed by the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation 2015. The performance of the board was evaluated by the board after taking inputs from all the directors on the basis of criteria such as the Board Composition and structure, effectiveness of board process, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent directors which was held on February 14, 2018, performance of non-independent and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of Independent director was done by the entire board, excluding the independent director being evaluated.

12. EXTRACT OF ANNUAL RETURN

Pursuant to provision of section 134(3) (a) of the Companies Act, 2013, the extract of Annual Return in Form MGT-9 is attached as "Annexure B".

13. AUDITORS

➤ STATUTORY AUDITOR

M/s Sanjay P Agarwal & Associates, Chartered Accountant (Firm Registration No: 325683E) were appointed as Statutory Auditor of the Company by the Members at the 30th Annual General Meeting held on 30th September, 2014 to hold office from the conclusion of 30th Annual General Meeting till the conclusion of 35th Annual General Meeting on such remuneration as may be determined by the Board of Directors.

Pursuant to the amendment to section 139 of the Companies Act, 2013 which was notified on May 07, 2018, ratification of appointment of Statutory Auditor at every AGM is no longer required.

There are no qualification, reservation or adverse remark or disclaimer made in the audit report for the financial year 2017-18.

➤ SECRETARIAL AUDITOR

Pursuant to provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the companies had appointed Mr. Bijay Agarwal, Practicing Company Secretary as Secretarial Auditor of the company.

The Secretarial audit report is self explanatory. The Secretarial Audit Report is enclosed as "Annexure C" to the Board's Report.

14. COMPLIANCE WITH SECRETARIAL STANDARDS

The company has complied with Secretarial Standards on meetings of Board of Directors and on General Meeting issued by the Institute of Company Secretaries of India in terms of Section 118 (10) of the Companies Act, 2013.

15. INTERNAL FINANCIAL CONTROL

The company has put in place adequate policies and procedures to ensure that system of Internal Financial Control is commensurate with the size and nature of the company's business. The evaluation of these internal financial controls were done through internal audit process, established within the company and also through appointing professional firm to carry out such tests by way of systematic internal audit programme. Based on the review of the reported evaluations, the directors confirms that the financial statement for the year ended March 31, 2018, are in accordance with the applicable accounting standards.

16. RISK MANAGEMENT

The company has established a robust Risk Management system to identify & assess the key risks and ensure smooth and efficient operations of the business. Your company is well aware of these risks and challenges and has put in place mechanism to ensure that they are managed and mitigate with adequate timely actions. The audit committee reviews business risk area covering operational, financial, strategic and regulatory risks.

17. RELATED PARTY TRANSACTION

All contracts, arrangements/ transactions entered into during the year by the company with Related Parties were in ordinary course of business and on an arm's length basis. During the year under review, the company had not entered into any contract/ arrangement/ transactions with related parties which could be considered as material. The particulars of contracts or arrangements referred to in section 188 (1) of the Companies Act, 2013 with related parties and as mentioned in form AOC-2 is attached as "**Annexure D**".

18. PARTICULARS OF EMPLOYEE

In terms of the provisions of section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However pursuant to provision of section 136(1) of the Act, this report is being sent to the shareholders excluding the aforesaid information. Any shareholder interested in obtaining said information, may write to the Company Secretary at the registered office/ Corporate Office of the company and the said information is open for inspection at the Register office of the company.

19. HUMAN RESOURCES

Your Company considers Great Brand and Great People as its biggest asset. The Company is continued to organize various inbound and outbound training programs, recreation and team building activities to enhance employee skills and motivation. Company also conducted various workshops and events for grooming and upgrading vocational skills of the talent pool in order to meet future talent requirements.

20. DEPOSITS

The company has not accepted any deposits from public and as such no amount on account of principal or interest on deposit from public was outstanding as on the date of the balance sheet.

21. CORPORATE SOCIAL RESPONSIBILITY

Lykis Limited is committed to empower the local communities in its area of operation and support them in their path to sustainable and inclusive growth. This commitment is fundamental to the Company's long term success. Lykis Limited is focused on creating shared value and making a difference through our Corporate Social Responsibility initiatives.

- i. Being in the FMCG Sector, the company is extremely environmental friendly and strives to contribute towards preserving nature and our environment.
- ii. The Company provides several local employment opportunities and contributes towards improvement in standard of living.
- iii. Immense care is taken to ensure that the necessities of all our stakeholders are met. We treasure our employees and ensure their happiness in several ways.
- iv. The employees are provided with a healthy working environment, free lunch and proper sanitation and water supply. Considerable amount has been invested into infrastructure to ensure health and safety of our employees.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given the notes to the Financial Statements.

23. MEETINGS OF BOARD OF DIRECTORS

The board met 5 (five) times during the year. The details about the board meeting and the attendance of the directors are provided in Corporate Governance Report.

24. AUDIT COMMITTEE

The audit committee comprises of three members i.e. Mr. Mayank Jhunjunwala, Ms. Jyoti Budhia, and Mr. Prince Tulsian. The Board of Directors has accepted all the recommendations made by Audit Committee from time to time.

25. PREVENTION OF SEXUAL HARASSMENT POLICY

Considering gender equality, the company has zero tolerance for sexual harassment at workplace. The Company has an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaint receive regarding sexual harassment.

The following is a summary of the Sexual Harassment complaints received and disposed off during the year 2017-18

1. No. of Complaints received: NIL
2. No. of Complaints disposed off: NIL

26. WHISTLE BLOWER/ VIGIL MECHANISM

The Company has established a Vigil Mechanism and adopted a whistle blower policy for its directors and employees, to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimisation of persons who use this mechanism. Policy on whistle blower is placed on the company's website.

27. CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 forms an integral part of this report. A certificate from Dinesh Agarwal, Practicing Company Secretary regarding compliance on conditions of corporate governance as stipulated in the Listing Regulations is also appended to the report on Corporate Governance.

28. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 is presented in a separate section forming part of the Annual Report.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

A. Conservation of Energy:

The Company has initiated to take adequate measures for conservation of energy. The Company shall explore alternative source of energy as and when the necessity arises.

B. Technology Absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and products.

C. Foreign Exchange Earnings and Outgo:

	(₹ in Lakhs)	
	Current Year	Previous Year
Foreign Exchange Outgo	1064.02	141.60
Foreign Exchange earned	15476.44	8645.33

30. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments which could affect the Company's financial position which have occurred during the year and till the date of this report.

31. ACKNOWLEDGMENT

The Board of Director take this opportunity to thank all its shareholders, valued customer, banks, government and statutory authorities, investor and stock exchange for their continued support to the company. Your Directors wishes to place on record their deep sense of appreciation for the committed services by employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued shareholders and the Promoters of the Company.

For and on behalf of the Board of Directors

Vijay Kedia
Chairman

DIN: 00230480

Place: Kolkata
August 13, 2018

AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY AND ASSOCIATE COMPANIES Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

Sr. No or Associate Company	Name of Subsidiary/Reporting Period	Reporting Currency	Exchange Rate on last day of financial year	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments (excluding investment in subsidiaries)	Turnover	Profit/ (Loss) before Taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of Shareholding
1	Lykis Marketing Private Limited (Subsidiary Company)	NA	NA	2000000	(130460716)	41016063	41016063	0	44842740	(33198354)	0	(31141436)	0	99.5
2	Lykis Confectionery Private Limited (Associate Company)	NA	NA	40125000	(72830327)	154717189	154717189	1620062	248210767	(35316801)	0	(36695640)	0	49.91
3	Lykis Soaps Private Limited (Associate Company)	NA	NA	5000000	(16035711)	123463023	123463023	0	9175946	(15711923)	0	(15711923)	0	49.00
4	Lykis Packaging Private Limited (Associate Company)	NA	NA	12126620	(4947795)	38295618	38295618	0	27437846	(5022580)	0	(2954029)	0	41.23
5	Lykon Foods Private Limited (Associate Company)	NA	NA	2000000	(1904250)	1066130	1066130	0	6521343	(1152512)	0	(1152512)	0	36.67
6	Lyfresh Private Limited (Associate Company)	NA	NA	60000000	(1194000)	144017000	144017000	0	0	(1179000)	0	(1179000)	0	33.33

“ANNEXURE B”

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74999WB1984PLC038064
2.	Registration Date	15/10/1984
3.	Name of the Company	Lykis Limited
4.	Category/Sub-category of the Company	Company limited by shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	Omar Mansion, 29A, Weston Street, 2nd Floor, Room No B-5, Kolkata, West Bengal 700012
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s R&D Infotech Pvt. Ltd. 7A, Beltala Road, 1st Floor, Kolkata-700 026

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Toiletry, perfumery and cosmetics	617	72
2	Confectionary and biscuits	606.2	28

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate Company	% of shares held	Applicable section under Companies Act, 2013
1.	Lykis Marketing Pvt. Ltd	Grandeur Building, 4th floor, Opp. Gundecha Symphony, Andheri West, Mumbai-400053.	U71420MH2012PTC230365	Wholly Owned Subsidiary	99.50%	2(87)
2.	Lykis Packaging Pvt. Ltd	Grandeur Building, 4th Floor, Gundecha Symphony, Andheri West, Mumbai-400 053.	U74900MH2012PTC230784	Associate Company	41.23%	2(6)
3.	Lykis Confectioners Pvt. Ltd.	Grandeur Building, 4th floor, Opp. Gundecha Symphony, Andheri West, Mumbai-400053.	U15122MH2011PTC217810	Associate	49.91%	2(6)
4.	Lykis Soaps Private Limited	Grandeur Building, 4th floor, Opp. Gundecha Symphony, Andheri West, Mumbai-400053.	U74900MH2015PTC267885	Associate	49.00%	2(6)
5.	Lykon Foods Private Limited	Grandeur Building, 4th floor, Opp. Gundecha Symphony, Andheri West, Mumbai-400053.	U15122MH2016PTC274568	Associate	36.67%	2(6)
6.	Lyfresh Private Limited	Grandeur Building, 4th floor, Opp. Gundecha Symphony, Andheri West, Mumbai-400053	U15100MH2016PTC288391	Associate	33.33%	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3234383	-	3234383	16.69%	4184383	-	4184383	21.60%	4.90%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2479435	-	2479435	12.80%	2479435	-	2479435	12.80%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	5713818	-	5713818	29.49%	6663818	-	6663818	34.39%	4.90%
(2) Foreign	-	-	-	-	-	-	-	-	-
a) Individual (NRIs/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Others	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	5713818	-	5713818	29.49%	6663818	-	6663818	34.39%	4.90%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	233685	2017900	2251585	11.62%	416598	15100	431698	2.23%	0.00%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 2 lacs	1154483	551206	1705689	8.80%	1170154	504506	1674660	8.64%	-0.16%

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lacks	1105745	8507925	9613670	49.62%	2174357	8318225	10492582	54.15%	4.54%
c) Director Relation	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
NRI's	90393	-	90393	0.47%	112397	-	112397	0.58%	0.11%
Sub-total (B)(2):-	2584306	11077031	13661337	70.51%	3873506	8837831	12711337	65.61%	4.38%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2584306	11077031	13661337	70.51%	3873506	8837831	12711337	65.61%	4.38%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8298124	11077031	19375155	100.00%	10537324	8837831	19375155	100.00%	9.28%

B. Shareholding of Promoter-

Shareholder's Name	Shareholding at the beginning of the period			Shareholding at the end of the period			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Mr. Vijay Kishanlal Kedia	3234383	17.57%	Nil	4184383	21.60	Nil	4.03%
Kedia Securities Pvt. Ltd.	2479435	12.80%	Nil	2479435	12.80	Nil	Nil

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of Total Shares of the company
1.	Mr.Vijay Kedia Chairman	3234383	17.57	01-04-2017	-	-	3234383	17.57
				16-01-2018	Buy	950000	4184383	21.60
				31-03-2018	-	-	4184383	21.60

D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of Total Shares of the company
1.	Nazim Sadrudin Charania	2998585	15.48%	No Change During the Period			2998585	15.48%
2.	Salim Anwarali Kamani	2441170	12.60%	No Change During the Period			2441170	12.60%
3.	Sajid Umedali Dhrolia	2359370	12.18%	No Change During the Period			2359370	12.18%
4.	Pawan Kumar Gupta	968000	5.00%	01-04-2017	-	-	968000	5.00
				19-01-2018	Sell	4845	963155	4.97
				26-01-2018	Sell	9582	953573	4.92
				02-02-2018	Sell	14214	939359	4.85
				31-03-2018	-	-	939359	4.85
5.	Anirudh Anil Gaggar	52422	0.27%	01-04-2017	-	-	52422	0.27
				19-01-2018	Buy	425000	477422	2.46
				31-03-2018	-	-	477422	2.46
6.	Aditya Anil Gaggar	51777	0.27%	01-04-2017	-	-	51777	0.27
				21-03-2018	Buy	425000	476777	2.46
				31-03-2018	-	-	476777	2.46
7.	Vighnhar Holdings Pvt Ltd	2000000	10.32	01-04-2017	-	-	2000000	10.32
				19-01-2018	Sell	1800000	200000	1.03
				31-03-2018	-	-	200000	1.03
8.	P L Sutodia (HUF)	160000	0.83	No Change During the Period			160000	0.83
9.	Parmeshwarlal Sutodiya	155000	0.80	No Change During the Period			155000	0.80
10.	Manicklal Daga	745000	0.38	No Change During the Period			745000	0.38

E. Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding at the beginning of the year		Date-wise Increase/Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the company	Date	Reason	No. of Shares	No. of Shares	% of Total Shares of the company
1.	Mr. Vijay Kedia Chairman	3234383	17.57	01-04-2017	-	-	3234383	17.57
				16-01-2018	Buy	950000	4184383	21.60
				31-03-2018	-	-	4184383	21.60
2.	Pawan Kumar Gupta	968000	5.00%	01-04-2017	-	-	968000	5.00
				19-01-2018	Sell	4845	963155	4.97
				26-01-2018	Sell	9582	953573	4.92
				02-02-2018	Sell	14214	939359	4.85
				31-03-2018	-	-	939359	4.85

- Mr. Pawan Kumar Gupta ceased to be Chief Executive Officer of the company with effect from February 27, 2018

V. INDEBTEDNESS-

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7537846.67	848244383.21	-	855782229.88
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7537846.67	848244383.21	-	855782229.88
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	233495841.34	-	233495841.34
* Reduction	(950742.63)	-	-	(950742.63)
Net Change	(950742.63)	233495841.34	-	232545098.71
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	6587104.04	1081740224.55	-	1088327328.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6587104.04	1081740224.55	-	1088327328.59

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Prince Tulsian (Managing Director)	Total Amount
1.	Gross salary	7,20,0000	7,20,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify	0	0
5.	Others, please specify	0	0
	Total (A)	7,20,000	7,20,000

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Vijay Kedia	Mr. Nadir Dhrolia	Mr. Mayank Jhunjunwala	Mr. Rajendra Shah	Ms. Jyoti Budhia	
1.	Independent Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other Than Managing Director

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. Pawan Kumar Gupta (Chief Executive Officer) (upto 27.02.2018)	Ms. Rupa Khanna (Company Secretary) (upto 25.11.2017)	Ms. Neha Mankame (Company Secretary) (w.e.f 14.02.2018)	Mr. Ankit Maheshwari (Chief Financial Officer) (upto 27.02.2018)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3237000	636240	409920	1445136	5728296
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total	3237000	636240	409920	1445136	5728296

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty Punishment Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding	-	-	-	-	-

“ANNEXURE C”

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Lykis Limited,
Omar Mansion, 29A, Weston Street,
2nd Floor, Room No.B5,
Kolkata-700012, West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ‘**M/s Lykis Limited**’ (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the ‘**M/s Lykis Limited**’, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by ‘**M/s Lykis Limited**’ (“the Company”) for the financial year ended on 31st March 2018, and made available to me, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
Not applicable as the Company has not issued any shares during the financial year under review.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
Not applicable as the Company has not granted any Options to its employees during the financial year under review.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not applicable as the Company has not issued any debt securities during the financial year under review.

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
Not applicable as the Company has not bought back any of its securities during the financial year under review.
- (vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof the Company has complied with the following laws applicable specifically to the Company:
- Factories Act, 1948
 - The Tea Act, 1953
 - Payment Of Wages Act, 1936, and rules made thereunder
 - The Minimum Wages Act, 1948, and rules made thereunder
 - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder.
 - The Payment of Bonus Act, 1965, and rules made thereunder
 - Food Safety and Standards Act, 2006, and rules made thereunder
 - Environmental Protection Act 1986
 - Agricultural Income Tax
 - Assam Sales Tax
 - Cess on Greenleaf (Excise)
 - Export Licence & Rules
 - Foreign Currency Act

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard-1 and Secretarial Standard-2 issued by The Institute of Company Secretaries of India. (Applicable to the Company during the audit period as it has come into force on 1st day of July, 2015 and revised on 1st day of October, 2017).
- (ii) The Listing Agreements entered into by the Company with Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- Corporate Social Responsibility Policy, pursuant to Section 135(5) of the Companies Act, 2013 is not applicable to the Company.
- The company has filled all the forms within due date except one which has been filed with additional fees/penalty.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the audit period under review all decisions at Board meeting and Committee Meeting were carried out unanimously

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has no specific events/ actions having major bearing the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Kolkata
August 13, 2018

(BIJAY AGARWAL)
Company Secretary
C. P. No.13549
Membership No.36489

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

"ANNEXURE A"

To,
The Members,
M/s Lykis Limited,
Omar Mansion, 29A, Weston Street,
2nd Floor, Room No.B5,
Kolkata-700012, West Bengal

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
August 13, 2018

(BIJAY AGARWAL)
Company Secretary
C. P. No.13549
Membership No.36489

“ANNEXURE D”

AOC-2

RELATED PARTY TRANSACTION

Sr No.	Name(s) of the related party	Nature of Relationship	Nature of Transaction	Duration of the Transactions	Transactions Value	Amount paid as advance
1	Lykis Marketing Private Limited	Subsidiary	Revenue	April 17 - March 18	30,960,431	-
2	Lykis Marketing Private Limited	Subsidiary	Purchase	April 17 - March 18	9,902,574	-
3	Lykis confectionaries Pvt. Ltd.	Associate	Purchase	April 17 - March 18	63,606,421	-
4	Lykon Foods Private Limited	Associate	Advances	April 17 - March 18	-	135,874
5	Lykis Packaging Private Limited	Associate	Advances	April 17 - March 18	-	7,189,667
6	Lykis Soaps Private Limited	Associate	Advances	April 17 - March 18	-	28,095,833
7	Lykis Biscuits Private Limited	Associate	Advances	April 17 - March 18	-	4,900,000
8	Spectra International Limited	Common Director	Rent	April 17 - March 18	-	5,617,000
9	Pramod Gupta	Father of CEO	Professional Fees	April 17 - March 18	1,650,400	-
10	Shikha Gupta	Spouse of CEO	Professional Fees	April 17 - March 18	1,650,400	-
11	Dharamnagar Tea Estate Pvt Ltd	Common Director	Revenue	April 17 - March 18	3,867,192	-
12	Dharamnagar Tea Estate Pvt Ltd	Common Director	Cost of Material Consumed (Green Leaf)	April 17 - March 18	13,559,863	-
13	Dharamnagar Tea Estate Pvt Ltd	Common Director	Advances	April 17 - March 18	-	5733961.30
14	Prince Tulsian	Managing Director	Managing Director Remuneration	April 17 - March 18	720,000	-
15	Priyanka Tulsian	Relative to Key Managerial Personnel Mr. Prince Tulsian	Remuneration	April 17 - March 18	420,000	-
16	Sonam Tulsian	Relative to Key Managerial Personnel Mr. Prince Tulsian	Remuneration	April 17 - March 18	360,000	-
17	Mr. Vijay Kishanlal Kedia	Chairman	Unsecured Loans Taken	April 17 - March 18	25,011,000	-
18	Mr. Vijay Kishanlal Kedia	Chairman	Unsecured Loans	31.03.2018	67,975,902	-

MANAGEMENT DISCUSSION AND ANALYSIS

In view of diversification of business, constant monitoring regarding quality control of all products of the company is maintained every moment. In competition with other global players, our company proceeded with reasonable price and genuine items. The export demand was also steady throughout the year. In tea, domestic consumption is increasing year by year. The new extension work became a continuous activity at our Iringmara Tea Estate. The production at our tea estate is increasing gradually from our own greenleaf together with the purchased leaf from other gardens.

In future years our tea estate will be one of the giant producer garden in that area of Assam. We have started packet tea brand "CHEERS" and are getting fair response in the market. We have also started Government Organisation supplies namely Central Police Canteen of our packet tea as dry ration item. Lykis is divided into two segment one is Tea Industry and second is FMCG.

Certain past decisions have come to notice of management as they were not in the right interest and therefore to amend those decision and to come through this challenging phase towards a stronger future for our company. The Management of the company have changed company's core management and consolidating and trying hardest to review our company. Management would like to be assured that changes taken place internally will help to revive our company and each stakeholder is benefited by this.

FMCG

FMCG is 4th largest sector in the Indian economy with food products being leading segment, of the FMCG market. Going forward Lykis consumer products business will be focusing on reserve and development as means of growth.

TEA INDUSTRY

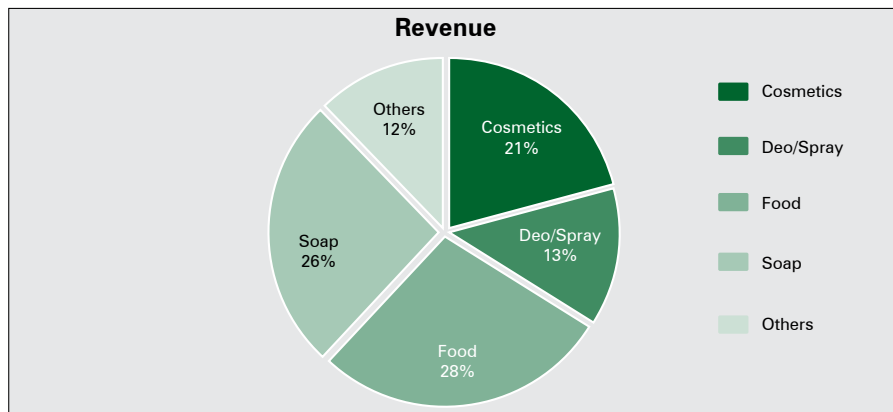
We believe that the production of the quality of tea enables us to sustain our brand value resulting in building customer loyalty as well as placing us on an advantageous position. The demand for quality remains a key driver of our industry due to increasing affluence and evolving consumer taste for high quality beverages in coming years. We have been investing in Plant & Machinery and extending our Tea plantation area, planting new tea bushes with a view that we will get fruitful results year on year.

SEGMENT WISE REPORT

During the year ended March 31, 2018, Operational Revenue including other income on standalone basis was ₹15085.27 lakhs vs ₹10903.63 lakhs last year (For a like to like comparison). Profit/(Loss) Before Tax was ₹(39.52) Lakhs vs 55.06 Lakhs while Net Profit/(Loss) for the financial year ended March 31, 2018 was ₹(47.19) Lakhs vs ₹42.42 lakhs in previous year.

On a consolidated basis the operational revenue including other income was ₹15097 lakhs vs ₹11019.33 lakhs last year and Profit/ (Loss) Before Tax was ₹ (371.50) Lakhs vs ₹ (330.99) Lakhs last year.

Financial year 2017-18, our segment wise revenue stood as under:



For international segment, we have exported our products in more than 53 countries as on date. The company is striving hard to expand its geographical base by exporting too many more countries in future.

OUTLOOK

Fast Moving Consumer Goods (FMCG) sector is the 4th largest sector in the Indian economy with Household and Personal Care accounting for 50 per cent of FMCG sale in India as per latest economic survey. The urban segment (accounts for a revenue share of around 40 per cent) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared with urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50 per cent of total rural spending. We expect these challenges and trends to remain constant from time to time. We expect the retail environment to be very competitive with aggressive promotions to sustain growth. The Company continues to constantly strive to meet these challenges with a continuous support to brands, category expansion, innovation and cost rationalization.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The company has proper and adequate system of Internal Controls which is commensurate with the size and the nature of business, to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposal and commercial transactions are authorised, recorded and reported correctly. The internal control is supplemented by an extensive program of internal and external audits. The company accords greatest importance to the security of its information assets and has the requisite security controls and checks. Adequate storage and back-up system is maintained to ensure security and availability of data at all times.

STRENGTHS

Lykis is an existing brand, experienced in operations and management of FMCG products. Operations are handled by a strong experienced management and professional team and also there is a strong technical and development team for support. Moreover, the company launched packet tea brand "CHEERS" and is getting fair response in the normal domestic market, malls and departmental stores.

RISK AND CONCERN

Fast expansion in various geographical locations may require more exposure in management and control.

THREATS

Since it is a growing industry, there is a threat of competition from the other players who might try to create an unhealthy practice of competition by compromising on the quality and pricing. We have an established team of professionals to handle the operations and are in the process of hiring more such kinds of professionals.

OPPORTUNITIES

Growing awareness, easier access, and changing lifestyles are the key growth drivers for the consumer market. The focus on agriculture, MSMEs, education, healthcare, infrastructure and employment under the Union Budget 2018-19 is expected to directly impact the FMCG sector. These initiatives are expected to increase the disposable income in the hands of the common people, which will be beneficial for the sector.

MATERIAL DEVELOPMENT IN HUMAN RESOURCE

Employees are the valuable assets and the strength of an organisation in its growth, prosperity and development. Your Company has a team of qualified and dedicated personnel who have contributed to the growth and progress of the Company. Necessary training is being imparted to the employees and various seminars and workshops are being conducted to continuously hone their skills.

CAUTIONARY STATEMENT

Certain statements made in this report relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

For and on behalf of the Board of Directors

Place: Kolkata
August 13, 2018

Vijay Kedia
Chairman
DIN: 00230480

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your company consider Good Corporate Governance for the systematic rules, practices and process by which a firm is directed and controlled. Your company firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices for key processes and systems with clear accountability, integrity, transparent governance practices and the highest standards of regulatory compliances.

The company has adopted a Code of Conduct for its Directors, Employees, and has also adopted a Code of Conduct to regulate, monitor and report trading by insider and also fair disclosure code. Some of the most important best practices of Corporate Governance framework are timely and accurate disclosure of information regarding the financial position, performance, ownership and governance of the company.

The company complies with the requirements regarding Corporate Governance as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

i. COMPOSITION

The Company maintains optimum combination of Executive and Non-Executive Directors on the Board of the Company. The Board of Directors comprises of Six (6) members out of which one (1) is Executive Directors two (2) are Non-Executive Directors and three (3) are Non-Executive Independent Directors. The Company has Non-Executive Promoter Chairman and the number of Independent directors is one half of the total number of Directors. The composition of the Board of Directors of the Company is in compliance with Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Composition of Board of Directors of the Company as on March 31, 2018 is given below:

Name	Designation	Category	Shareholding as on 31.03.2018
Mr. Vijay Kedia	Chairman & Promoter	Non-Executive Director	4184383
Mr. Prince Tulsian	Managing Director	Executive Director	-
Mr. Nadir Dhrolia	Director	Non-Executive Director	-
Mr. Mayank Jhunjunwala	Director	Non-Executive Independent Director	-
Mr. Rajendra Manilal Shah	Director	Non-Executive Independent Director	-
Ms. Jyoti Budhia	Director	Non-Executive Independent Director	-

ii. Attendance of each Director at the Board Meetings, the Last Annual General Meeting and Number of other Directorship or Committees in which a Director is member or Chairperson.

The attendance of the Directors at the Board Meeting and the Annual General Meeting held during the year 2018 as follows:

Directors	Board Meeting held during the year	Board Meeting attended during the year	Whether attended last AGM	Directorship of other Indian Public Companies	Committee Membership or Chairmanship	
					Chairmanship	Membership
Vijay Kedia	5	5	No	2	-	-
Prince Tulsian	5	5	Yes	1	-	2
Nadir Dhrolia	5	4	No	1	-	-
Mayank Jhunjunwala	5	5	Yes	1	2	2
Rajendra Shah	5	4	No	1	-	-
Jyoti Budhia	5	5	No	2	0	3

Notes:

- The Other Directorship and Chairmanship / Membership of Committee held in foreign companies, private limited companies incorporated under section 8 of the Companies Act, 2013 are excluded.
- The Chairmanship and Membership of Audit Committee and Stakeholder Relationship Committee alone are considered.
- None of the Directors have any inter-se relation among themselves.

iii. MEETING AND ATTENDANCE

During the year 2017-18 Board met for the five times in a year. The intervening period between two Board meetings did not exceed 120 days. Dates for the Board Meetings for the ensuing financial year are decided well in advance and communicated to the Directors.

Board Meeting Date	Board Strength	No. of directors Present
30th May, 2017	6	6
22nd June, 2017	6	5
12th August, 2017	6	6
14th November, 2017	6	6
14th February, 2018	6	5

iv. PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committee and individual directors pursuant to provision of the Act and the corporate governance requirement as prescribed by the Securities and Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation 2015. The performance of the board was evaluated by the board after taking inputs from all the directors on the basis of criteria such as the Board Composition and structure, effectiveness of board process, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent directors which was held on February 14, 2018, performance of non-independent and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of Independent director was done by the entire board, excluding the independent director being evaluated.

v. SEPARATE MEETING OF INDEPENDENT DIRECTOR

During the year, The Independent Directors meeting was held on February 14, 2018 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the board.

All Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulation read with Section 149(6) of the Act . All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulation read with Section 149(6) of the Act.

vi. RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 is annexed to the Notice convening the Annual General Meeting and forms part of this Annual Report.

3. COMMITTEES OF THE BOARD

i. AUDIT COMMITTEE

The Audit Committee of the Board of Directors meets the criteria laid down under Section 177 of the Companies Act, 2013, read with regulation 18 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015. The Audit Committee presently comprises of three director. All the members of the Audit Committee have accounting and financial management knowledge. Mr. Mayank Jhunjhunwala is Chairman of the Audit Committee. He is Chartered Accountant and possessed strong accounting and financial management knowledge.

During the year, the committee met four time i.e. May 30, 2017; August 12, 2017; November 14, 2017; and February 14, 2018.

The Composition of the Audit Committee and the attendance of the members at the meeting held are as follows:

Director	Status	Category	No. of Meeting attended
Mr. Mayank Jhunjhunwala	Chairman	Non-Executive Independent Director	4
Ms. Jyoti Budhia	Member	Non-Executive Independent Director	4
Mr. Prince Tulsian	Member	Executive Director	4

The terms of reference to the Audit Committee inter alia includes:

- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditor’s i.e. statutory and internal auditor of the company.
- Approval of transaction of the Company with related parties, including modification thereto.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, the annual financial statement and auditors report thereon and quarterly financial statement before the submission to the board for approval.
- To review Management discussion and analysis of financial condition and result of operations.
- To review Adequacy of internal control systems and the Company’s statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
- To review Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon.
- To review the functioning of the Whistle Blower mechanism.

ii. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015. The Nomination and Remuneration Committee presently comprises of four members. Mr. Mayank Jhunjhunwala is chairman of the committee.

During the year, the committee met two times i.e. May 30, 2017; February 14, 2018.

The Composition of the Nomination and Remuneration Committee and the attendance of the members at the meeting held are as follows:

Director	Status	Category	No. of Meeting attended
Mr. Mayank Jhunjhunwala	Chairman	Non-Executive Independent Director	2
Ms. Jyoti Budhia	Member	Non-Executive Independent Director	2
Mr. Vijay Kedia	Member	Non-Executive Director	2
Mr. Nadir Dhrolia	Member	Non-Executive Director	2

The terms of reference to the Nomination and Remuneration Committee inter alia includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the directors. Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors, Committees of Board and the Board.
- Formulating a policy on Board diversity.

- Identifying persons who are qualified to become director and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- The Committee will develop and review induction procedures for new appointees to the Board to enable them to become aware of and understand the Company's policies and procedures and to effectively discharge their duties.

iii. **STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Stakeholder and Relationship Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015. The Stakeholder and Relationship Committee presently comprises of three members. Mr. Mayank Jhunjhunwala is chairman of the committee.

During the year, the committee met four times i.e. May 30, 2017; August 12, 2017; November 14, 2017; February 14, 2018.

The Composition of the Stakeholder and Relationship Committee and the attendance of the members at the meeting held are as follows:

Director	Status	Category	No. of Meeting attended
Mr. Mayank Jhunjhunwala	Chairman	Non-Executive Independent Director	4
Ms. Jyoti Budhia	Member	Non-Executive Independent Director	4
Mr. Prince Tulsian	Member	Executive Director	4

Ms.Neha Mankame is appointed as Compliance Officer of the Company in place of Mr. Udayan Bal w.e.f May 30, 2018.

The terms of reference to the Stakeholder Relationship Committee inter alia includes:

- Look into the redressing of shareholders complaints and queries and to focus on the strengthening of investor relations.
- To monitor and review performance and service standards of the Registrar and Share Transfer Agents of the Company and provides continuous guidance to improve the service levels of investors.
- Monitor and review any investor complaints received by the Company and through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance Officer and RTA of the Company.

During the financial year, the Company / Company's Registrar and Share Transfer Agent received Nil complaints.

4. **GENERAL BODY MEETING**

i. **Details of Annual General Meeting (AGM) held during the last three years**

Financial Year	Date & Time	Venue	Special Resolution Passed thereat
2016-17	22-09-2017 @ 10:30 A.M	"SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata 700060	1. Authority for Borrowing Power Upto ₹ 200 Crores 2. To Approve Creation Of Charge/Security Over The Assets/Undertaking Of The Company in Respect Of Borrowing. 3. Adoption Of New Set Of Articles Of Association.
2015-16	30-09-2016 @ 10:30 A.M	"SANAI" 181/1, Upen Banerjee Road, Behala Airport More, Kolkata – 700 060	No Special Resolution has been passed.
2014-15	30-09-2015 @ 10:30 A.M	"VISHAL BHAWAN", 125/1, Sagar Manna Road, Parnasree, Behala, Kolkata- 700 060	1. Issue of 9,68,000 Equity Warrants, convertible into Equity Shares, on preferential basis to Chief Executive Officer (CEO).

ii. Postal Ballot

During the year Company did not pass any resolution through Postal Ballot.

5. Means Of Communication

The un-audited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The company provides the information to the stock exchange where shares of the company are listed. The results are also published in one English Newspaper having national circulation and one Bengali Newspaper.

The financial Results of the company are normally published in the following newspaper:

- i. Business Standards (English Newspaper)
- ii. Kalantar (Bengali Newspaper)

6. RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

In keeping with the requirements of SEBI and the Stock Exchanges, a Secretarial Audit by a practicing Company Secretary is carried out to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid - up capital tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

7. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is given as a Separate Section in Annual Report.

8. CODE OF CONDUCT FOR ALL BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

The company has adopted the Code of Conduct for all Board members and Senior Management personnel of the Company. This code is posted on the Company's website. All Board members and senior management personnel have confirmed compliance to the code of conduct. A declaration signed by the Managing Director of the company to this effect is annexed and form part of this report.

9. COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI LODR, 2015

Mr. Vijay Kedia Chairman and Mr. Prince Tulsian Managing Director have issued certificate under Regulation 17(8) of SEBI LODR, 2015 certifying inter-alia, that the financial statement do not contain any material untrue statement and these statement represent true and fair view of the Company's affairs. The said certificate is issued by Chairman and Managing Director due to resignation of Mr. Pawan Kumar Gupta Chief Executive Officer and Mr. Ankit Maheshwari Chief Financial Officer. The said certificate is annexed and forms part of this Annual Report.

10. REGISTRAR AND SHARE TRANSFER AGENTS

M/s R & D Infotech Private Limited acted as the Registrar and Share Transfer Agent of the Company for handling all share transfer and related process.

M/s R & D Infotech Private Limited
7A, Beltala Road, 1st Floor,
Kolkata 700026
E-mail Id: rd.infotech@gmail.com
Web Site: rdinfotech@gmail.com
Contact No: (033) 24192642, (033) 24192641

11. SHARE TRANSFER SYSTEM

Share transfers received by the Company are registered within stipulated time from the date of receipt in most of the cases, provided the documents are complete and valid in all respects. A summary of the transfer / transmission is placed at every Board Meeting. The Board has delegated the authority to Stakeholders Relationship Committee for approving transfer, transmission of equity shares. The Registrar and Share Transfer Agent, R & D Infotech Private Limited is authorized by the Board for processing of share transfers which are approved by the Company's Stakeholders Relationship Committee.

Pursuant to SEBI Circular, except for transposition/transmission of securities, all securities of Listed Companies can be transferred only in dematerialised form w.e.f. 5th December, 2018.

12. DEMATERIALIZATION OF SHARES

54.71% of total equity share capital of the Company is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on March 31, 2018. The face Value of Share is ₹10/- per share.

13. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

As on March 31, 2018 the company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.

14. PLANT LOCATION

IRINGMARA TEAR ESTATE P.O.Dwarbund, Dist- cachar, Pin Code – 788 113, Assam

15. INVESTOR SERVICES

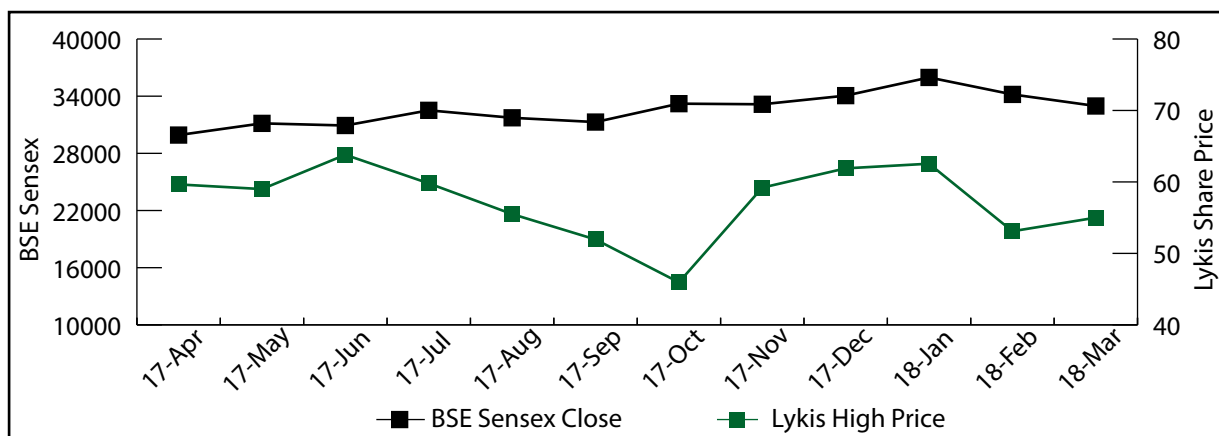
Shareholders may correspond with the Registrar and Transfer Agent, for the entire range of services with regard to share transfer, change of address, change of mandate, dividend, etc. at the address mentioned here in above. Members may contact Ms. Neha Mankame, Company Secretary and Compliance Officer for all investor related matters at the registered office of the company at the following address:

Lykis Limited
Omer Mansion, 29A,
Weston Street, 2nd Floor,
Room No B5, Kolkata 700012

16. MARKET PRICE DATA:

High, Low during each month in the last financial year is given below:

Month	BSE		
	High	Low	Close
April - 2017	59.65	47.35	52.20
May - 2017	59.00	49.00	56.65
June - 2017	63.80	54.60	58.75
July - 2017	59.80	52.00	52.10
August - 2017	55.50	45.15	51.75
September - 2017	51.95	38.15	38.70
October - 2017	45.95	37.30	41.00
November - 2017	59.20	37.35	59.20
December - 2017	61.90	46.80	48.30
January - 2018	62.55	40.70	40.85
February - 2018	53.10	36.70	53.00
March - 2018	55.00	42.95	42.95



17. SHAREHOLDING AS ON MARCH 31, 2018

i. Categories of Shareholders as on March 31, 2018

Sr. No.	Description	No. of Shares	% of Capital
A.	Promoter	66,63,818	34.39
B.	Public Shareholding		
	Foreign Portfolio Investor	-	-
	Financial Institution	-	-
	NRI	112397	0.58
	Body Corporate	431698	2.23
	Other	12167242	62.80
	Total	19375155	100

ii. Distribution of Shareholding

Shareholding of Nominal Value	No. of Shareholders	Percentage (%)	No. of Shares	% to Equity Shares
Upto 5000	1998	72.28	444878	2.30%
5001 - 10000	415	15.04	342756	1.77
10001 - 20000	161	5.83	244030	1.26
20001 - 30000	45	1.63	114984	0.59
30001 - 40000	36	1.30	128432	0.66
40001 - 50000	21	0.76	99535	0.51
50001 - 100000	43	1.56	321001	1.66
100001 - Above	45	1.60	17679539	91.25
Total	2764	100	19375155	100

18. GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting Date, Time & Venue	September 24, 2018 at 10:30 A.M. Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026.
2.	Dates of Book Closure	September 18, 2018 to September 24, 2018 (both days inclusive)
3.	Financial Year (Tentative) Quarter Ending June 30, 2018 Half year ending September 30, 2018 Quarter Ending December 31, 2018 Year Ending March 31, 2019	On or Before 14th August, 2018 on or before 14th November, 2018 On or Before 14th February, 2019 On or Before 30th May, 2019
4.	Listing on Stock Exchanges	Bombay Stock Exchange Limited (BSE) The Calcutta Stock Exchange Association Ltd (CSE) The Ahmedabad Stock Exchange (ASE)
5.	Stock Code:	BSE – 530689 CSE – 17061 ASE – 19707
6.	Payment of Annual Listing Fees	Listing fees for the Financial year 2017-18 has been paid to the exchange.
7.	Corporate Identification Number (CIN)	L74999WB1984PLC038064

*The Company's equity shares are regularly traded in BSE. The Equity Shares are in Suspension at CSE & ASE.

19. DISCLOSURES:

i. **Related Party Transaction**

The transactions between the Company and the Directors and Companies in which the Directors are interested have been disclosed in notes to the Annual Accounts in compliance with the Accounting Standard relating to "Related Party Disclosures". There is no materially significant Related Party Transaction that may have potential conflict with the interests of the Company.

ii. **Statutory Compliance**

There were no penalties or strictures imposed by either SEBI or the Stock Exchange or any Statutory Authority for non-compliance of any matter related to the capital market during the last three years.

iii. **Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

iv. **Compliance with Mandatory Requirement:**

The company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

v. **Code for Prohibition of Insider trading:**

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Board of Directors of the Company have formulated a formal 'Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information' for prevention of Insider trading for its Directors and Designated Employees and their dependents and have also adopted the Code of Internal Procedures and conduct for Regulating, Monitoring and Reporting of Trading by Insiders.

vi. **Whistle Blower Policy/Vigil Mechanism:**

Pursuant to section 177 (9) & 177 (10) of the Companies Act 2013 and Regulation 46 of LODR, the Company has a Whistle Blower Policy for Vigil Mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and has provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the employees of the Company have been denied access to the Audit Committee. The said policy is disclosed on the website of the company viz www.lykisgroup.com

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with Clause D of Schedule V of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 I, Mr. Prince Tulsian, Managing Director of the Company, hereby declare that the Members of the Board of Director and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management for the year ended March 31, 2018.

Place: Kolkata
August 13, 2018

For **Lykis Limited**
Prince Tulsian
Managing Director
DIN 02691348

CHAIRMAN AND MANAGING DIRECTOR CERTIFICATION UNDER REGULATION 17(8) OF LODR, 2015

The Board of Directors,

Lykis Limited

Sub: Chairman and Managing Director

We, Vijay Kedia (Chairman) and Mr. Prince Tulsian (Managing Director), hereby certify that:

- A. We have reviewed the financial statement and the cash flow statements for the year ending March 31, 2018 and to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statements or omit any material fact or contain statement that might be misleading.
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulation.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the company during the period ending March 31, 2018 which are fraudulent, illegal or violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal controls and that we have taken the required steps to rectify these deficiencies.
- D. We have indicated the Auditors and Audit Committee that:
1. There have been no significant changes in the internal control over financial reporting during the year.
 2. There have been no significant changes in the accounting policies except Ind-As adoption this year and that the same have been disclosed in the notes to the financial statements.
 3. There have been no instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Lykis Limited**

Vijay Kedia

Chairman

DIN: 00230480

Place: Kolkata

August 13, 2018

For **Lykis Limited**

Prince Tulsian

Managing Director

DIN 02691348

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
M/S LYKIS LIMITED
Omar Mansion, 29A,
Weston Street, 2nd Floor,
Room No B5, Kolkata 700012

I have examined and reviewed the compliance of the conditions of Corporate Governance by **M/S LYKIS LIMITED** (hereinafter referred to as "the Company"), for the period ended 31st March, 2018 as stipulated in the Listing Agreement of the said Company with Stock Exchange(s) and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 to the extent applicable.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
August 13, 2018

(DINESH AGARWAL)
Practising Company Secretary
Certificate of Practice No.: 5881

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S LYKIS LIMITED

Report on the Financial Statements

We have audited the accompanying (standalone) financial statements of **LYKIS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in Equity & the statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 and presentation 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 Indian accounting Standard (Ind AS) prescribed u/s 133 of the Act read with the companies (Indian Accounting Standard) rules 2015 as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order issued u/s 143(11) of the act.

We conducted our audit of standalone financial statement in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances and audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2018, its profit, total comprehensive income the changes in Equity and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit + we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and including comprehensive income, the Changes in Equity and its the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid (standalone) financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of written representations received from the directors of the company as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, 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 A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure B**" a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **SANJAY P AGARWAL & ASSOCIATES**

Chartered Accountants
Firm Registration No.: 325683E

(Sanjay Agarwal)

Partner

(M. No. 062218)

Place: Kolkata
Date: 30/05/2018

“Annexure B” to the Auditors’ Report

[Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date to the members of LYKIS LIMITED on the accounts of the company for the year ended 31st March, 2018]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of the immovable properties are held in the name of the company.
- (ii)
 - a) As explained to us, the inventories of finished goods, semi finished goods, stores, spare parts and raw material physically verified at the end of the year by the Management. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - b) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification as compared to book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loan to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and securities provisions of sections 185 and 186 of the Companies Act, 2013 has been complied with.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company is not regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable as per detail given below:

Tea Cess	₹ 13,28,435.35
Vat	₹ 2,95,072.45
Agricultural Income Tax	₹ 11,74,715.00
 - c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2018 on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount in lakhs*
The Income Tax Act, 1961	Income Tax	CIT Appeal Kolkata	A.Y. 2015-16 A.Y 2014-15	95,05,640/- 2,72,690/-
Central Sales Tax	CST	Deputy Commissioner of Sales tax Mumbai	F.Y. 2012-13	41,44,217/-

- Below ₹ 10,000/- not considered.

- (viii) According to the information and the explanation given to us the Company has not defaulted in repayment of loans & borrowings to financial institution, bank, government or due to any debenture holder.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised any money by way of term loans, debt instrument & initial public offer or further public offer during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) According to the information & explanations given to us and based on our examination of records of the company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with Schedule v to the act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standard.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential issue of equity shares during the year under review.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion and according to information given to us, the Company is not Required to obtain registration under Section 45 IA of the Reserve Bank of India Act, 1934.

For **SANJAY P AGARWAL & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 325683E

(Sanjay Agarwal)
Partner
(M. No. 062218)

Place: Kolkata
Date: 30/05/2018

“Annexure A” to the Independent Auditor’s

Report of even date on the Standalone Financial Statements of LYKIS 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 Lykis Limited as of March 31, 2018 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.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not 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 March 31, 2018, 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 **SANJAY P AGARWAL & ASSOCIATES**

Chartered Accountants
Firm Registration No.: 325683E

(Sanjay Agarwal)

Partner
(M. No. 062218)

Place: Kolkata

Date: 30/05/2018

STANDALONE BALANCE SHEET as at March 31, 2018

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	5	1,351.33	1,295.27
(b) Capital Work-In-Progress	5	78.83	26.99
(c) Intangible Assets	6	1.32	1.85
(d) Financial Assets			
(i) Investments	7	508.07	263.46
(ii) Loans	8	-	-
(iii) Others	9	1.47	1.16
(e) Income Tax Assets (Net)	10	4.94	-
(f) Deferred Tax Assets (Net)		-	-
		1,945.96	1,588.73
2. Current Assets			
(a) Inventories	11	590.02	203.57
(b) Financial Assets			
(i) Investments	12	4.45	0.04
(ii) Trade Receivables	13	4,606.18	4,468.06
(iii) Cash and Cash Equivalents	14	4,185.19	1,709.80
(iv) Loans	15	1,308.96	420.13
(v) Others	16	1,008.28	592.74
(c) Other Current Assets	17	5,246.21	4,072.95
		16,949.29	11,467.29
Total Assets		18,895.25	13,056.02
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	1,992.70	1,992.70
(b) Other Equity	19	1,447.61	1,490.81
		3,440.31	3,483.51
LIABILITIES			
1. Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	3.87	4.83
(b) Deferred Tax Liabilities (Net)	21	7.00	10.46
		10.87	15.29
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	10,860.11	8,527.36
(ii) Trade Payable	23	575.63	478.23
(iii) Other Financial Liabilities	24	441.80	82.80
(b) Other Current Liabilities	25	3,475.00	421.38
(c) Provisions	26	91.53	34.80
(d) Current Tax Liabilities (Net)	27	-	12.65
		15,444.07	9,557.22
Total Equity and Liabilities		18,895.25	13,056.02

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata
May 30, 2018

NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2018

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue			
Revenue from Operations (Including Excise Duty)	28	14,828.78	10,610.87
Other Income	29	256.49	292.76
Total Income		15,085.27	10,903.63
II Expenses			
Purchases of Stock-in-Trade		12,957.91	8,725.76
Cost of Material Consumed (Green Leaf)		140.34	152.39
Change in Inventories of Finished Goods/Work-in-progress/Stock-in-Trade	30	(387.26)	55.48
Employee Benefits Expenses	31	412.96	349.42
Finance Costs	32	489.27	291.51
Excise Duty		0.49	2.65
Depreciation and Amortization Expenses	33	47.42	41.73
Other Expenses	34	1,463.66	1,229.63
Total Expenses		15,124.79	10,848.57
III Profit before tax (I-II)		(39.52)	55.06
IV Less: Tax Expense:			
Current Tax	27	11.13	20.62
MAT Credit Entitlement		-	-
Deferred Tax		(3.46)	(7.98)
Total Tax Expense		7.67	12.64
V Profit for the Year (III-IV)		(47.19)	42.42
VI Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit obligations			
Tax Effect on above			
Other Comprehensive Income for the year, net of tax		-	-
VII Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year)		(47.19)	42.42
VIII Earnings Per Equity Share (Face Value INR 10 Per Share):	36		
Basic and Diluted (INR)		(0.24)	0.31
Summary of Significant Accounting Policies	2-4		
The notes referred to above are an integral part of the financial statements			

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata
May 30, 2018NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

CASH FLOW STATEMENT for the year ended March 31, 2018

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash Flow from Operating Activities		
Net Profit Before Tax	(39.52)	55.06
Adjustments:		
Depreciation and Amortization of Property, Plant and Equipment	46.89	41.73
Amortisation and Impairment of Intangible Assets	0.53	
Transferred to Investment Allowance Reserve	4.32	16.24
Decrease in Deferred Tax Liability	(3.46)	(7.98)
Loss on Sale of property, plant and equipment (net)	0.25	
Loss/ (Profit) on Sale of Current Investments (net)	9.51	-
Reversal of Provision for Diminution in Value of Current Investments	(116.40)	17.83
Exchange Fluctuation (Gain)/ Loss on Loan	(123.58)	
Finance Income (including Fair Value Change in Financial Instruments)	(3.17)	
Provision/ (Reversal of Provision) for Loss Allowance on Trade Receivables	49.01	
Dividend Income	(4.45)	
Fees on Guarantee given on behalf of the Subsidiary Company	(7.69)	
Finance Costs (Including Fair Value Change in Financial Instruments)	489.27	282.84
Operating cash flows before working capital changes	301.51	405.72
<u>Adjustments for Changes in Working Capital</u>		
Decrease/ (Increase) in Inventories	(386.45)	64.51
Decrease/ (Increase) in Trade receivables	(138.12)	(1,476.55)
Decrease/ (Increase) in Current Loans	(888.83)	(103.36)
Decrease/ (Increase) in Non-Current Loans	-	-
Decrease/ (Increase) in Non-Current Financial Assets - Others	(244.61)	
Decrease/ (Increase) in Financial Assets - Other	(0.31)	(745.07)
Decrease/ (Increase) in Other Current Assets	(2,507.42)	
Increase/ (Decrease) in Trade Payables	97.40	177.82
Increase/ (Decrease) in Current Financial Liabilities - Other	359.00	(1,378.58)
Increase/ (Decrease) in Other Current Liabilities	3,053.62	
Increase/ (Decrease) in Non-Current Provisions	-	-
Increase/ (Decrease) in Current Provisions	-	-
Cash generated from operations	(354.21)	(3,055.51)
Income taxes paid		(14.88)
Net cash flow from operating activities	(354.21)	(3,070.39)
Less : Finance cost paid	489.27	(282.84)
Net cash flow (Used in) from operating activities (A)	135.06	(3,353.23)

CASH FLOW STATEMENT for the year ended March 31, 2018 (Contd.)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
B. Cash Flow from Investing Activities		
Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	(107.90)	(26.99)
Proceeds from/(Investment in) fixed deposits (net)	(4.41)	
Proceeds from/(Investment in) Other Bank Balances		
Proceeds from sale of property, plant and equipment		(3.89)
Purchase or construction of Investment Properties		
Proceeds from Sale of Investments		979.99
Interest Received	116.40	
Dividend Received	4.45	
Net cash flow from/ (used in) investing activities (B)	8.54	949.11
C. Cash Flow from Financing Activities		
Proceeds from public issue of shares		-
Proceeds from securities premium (net of QIP expenses)		-
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	(0.96)	9.47
Increase / (Decrease) in Current Borrowings	2,332.75	3,334.51
Finance Costs		
Net cash flow from financing activities (C)	2,331.79	3,343.98
Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	2,475.39	939.86
Cash and cash equivalents at the beginning of the year (Refer Note 16)	1,709.80	769.94
Cash and cash equivalents at the end of the year (Refer Note 16)	4,185.19	1,709.80
Net cash Increase/(decrease) in cash and cash equivalent	2,475.39	939.86

The notes referred to above are an integral part of the financial statements.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants

Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata

May 30, 2018

NEHA MANKAME

Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

NOTE 1. STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018
A. Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

Particulars	Note No.	Numbers in Lakhs	Amount in Lakhs	Reserve and Surplus				Total Other Equity
				General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	
Balance as at the April 1, 2016		1,992.70	19,927.00					
Changes in equity share capital during the year 2016-2017		-	-					
Balance as at March 31, 2017	21	1,992.70	19,927.00					
Changes in equity share capital during the year 2017-2018		-	-					
Balance as at the April, 2018	21	1,992.70	19,927.00					
B. Other Equity								
Particulars	Note No.	General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	Securities Premium Reserve	Retained Earnings	Total Other Equity
Balance as at the April, 2016		1.76	0.13	10.76	28.01	1,171.06	235.31	1,429.19
Total Comprehensive income for the year		-	-	-	-	-	-	-
Profit for the year		-	-	-	-	-	42.42	60.25
Other Comprehensive Income		-	-	-	-	-	-	-
Contribution during the year	22	-	-	-	16.24	-	-	16.24
Agricultural Income Tax Paid	22	-	-	-	-	-	(14.88)	(14.88)
Balance as at March 31, 2017	22	1.76	0.13	10.76	44.25	1,171.06	262.85	1,490.80
Total Comprehensive income for the year		-	-	-	-	-	(47.19)	(47.19)
Profit for the year		-	-	-	-	-	-	-
Other Comprehensive Income		-	-	-	-	-	-	-
Contribution during the year		-	-	-	4.32	-	-	4.32
Agricultural Income Tax Paid	22	-	-	-	-	-	(0.33)	(0.33)
Balance as at March 31, 2018	22	1.76	0.13	10.76	48.57	1,171.06	215.32	1,447.60

(INR in Lakhs)

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Note 2 - General Corporate Information

Lykis Limited is incorporate on October 15, 1984. The Company is limited by shares and its shares are listed on Bombay Stock Exchange. The Company is engaged in trading of FMCG and Tea. The Company's registered office is situated at Omar Mansion, 29A, Room No B5, Kolkata 700012.

The financial statements of the company were approved by the Board of Directors of the company on May 30, 2018.

Note 3 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

(i) Compliance with Ind-AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

3.1 Revenue recognition

Revenue is recognised 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.

As the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Goods and Service Tax (GST)/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

- **Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Excise duty paid for captive consumption of goods, where CENVAT credit is not available, is shown as excise expense.

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

- **Interest income**

Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.

- **Other Income**

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

- **Dividend**

Dividend income is recognised when to right to receive payment has been established.

3.2 Foreign Currency Transaction and Translation

i. Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency.

ii. Transactions and Balances

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise. Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. Exchange differences arising on retranslation on non-monetary items carried at fair value are included in statement of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

3.3 Taxes

Tax expenses comprise of current and deferred tax.

Current income tax

- Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax

- Deferred tax is provided using the balance sheet approach 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.
- 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, the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. 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 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.

- h. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss.

3.4 Property, Plant and Equipment

Under the previous GAAP (Indian GAAP), fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Capital Work in progress included in PPE is stated at cost, net accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term constructions projects if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Depreciation is calculated on WDV basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful lives estimated by the management. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company has elected to regard previous GAAP carrying value of Intangible Assets as deemed cost at the date of transition to Ind AS.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

3.7 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 fulfilment 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.

For arrangements entered into prior to 1st April, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a Lessee. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

3.8 Inventories

Inventories are valued as under:

a. Raw Materials, Packing Materials, Stores & Spares:

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis. Due provision for obsolescence is made.

b. Finished Goods & Work In Progress:

At cost or net realizable value, whichever is lower. Cost is determined on absorption basis. Due provision for obsolescence is made.

c. Stock-in-Trade:

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Earnings Per Share (EPS)

- **Basic Earnings per Share**

Basic earnings per share is calculated by dividing, the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

- **Diluted Earnings per Share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.10 Impairment of financial assets & non-financial assets

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the Statement of Profit and Loss.

b. Non-financial assets

Intangible assets and Property, Plant and Equipment 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 CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (i.e. CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which 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 for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

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.

3.12 Financial instruments

Initial recognition and measurement:

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 inputs as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain in the Statement of Profit and Loss only to the extent the such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However trade receivables that do not contain a significant financing component are measured at transaction price.

3.13 Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income or through the Statement of Profit and Loss); and
- (2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

(1) Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2) Fair value through other comprehensive Income:

Assets that do not meet the criteria for amortised cost are measured at fair value through Other Comprehensive Income. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

Derecognition

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial assets, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset (except as mentioned in (ii) above for financial assets measured a FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Financial liabilities:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

3.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.16 Standard issued but not yet effective

In March, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from contracts with Customers, Appendix B to Ind AS 21 Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are in line with recent amendments made by International Accounting Standard Boards (IASB). These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective dates.

Revenue from Contract with Customers

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and service to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Company is in process of evaluating the impact of Ind AS 115 on its financial statements.

Ind AS 21, Foreign Currency transactions and advance consideration

The Appendix clarifies that the date of the transactions for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary liability arising from the payment or receipt of advance consideration towards such assets, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration in a foreign currency.

The Company is in process of evaluating the impact of Ind AS 21 on its financial statements.

4. Use of estimates and critical accounting judgments

4.1 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in (Note 1.4). Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

4.2 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of current tax expenses – (Refer Note)

Government grant – (Refer Note)

4.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value as per Ind AS 113 at each balance sheet date. 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, 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 5 - Property, Plant and Equipment

Particulars	(INR in Lakhs)										
	Land	Building	Roads & Bridges	Plant and Machinery	Computer and Fixtures	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Installations	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2016	992.75	162.95	22.78	336.72	36.95	0.69	46.95	13.03	53.00	1,665.82	-
Additions	12.44	-	-	20.81	2.38	0.16	6.73	3.09	-	45.61	26.99
Transfer	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	1,005.19	162.95	22.78	357.53	39.33	0.85	53.68	16.12	53.00	1,711.43	26.99
Additions / Transfer	-	-	-	95.42	4.63	-	-	4.66	-	104.71	51.84
Disposals	-	-	-	(6.47)	-	-	-	-	-	(6.47)	-
As at March 31, 2018	1,005.19	162.95	22.78	452.95	43.96	0.85	47.21	20.78	53.00	1,809.67	78.83
Accumulated depreciation as at April 1, 2016	-	87.76	18.68	195.38	22.15	0.50	28.36	4.11	18.03	374.97	-
Depreciation charge during the year	-	5.60	0.87	12.72	11.52	0.03	3.36	4.39	2.71	41.20	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	-	93.36	19.55	208.10	33.67	0.53	31.72	8.50	20.74	416.17	-
Depreciation charge during the year	-	4.17	0.39	24.77	5.54	0.09	4.04	4.95	2.94	46.89	-
Accumulated depreciation on deletions	-	-	-	(4.72)	-	-	-	-	-	(4.72)	-
As at March 31, 2018	-	97.53	19.94	232.87	39.21	0.62	31.04	13.45	23.68	458.34	-
Net carrying amount as at March 31, 2018	1,005.19	65.42	2.84	220.08	4.75	0.23	16.17	7.33	29.32	1,351.33	78.83
Net carrying amount as at March 31, 2017	1,005.19	69.59	3.23	149.43	5.66	0.32	21.96	7.62	32.26	1,295.27	26.99
Net carrying amount as at April 1, 2016	992.75	75.19	4.10	141.34	14.80	0.19	18.59	8.92	34.97	1,290.85	-

Deemed cost exemption

1 Para 27AA of Ind AS 101 provides that on transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous I GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

2 Asset under construction

Capital Work-in-Progress as at March 31, 2018 comprises expenditure for ₹ 78.83 lakhs

3 Property, Plant and Equipments pledged/ mortgaged as security

All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Company.

5 Gross carrying amount of Land includes certain plots having gross block value of INR 1,005.19 lakhs (March 31, 2017: INR 1,005.19 lakhs; April 1, 2016: INR 992.75 lakhs) situated at different locations, which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.

6 Gross carrying amount of Motor Vehicles includes certain Motor Vehicles having gross block value of INR 47.21 lakhs (March 31, 2017: INR 53.68 lakhs; March 31, 2016: INR 46.95 lakhs) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 6 - Intangible Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Gross Carrying Amount		
Opening gross carrying amount	2.54	2.54
Additions	-	-
Closing gross carrying amount	2.54	2.54
Accumulated Depreciation		
Opening accumulated depreciation	1.22	0.69
Depreciation charge for the year	-	-
Closing accumulated depreciation	1.22	0.69
Net carrying amount	1.32	1.85

Notes:

- a) The Intangible Assets Consists of Trademarks
- b) Gross carrying amount of Investment Property includes certain plots of land having gross block value of INR 2.54 lakhs (March 31, 2017: INR 2.54 lakhs; April 1, 2016: INR 2.54 lakhs)

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 7 - Non-Current Financial Assets - Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade Investments - Unquoted Equity Instruments		
Nil (March 31, 2017: 10,000, April 1, 2016: 10,000) Equity Shares of Nakamichi Securities Limited of INR 10 each fully paid up	1.00	1.00
20,02,500 (March 31, 2017: 20,02,500, April 1, 2016: 20,02,500) Equity Shares of Lykis Confectioners Limited of INR 10 each fully paid up	200.25	200.25
5,00,000 (March 31, 2017: Nil, April 1, 2016: Nil) Equity Shares of Lykis Packaging Private Limited of INR 10 each fully paid up	50.00	-
2,50,000 (March 31, 2017: 2,25,000, April 1, 2016: Nil) Equity Shares of Lykis Soaps Private Limited of INR 10 each fully paid up	25.00	22.50
53,339 (March 31, 2017: 53,339, April 1, 2016: Nil) Equity Shares of Lykon Foods Private Limited of INR 10 each fully paid up	7.33	5.33
19,79,999 (March 31, 2017: 53,339, April 1, 2016: Nil) Equity Shares of Lyfresh Private Limited of INR 10 each fully paid up	198.00	-
65,000 (March 31, 2017: Nil, April 1, 2016: Nil) Equity Shares of Lykis Herbals Private Limited of INR 10 each fully paid up	6.50	-
Investments to Associates		
- Bion Aerosols Private Limited		0.50
- Lykis Homecare Private Limited		0.50
Investment carried at cost - In Subsidiaries*		
1,99,900 (March 31, 2017: 1,99,900, April 1, 2016: 1,99,900) Equity Shares of Lykis Marketing Private Limited of INR 10 each fully paid up	19.99	19.99
Nil (March 31, 2017: 2,40,075, April 1, 2016: 3,96,000) Equity Shares of Lykis Packaging Private Limited of INR 10 each fully paid up	-	13.39
In Preference shares of IL&FS	-	-
Total	508.07	263.46

Note:

The Company has pledged 45,000 (March 31, 2017: 45,000, April 1, 2016: 45,000) equity shares with the banks under a condition of agreement for loan taken by the subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 8 - Non-Current Financial Assets - Loans

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good (carried at amortised cost)		
Loans to Subsidiary (Refer Note **)		
Loans to Associates		
- Bion Aerosols Private Limited	-	-
- Lykis Biscuits Private Limited	-	
- Lykis Herbals Private Limited	-	
- Lykis Homecare Private Limited	-	-
- Lykon Foods Private Limited	-	
In Preference shares of IL&FS	-	-
Other Loans	-	
Total	-	-

Note 9 - Non-Current Financial Assets - Others

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Carried at amortised cost		
Security Deposits		
VAT and CST Deposit		
Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks]	1.47	1.16
Total	1.47	1.16

Note 10 - Income Tax Assets (Net):

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Income tax assets	183.63	-
Less: Provision for Tax	(178.69)	-
Total	4.94	-

Note 11 - Inventories

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Finished Goods		
Tea (At net realizable value)	39.28	46.89
FMCG Products (At cost)	456.96	63.12
Green leaf	0.55	0.24
Nursery Plants (At net realizable value)	64.36	63.64
Store, Spare Parts and Consumables	28.87	29.68
Total	590.02	203.57

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 12 - Current Financial Assets - Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Other Investments		
Investment in Mutual Funds - Quoted		
Nil (as at March 31, 2017: 38.555, April 1, 2016: 4,56,861.594) units ICICI Prudential Flexible Income Plan	4.45	0.04
Investments carried at fair value through profit or loss		
Total	4.45	0.04

Note 13 - Current Financial Assets - Trade Receivables

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured		
Considered Good	4,606.18	4,468.06
Considered Doubtful	-	-
	4,606.18	4,468.06
Less: Allowances for credit losses	-	-
Total	4,606.18	4,468.06

Note 14 - Current Financial Assets - Cash and Cash Equivalents

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Bank Balances		
- In current accounts	3,259.98	567.13
- In fixed deposits with maturity of less than 3 months	921.05	1,135.57
Cash on Hand	4.16	7.10
Total	4,185.19	1,709.80

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the applicable short-term deposit bank rates.

Note 15 - Current Financial Assets - Loans and Advances

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Advances to Employees	90.22	84.06
Loan to Subsidiary Company	-	-
Loan to Others	510.32	169.79
Other Advances	708.42	166.28
Total	1,308.96	420.13

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 16 - Current Financial Assets - Others

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Security Deposits	13.87	13.87
Incentive Receivable	994.41	578.87
Total	1,008.28	592.74

Note 17 - Other Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Accrued Income on Term Deposits	29.76	42.46
Advance Payment to Vendors	3,647.83	3,941.94
Balance with Government Authorities:		
- Service Tax Receivables	55.43	60.09
- GST Receivables	1,036.87	-
Other Receivable	474.46	26.21
Prepaid Expenses	1.86	2.25
Total	5,246.21	4,072.95

Note 18 - Share Capital

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Authorised Capital		
2,00,00,000 (March 31, 2017: 2,00,00,000 April 1, 2016: 2,00,00,000) Equity Shares of INR 10 each	2,000.00	2,000.00
	2,000.00	2,000.00
Issued, Subscribed and Paid up Capital		
1,93,75,155 (March 31, 2017: 1,93,75,155 April 1, 2016: 1,93,75,155) Equity Shares of INR 10 each fully paid up	1,937.52	1,937.52
Add: Forfeited Shares	55.18	55.18
Total	1,992.70	1,992.70

(a) Terms / rights attached to:

Equity Shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	Year Ended March 31, 2018		Year Ended March 31, 2017	
	Number of Shares (in Lakhs)	Amount (INR in Lakhs)	Number of Shares (in Lakhs)	Amount (INR in Lakhs)
Balance as at the Beginning of the year	193.75	1,937.52	193.75	1,937.52
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	193.75	1,937.52	193.75	1,937.52

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Equity Shares

Shares held by

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares (in Lakhs)	%	Number of Shares (in Lakhs)	%
Vijay Kishanlal Kedia	32.34	16.69%	32.34	16.69%
Nazim S Charania	29.99	15.48%	29.99	15.48%
Kedia Securities Pvt. Ltd.	24.79	12.79%	24.79	12.79%
Salim Anwarali Kamani	24.41	12.60%	24.41	12.60%
Sajid Umedali Dhrolia	23.59	12.18%	23.59	12.18%
Vighnhar Holdings Pvt. Ltd.	20.00	10.32%	20.00	10.32%
Pawan Kumar Gupta	-	-	9.68	5.00%

Note 19 - Other Equity

Particulars	As at March 31, 2018	As at March 31, 2017
General Reserve	1.76	1.76
Development Rebate Reserve	0.13	0.13
Revaluation Reserve	10.76	10.76
Investment Allowance Utilised Reserve	48.57	44.25
Securities Premium Reserve	1,171.06	1,171.06
Retained Earnings	215.33	262.85
Total	1,447.61	1,490.81

(i) General Reserve:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	1.76	1.76
Add : Additions during the year	-	-
Balance as at the end of the year	1.76	1.76

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

(ii) Development Rebate Reserve:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	0.13	0.13
Add : Additions during the year	-	-
Balance as at the end of the year	0.13	0.13

(iii) Revaluation Reserve:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	10.76	10.76
Add : Additions during the year	-	-
Balance as at the end of the year	10.76	10.76

(iv) Investment Allowance Utilised Reserve:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	44.25	28.01
Add : Contribution during the year	4.32	16.24
Balance as at the end of the year	48.57	44.25

(iv) Securities Premium Reserve:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	1,171.06	1,171.06
Add : Additions during the year	-	-
Balance as at the end of the year	1,171.06	1,171.06

(v) Retained Earnings:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	262.85	235.31
Add: Profit for the year	(47.19)	42.42
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings	-	-
Re-measurement gains/(losses) on defined benefit obligations (net of tax)	-	-
Less: Agriculture Income Tax paid for earlier year	(0.33)	(14.88)
Balance as at the end of the year	215.33	262.85

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 20 - Non-Current Financial Liabilities - Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Secured Term Loans* (Refer Note (a) below)		
Rupee Term Loans from Banks		
From Indian Bank - Car Loan - secured by hypothecation of vehicles	3.87	4.83
Total Non-Current Borrowings	3.87	4.83

* Net of Current maturities of long-term debts and Interest accrued, which are included in Note

Note 21 - Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:	7.00	10.46
Property, Plant and Equipment including Intangible Assets - Depreciation		
Gratuity		
Leave Entitlement		
Financial Instruments - Borrowings		
Allowances for credit losses - Trade Receivables		
Deferred Tax Liabilities (net)	7.00	10.46

Note 22 - Current Financial Liabilities - Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Secured Loans (Repayable on demand)		
Working Capital Loans from Banks (Refer Note (a) below)		
Bank Overdraft - From Indian Bank - secured against Fixed Deposits	42.71	44.92
Unsecured Loans (Repayable on demand)		
Working Capital Loans from Banks:		
Packing Credit Foreign Currency Loan (Refer Note (b) below)	9,454.55	7,360.44
Working Capital Loans from Others:		
From Directors (Interest Free)	679.76	429.65
From Others - IIFL Private Wealth Management	683.09	692.35
Total	10,860.11	8,527.36

Note:

- (a) These facilities are secured against the following charge on various assets of the Company :
 1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
 2. Collateral : Fixed deposits of third Party and Fixed deposit of the company.
- (b) Working Capital Loan from ICICI Bank Limited amounting INR 8,759.27 lakhs (March 31, 2018) and INR 6,786.26 lakhs (March 31, 2017) and DBS Bank Limited INR 683.09 lakhs (March 31, 2018) and INR 574.17 lakhs (March 31, 2017) Bank overdraft facility from Indian Bank amounting to INR 42.71 Lakhs as on March 31, 2018 and INR 44.92 Lakhs as on March 31, 2017.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 23 - Current Financial Liabilities - Trade Payables

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade Payable		
Dues to Micro and Small Enterprises	-	-
Others	575.63	478.23
Total	575.63	478.23

Note 24 - Current Financial Liabilities - Others

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks		
Liabilities of Car Loans		-
Other Finances	422.51	57.16
Rupee Term Loans from Others:		
Plantation Finance Loan from Tea Board	19.29	25.64
Total	441.80	82.80

Note 25 - Other Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade Advances	3,475.00	421.38
Total	3,475.00	421.38

Note 26 - Current Provisions:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Provision for Fringe Benefit Tax (Earlier Years)	1.56	1.56
Provision for Expenses	2.45	33.24
Provision for Bad debts	75.66	
Provision for CHA expenses	11.86	
Total	91.53	34.80

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 27 - Current Tax Liabilities (Net)

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Provision for Income Tax	-	167.56
Less: Income Tax Assets	-	(154.90)
Total	-	12.65

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2018 and March 31, 2017 is as follows:

Particulars	(INR in Lakhs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Net current income tax asset/ (liability) at the beginning	(12.65)	-
Add : Current income tax expense	(11.13)	-
Less: Income tax paid (net of refund, if any)	-	-
Net current income tax asset/ (liability) at the end	(23.78)	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 28 - Revenue from Operations

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Goods:		
Finished Goods sales (Including Excise Duty)	639.14	707.92
Trading Goods sales		
FMCG	491.77	847.05
Tea	-	-
Export Sales (FMCG)	13,058.62	8,566.36
Other Operating Revenue:		
Export- MEIS	430.50	300.77
Export - Drawback	128.13	92.76
Export - VKGUY	-	0.47
Export - Service Tax incentives	0.03	0.005
Export - DFIA	80.26	94.35
Export- FMS	0.33	1.19
Total	14,828.78	10,610.87

Note 29 - Other Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income:		
From Term Deposits with Banks	81.64	53.24
From Loans to Related Party	34.76	5.30
Foreign Exchange Gain (Net)	123.58	211.32
Miscellaneous Income	0.94	3.04
Profit on Sales of Current Investment - Mutual Fund	-	0.56
Profit on sale of fixed asset	0.25	-
Reversal of Liabilities no longer required	3.17	9.09
Dividend Income	4.45	10.21
Commission Income	7.69	-
Total	256.49	292.76

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 30 - Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Stock at the beginning of the year		
Stock-In-Trade	173.89	229.37
Stock at the end of the year		
Stock-In-Trade	561.15	173.89
Changes in Inventories of Finished Goods, Stock-In-Trade & Work-In-Progress	-387.26	55.48

Note 31 - Employee Benefits Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, Wages and Bonus	341.51	283.02
Contributions to Provident and Other Funds	26.05	22.72
Gratuity Expenses	-	-
Leave Compensation Expenses	-	-
Loss on Food Stuff	13.60	13.13
Staff Welfare Expenses	31.81	30.54
Total	412.96	349.42

Note 32 - Finance Costs

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on Borrowings from Banks on Car Loans	0.45	0.43
Interest on Borrowings from Others on Bank Overdrafts	3.23	3.99
Interest on Borrowings from Banks on PCFC	403.90	231.50
Dividend on Redeemable Preference Share	-	-
Interest on Unsecured Loans	66.28	46.22
Interest on Others	-	0.69
Bank Charges and Commission	15.41	8.68
Total	489.27	291.51

Note 33 - Depreciation and Amortisation Expense

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on tangible assets	46.89	41.20
Amortisation of intangible assets	0.53	0.53
Total	47.42	41.73

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 34 - Other Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Direct Expenses		
Manufacturing Expenses	179.37	175.21
Cultivation Expenses	35.13	53.42
Cess on Green leaf	3.50	3.76
Tea Chest & Components	13.00	18.36
Clearing & Forwarding on Import	0.64	-
Miscellaneous Expenses	2.72	2.54
Freight Charges on Purchases	68.92	17.98
	303.27	271.27
Selling & Distribution Expenses		
Tea Selling Expenses	6.30	7.68
Clearing & Forwarding Expenses	577.28	363.05
Shipping Expenses	9.44	9.75
Commission Charges paid	4.36	10.38
Packing & Development Expenses	67.49	107.82
Sales Promotion Expenses	41.89	38.91
Trade Discount	2.84	-
Factory Stuffing Permission Expenses	-	0.44
	709.61	538.03
Establishment Expenses		
Advertisement Expenses	3.83	8.10
AGM Expenses	0.15	-
Payment to Auditors:		
Statutory Audit Fees	1.25	1.00
Taxation Audit	-	0.25
Membership & Subscription Expenses	5.96	2.02
Director Sitting Fees	0.15	
Bungalow Expenses	1.99	2.33
General and Office Expenses	14.96	13.15
Information Technology Expenses	-	-
Inventory Scrap	11.17	-
Freight and handling charges	0.28	13.29
Insurance Expenses	5.09	5.17
Foreign Exchange Loss (Net)	-	0.58
Legal and Professional Fees	62.72	57.71
ROC Filing Fees	0.32	0.04
FDA Approval Charges	0.12	1.49
FMS & VKGUY Realisation Expenses	12.84	15.37
Discount Allowed	5.92	16.78

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 34 - Other Expenses (Contd.)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Electricity Expenses	0.50	0.38
Loss on Sale of Property, Plant and Equipment	-	-
Printing & Stationery Expenses	9.81	14.14
CDSL / NSDL Expenses	1.15	0.95
Stock Exchange Expenses	2.50	1.20
Postage & Telegram Expenses	23.16	16.71
Products Testing Expenses	5.96	12.12
Prior Period Expenses 2013-14	6.95	-
Prior Period Expenses 2014-15	0.81	-
Prior Period Expenses 2015-16	1.06	-
Prior Period Expenses 2016-17	0.69	-
Rent Expenses	61.86	62.45
Rates and Taxes	4.53	19.80
Repairs and Maintenance:	-	-
Buildings	7.39	2.95
Machinery	14.32	17.59
Motor Car	29.45	26.99
Computer	4.40	4.82
Other Assets	8.96	5.03
Sales Promotion Expenses	-	-
Speculative Loss from Commodities Trade	-	1.47
Security Expenses	-	-
Telephone and Internet Charges	7.61	8.77
Trademarks Registration Charges	2.26	3.16
Travelling Expenses	44.08	53.48
Travelling Expenses - Foreign	6.82	-
Loss on sale of IL&FS Preference Shares	-	15.83
Miscellaneous Expenses	0.90	0.48
Sundry Balance Written Off	3.20	14.73
Provision for Loss Allowance on Trade Receivables	75.66	-
Total	1,463.66	1,229.63

Note 36 - Earnings Per Equity Share

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit attributable to Equity Shareholders (INR in Lakhs)	(47.19)	60.25
Weighted Average Number of Equity Shares (Nos. in Lakhs)	193.75	193.75
Basic and Diluted Earnings Per Share (INR)	(0.24)	0.31
Face value per Share (INR)	10.00	10.00

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 37 - Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current Financial Assets		
Loans	-	-
Others	1.47	1.16
Current Financial Assets		
Trade receivables	4,606.18	4,468.06
Cash and Cash Equivalents	4,185.19	1,709.80
Other bank balances		
Loans	1,308.96	420.13
Others	1,008.28	592.74
Total	11,110.08	7,191.89

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 38:- Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

Particulars	As at March 31, 2018	As at March 31, 2017
Non-Current Financial Liabilities		
Borrowings	3.87	4.83
Current Financial Liabilities		
Borrowings	10,860.11	8,527.36
Trade Payable	575.63	478.23
Other Financial Liabilities	441.80	82.80
Total	11,881.41	9,093.22

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Note 39:- Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

Particulars	As at March 31, 2018	As at March 31, 2017
Current Financial Assets		
Investments	4.45	0.04
Foreign currency forward and options contracts	-	-
Total	4.45	0.04

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 40 - Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

Particulars	As at March 31, 2018	As at March 31, 2017
Current Financial Liabilities		
Other Financial Liabilities	441.80	82.80
Total	441.80	82.80

Note: The above other financial liabilities includes Foreign Currency Forward and Options Contracts and Liability for Corporate Guarantee. Only observable inputs directly and indirectly are available to recognise the same at fair value, accordingly fair value measurement is done considering the Level-2 of Fair Value Hierarchy as per the Ind AS 113.

Note 41 - Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Measurement	Measurement
Credit Risk	Ageing analysis and Credit ratings	Diversification of bank deposits and credit limits
Liquidity Risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - interest rate	Sensitivity analysis	Interest rate swaps

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 financial institutions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of Trading of Tea and FMCG goods. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each re-equipementing date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the re-equipementing date is the carrying value of each class of financial assets disclosed in Note 15.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2018 and March 31, 2017 is the carrying amounts as stated in balance sheet except for balances of subsidiary company. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans. The Company has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Company believes that the working capital is sufficient to meet its current requirements.

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2018, March 31, 2017 and March 31, 2016:

	(INR in Lakhs)		
Particulars	Less than 1 Years	1 to 5 years	Total
Year ended March 31, 2018			
Secured Loans	42.71	445.67	488.38
Unsecured Loans	9,454.55	1,362.85	10,817.40
Trade Payables	575.63	-	575.63
Year ended March 31, 2017			
Secured Loans	44.92	87.63	132.55
Unsecured Loans	7,360.44	1,122.00	8,482.44
Trade Payables	478.23	-	478.23

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest rate risk

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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced Equipment folio of fixed and variable rate loans and borrowings. The Company's policy is to keep balance between its borrowings at fixed rates of interest. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Variable Rate Borrowing - (USD LIBOR)	2.45	1.40
Fixed Rate Borrowing	1.30	1.30
Total	3.75	2.70

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that Equipmention of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	(INR in Lakhs)
		Effect on Profit before Tax
March 31, 2018	+ 1%	(113.06)
	- 1%	113.06
March 31, 2017	+ 1%	(86.15)
	- 1%	(86.15)

Foreign Currency Fluctuation Risk

Foreign Currency Fluctuation Risk is one of the key risk impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee appreciation which is the functional currency of the company vis-a-vis US Dollar, the cost incurred are in Indian rupees and the revenue inflow are in foreign currency. Any weakening of the currency of the functional currency may impact the Company's cost of Import and cost of borrowing and consequently may increase the cost of financing the Company's expenditure.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The Company exposure to foreign currency risk at the end of reporting period expressed in INR as follows:

	(INR In Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Financial Assets		
Trade Recievables	3,662.34	3526.82
Cash & cash Equivalent	2,935.27	284.70
Net Exposure to Foreign Currency Risk Assets	6,597.61	3,811.52
Financial Liabilities		
Borrowings	9,454.55	7,360.44
Other Financial Assets	3,831.51	1058.71
Net Exposure to Foreign Currency Risk Liability	13,286.06	8,419.15
Net Exposure to Foreign Currency Risk (Asset -Liability)	(6,688.45)	(4,607.63)

Foreign Currency Sensivity

Particulars	Increase/ Decrease in basis points	(INR in Lakhs)
		Effect on Profit before Tax
March 31, 2018	+ 9%	(601.96)
	- 9%	601.96
March 31, 2017	+ 10%	(460.76)
	- 10%	460.76

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 42 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	March 31, 2018	March 31, 2017
A) Debt		
Borrowings (Current and Non-Current)	11,305.78	8,614.99
	11,305.78	8,614.99
B) Equity		
Equity share capital	1,992.70	1,992.70
Other Equity	1,447.61	1,490.81
	3,440.31	3,483.51
Gearing Ratio (Debt / Capital) i.e. (A / B)	328.63%	247.31%

Note 43 - Segment Information

I. Information about Primary Business Segment

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in Trading of FMCG Goods and related activities during the year, consequently the Company is having separate reportable business segment for the year ended March 31, 2018.

II. Following are the reportable business segments:

- (i) Tea
- (ii) FMCG

Revenue and expenses directly attributable to segments are reported under each reportable business segment. Common expenses which are not directly identifiable to each reporting segment have been allocated to each reporting segment on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable segments have disclosed as unallocated expenses.

(INR in Lakhs)			
Year ended March 31, 2018	TEA	FMCG	Total
Revenue	639.14	14,189.64	14,828.78
Expenses	644.11	14,459.55	15,103.66
Other Income	7.84	248.66	256.50
Segment Profit	2.87	(21.25)	(18.38)
Less: Unallocable expenses			21.13
Profit Before Tax			(39.51)
Tax Expenses			7.67
Profit After Tax			(47.19)
(INR in Lakhs)			
Year ended March 31, 2017	TEA	FMCG	Total
Revenue	707.92	9,902.95	10,610.87
Expenses	716.65	10,131.92	10,848.57
Other Income	15.71	277.05	292.76
Segment Profit	6.98	48.08	55.06
Less: Unallocable expenses			-
Profit Before Tax			55.06
Tax Expenses			12.64
Profit After Tax			42.42

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

III. Information about Secondary Geographical Segment

The Company does not have separate reportable geographical segment for the year ended March 31, 2018 and March 31, 2017.

IV. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Note 44 - Related Party Disclosure

i) Relationship

Description of relationship	Country
Subsidiary Company (100% wholly owned)	India
Lykis Marketing Private Limited	
Associates	
Lykis Confectionery Private Limited	India
Lyfresh Private Limited	India
Lykis Packaging Private Limited	India
Lykon Foods Private Limited	India
	India
Chairman	
Mr. Vijay Kishanlal Kedia - Non-Executive Director	India
Key Managerial Personnel	
Mr. Pawan Kumar Gupta - CEO (till 27th February 2018.)	India
Mr. Ankit Maheshwari - CFO (till 27th February 2018.)	India
Ms. Neha Mankame - CS	India
Ms. Rupa Khanna - CS (till 25th November 2017.)	India
Mr. Prince Tulsian - Managing director (Executive)	India
Mr. Nadir Dhrolia - Non-Executive Director	India
Mrs. Jyoti Budhia - Non-Executive (Independent Director)	India
Mr. Mayank Jhunjunwala - Non-Executive (Independent Director)	India
Mr. Rajendra Shah - Non-Executive (Independent Director)	India
Relative of Key Managerial Personnel Mr. Pawan Kumar Gupta - CEO	
Shikha Gupta	India
Pramod Gupta	India

Notes:

1. The list of related parties above has been limited to entities with which transactions have taken place.
2. Related party transactions have been disclosed till the time the relationship existed.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

ii) Transaction with Related Parties during the year

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Directors Remuneration and Salary		
Managing Director's Remuneration	7.20	7.20
Chief Executive Officer's Remuneration	29.23	36.22
Chief Financial Officer's Remuneration	14.45	9.75
Remuneration to Relatives of Key Managerial Person	7.80	7.80
Professional Fee to Relatives of Key Managerial Person	33.01	19.01
	91.69	79.98

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Revenue from Operations		
	309.60	805.15
	309.60	805.15
Interest Income on Loan given		
	18.46	18.00
	18.46	18.00
Rent Expenses		
	56.17	56.17
	56.17	56.17
Purchases		
	2,345.79	13.24
	2,345.79	13.24
Cost of Material Consumed (Greenleaf)		
	-	113.17
	-	113.17
Loans and Advances Given		
Key Managerial Personnel	4.44	50.88
Others	509.99	203.75
	514.43	254.62
Loans and Advance Given Received		
Unsecured Loans	198.00	272.00
	198.00	272.00
Repayment of Loans and Advance		
Unsecured Loans	-	261.30
	-	261.30
Purchase/ Subscription of Investments		
	239.11	28.83
	239.11	28.83
Rent Expenses (incl. other charges)		
	56.17	64.54
	56.17	64.54

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Trade Advance (given)	287.51	861.95
Development charges	9.66	28.11
iii) Balance with Related Parties :		
Particulars	Balances as at March 31, 2018	Balances as at March 31, 2017
Loans and Advances Given		
Subsidiaries	-	-
Key Managerial Personnel	55.32	50.88
Others	1,174.91	337.76
	1,230.22	388.63
Loans Payable (Unsecured)		
Key Managerial Personnel	679.76	429.65
Others	-	-
	679.76	429.65
Investments		
In Subsidiaries	19.99	19.99
In Others	487.08	242.47
	507.07	262.46
Trade Advance given		
	1,311.61	1,340.12
	1,311.61	1,340.12

Note 45 : Contingent Liabilities not Provided for:

Particulars	As at March 31, 2018	As at March 31, 2017
Disputed Liabilities in respect of MVAT Act 2002 for A.Y. 2013-2014	41.44	-
Disputed Liabilities in respect of Income Tax Act 1961 for A.Y. 2015-2016	95.05	-
Total	136.49	-

Note:

- No provision for interest has been made on the advances or loan taken or given pending reconciliation and confirmation of respective parties.
- The company has given undertaking to pay ₹ 88,000/- to DGFT by way of bank guarantee for taking the EPCG Licence. The said bank guarantee is issued by Indian Bank, silchar Branch against Fixed Deposit of the same amount

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata
May 30, 2018

NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LYKIS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of LYKIS LIMITED (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements/information of subsidiaries, whose financial statements/information reflect total assets of ₹ 4,10,16,063/- and net assets of ₹ (12,84,60,706/-) as at 31 March, 2018, total revenues of ₹ 4,64,27,096

/- , total comprehensive income (comprising of Profit/loss) ₹ (3,11,41,436) and other comprehensive income Nil and net cash inflows amounting to ₹ 28,09,854/- for the year ended on that date, as considered in the consolidated Ind AS financial statements, These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) on the basis of the written representations received from the Directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants

Firm Registration No.: 325683E

Place: Kolkata
Date: 30/05/2018

(Sanjay Agarwal)
Partner
(M. No. 062218)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LYKIS Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of **LYKIS LIMITED** (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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 March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies 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 SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Registration No.: 325683E

Place: Kolkata
Date: 30/05/2018

(Sanjay Agarwal)
Partner
(M. No. 062218)

CONSOLIDATED BALANCE SHEET as at March 31, 2018

Particulars	Note No.	As at	
		March 31, 2018	March 31, 2017
I ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	5	1,351.47	1,295.81
(b) Capital Work-in-Progress	5	78.83	26.99
(c) Intangible Assets	6	1.32	1.85
(d) Financial Assets			-
(i) Investments	7	15.09	56.03
(ii) Loans	8	-	-
(iii) Others	9	1.47	1.16
(e) Income Tax Assets (Net)	10	4.94	-
(f) Deferred tax assets (Net)	11	20.57	-
		1,473.69	1,381.84
2. Current Assets			
(a) Inventories	12	813.20	480.00
(b) Financial Assets			
(i) Investments	13	4.45	0.04
(ii) Trade Receivables	14	3,004.21	3,128.35
(iii) Cash and Cash Equivalents	15	4,224.49	1,720.99
(iv) Loans	16	1,309.17	426.89
(v) Others	17	1,013.48	597.94
(c) Other Current Assets	18	5,354.80	4,164.22
		15,723.78	10,518.43
		17,197.47	11,900.27
Total Assets			
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	1,992.70	1,992.70
(b) Other Equity	20	(329.33)	279.41
		1,663.37	2,272.11
Minority Interest		(0.64)	(0.50)
LIABILITIES			
1. Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	3.87	4.83
(b) Deferred Tax Liabilities (Net)	22	7.00	10.46
		10.87	15.29
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	10,861.11	8,528.36
(ii) Trade Payable	24	637.47	510.40
(iii) Other Financial Liabilities	25	450.30	95.87
(b) Other Current Liabilities	26	3,479.06	431.29
(c) Provisions	27	95.93	34.80
(d) Current Tax Liabilities (Net)	28	-	12.65
		15,523.87	9,613.37
		17,197.47	11,900.27
Total Equity and Liabilities			
Summary of Significant Accounting Policies	2-4		

The notes referred to above are an integral part of the financial statements

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)
Partner
Mem. No. 062218

Place : Kolkata
May 30, 2018

NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA
Chairman
DIN: 00230480

PRINCE TULSIAN
Managing Director
DIN: 02691348

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2018

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
I Revenue			
Revenue from Operations (Including Excise Duty)	29	14,825.45	10,726.53
Other Income	30	271.55	292.80
Total Income		15,097.00	11,019.33
II Expenses			
Purchases of Stock-in-Trade		12,916.76	8,973.87
Cost of Material Consumed (Greenleaf)		140.34	152.39
Change in Inventories of Finished Goods/Work-in-progress/ Stock-in-Trade	31	(334.80)	(37.02)
Employee Benefits Expenses	32	509.11	569.95
Finance Costs	33	491.88	293.01
Excise Duty		0.49	2.65
Depreciation and Amortization Expenses	34	47.90	42.00
Other Expenses	35	1,696.82	1,353.47
Total Expenses		15,468.50	11,350.32
III Profit before tax (I- II)		(371.50)	(330.99)
IV Less: Tax Expense:			
Current Tax	28	11.13	20.62
MAT Credit Entitlement		-	-
Deferred Tax		(24.03)	(7.98)
Total Tax Expense		(12.90)	12.64
V Profit for the Year (III-IV)		(358.60)	(343.63)
VI Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit obligations			
Tax Effect on above			
Other Comprehensive Income for the year, net of tax		-	-
VII Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year)		(358.60)	(343.63)
VIII Earnings Per Equity Share (Face Value INR 10 Per Share):	36		
Basic and Diluted (INR)		(1.85)	(1.77)
Summary of Significant Accounting Policies	2-4		

The notes referred to above are an integral part of the financial statements

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata
May 30, 2018

NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

CONSOLIDATED CASH FLOW STATEMENT for the year 2017-2018

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash Flow from Operating Activities		
Net Profit Before Tax	(371.50)	(319.00)
Adjustments:		
Depreciation and Amortization of Property, Plant and Equipment	47.37	42.00
Amortisation and Impairment of Intangible Assets	0.53	-
Transferred to Investment Allowance Reserve	4.32	16.24
Decrease in Deferred Tax Liability	(3.46)	(7.98)
Loss on Sale of property, plant and equipment (net)	0.25	-
Loss/ (Profit) on Sale of Current Investments (net)	9.51	17.83
Reversal of Provision for Diminution in Value of Current Investments	(116.40)	-
Exchange Fluctuation (Gain)/Loss on Loan	(123.58)	-
Finance Income (including Fair Value Change in Financial Instruments)	(3.17)	-
Provision/ (Reversal of Provision) for Loss Allowance on Trade Receivables	183.20	1.46
Dividend Income	(4.45)	-
Fees on Guarantee given on behalf of the Subsidiary Company	(7.69)	-
Finance Costs (Including Fair Value Change in Financial Instruments)	491.88	282.84
Operating cash flows before working capital changes	106.81	33.39
<u>Adjustments for Changes in Working Capital</u>	-	-
Decrease/ (Increase) in Inventories	(333.20)	(27.99)
Decrease/ (Increase) in Trade receivables	(67.97)	(1,556.48)
Decrease/ (Increase) in Current Loans	(886.20)	(109.70)
Decrease/ (Increase) in Non-Current Loans	-	-
Decrease/ (Increase) in Non-Current Financial Assets - Others	(244.61)	-
Decrease/ (Increase) in Financial Assets - Other	(0.31)	(745.07)
Decrease/ (Increase) in Other Current Assets	(2,520.80)	(47.57)
Increase/ (Decrease) in Trade Payables	254.57	761.01
Increase/ (Decrease) in Current Financial Liabilities - Other	359.00	(1,378.58)
Increase/ (Decrease) in Other Current Liabilities	3,013.70	33.77
Increase/ (Decrease) in Non-Current Provisions	-	-
Increase/ (Decrease) in Current Provisions	(4.41)	-
Cash generated from operations	(323.42)	(3,037.21)
Income taxes paid	-	(14.88)
Net cash flow from operating activities	(323.42)	(3,052.09)
Less : Finance cost paid	486.66	(282.30)
Net cash flow (Used in) from operating activities (A)	163.24	(3,335.47)

CONSOLIDATED CASH FLOW STATEMENT for the year 2017-2018

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
B. Cash Flow from Investing Activities		
Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	(107.98)	(27.10)
Proceeds from/ (Investment in) fixed deposits (net)	(4.41)	-
Proceeds from/ (Investment in) Other Bank Balances		-
Proceeds from sale of property, plant and equipment		(3.89)
Purchase or construction of Investment Properties		
Proceeds from Sale of Investments		979.99
Interest Received	116.40	
Dividend Received	4.45	
Net cash flow from/ (used in) investing activities (B)	8.46	949.00
C. Cash Flow from Financing Activities		
Proceeds from public issue of shares		
Proceeds from securities premium (net of QIP expenses)		
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	(0.96)	9.47
Increase / (Decrease) in Current Borrowings	2,332.75	3,334.51
Finance Costs		
Net cash flow from financing activities (C)	2,331.79	3,343.98
Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	2,503.49	957.51
Cash and cash equivalents at the beginning of the year (Refer Note 16)	1,720.99	763.48
Cash and cash equivalents at the end of the year (Refer Note 16)	4224.49	1,720.99
Net cash Increase/(decrease) in cash and cash equivalent	2503.49	957.51

The notes referred to above are an integral part of the financial statements.

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata
May 30, 2018

NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

NOTE 1 - STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018
A. Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

Particulars	Note No.	Numbers in Lakhs	Amount in Lakhs
Balance as at the April 1, 2016		1,992.70	19,927.00
Changes in equity share capital during the year 2016-2017		-	-
Balance as at March 31, 2017	21	1,992.70	19,927.00
Changes in equity share capital during the year 2017-2018		-	-
Balance at the March 31, 2018	21	1,992.70	19,927.00

B. Other Equity

Particulars	Note No.	Reserve and Surplus				Total Other Equity
		General Reserve	Development Rebate Reserve	Revaluation Reserve	Investment Allowance Utilised Reserve	
Balance as at the April 1, 2016		1.76	0.13	10.76	28.01	1,171.06
Total Comprehensive income for the year		-	-	-	-	(403.11)
Profit for the year		-	-	-	-	(343.63)
Other Comprehensive Income		-	-	-	-	-
Contribution during the Year	20	-	-	16.24	-	16.24
Agricultural Income Tax Paid	20	-	-	-	-	(14.88)
Less: Adjustments		-	-	-	-	(186.93)
Balance as at March 31, 2017	20	1.76	0.13	10.76	44.25	1,171.06
Total Comprehensive income for the year		-	-	-	-	(358.60)
Profit for the year		-	-	-	-	31.28
Other Comprehensive Income		-	-	-	-	-
Contribution during the year		-	-	4.32	-	4.32
Agricultural Income Tax Paid	20	-	-	-	-	(0.33)
Less: Adjustments		-	-	-	-	(285.41)
Balance as at March 31, 2018	20	1.76	0.13	10.76	48.57	1,171.06
						(1,561.61)
						(329.33)

BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

Note 2 - General Corporate Information

As on March 31, 2018, your company has one subsidiary company and five associate company.

Sl. No.	Name of the Company	Holding/ Subsidiary/Associate Company	% of shares held
1.	Lykis Marketing Pvt. Ltd.	Wholly Owned Subsidiary	99.50%
2.	Lykis Packaging Pvt. Ltd.	Associate Company	41.23%
3.	Lykis Confectioners Pvt. Ltd.	Associate	49.91%
4.	Lykis Soaps Private Limited	Associate	49.00%
5.	Lykon Foods Private Limited	Associate	36.67%
6.	Lyfresh Private Limited	Associate	33.33%

* Lykis Confectioners Private Limited, Lyfresh Private Limited and Lykis Soaps Private Limited ceased to be Associate Company of the company with effect from July, 2018, August 01, 2018, and August 16, 2018 respectively.

Note 3 - Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied in all material respect for all the years presented, unless otherwise started.

(i) Compliance with Ind-AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

3.1 Revenue recognition

Revenue is recognised 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.

As the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Goods and Service Tax (GST)/ value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

- **Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Excise duty paid for captive consumption of goods, where CENVAT credit is not available, is shown as excise expense.

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

- **Interest income**
Interest income is accrued on time proportion basis, by reference to the principal outstanding and effective interest rate applicable.
- **Other Income**
Other income is recognised when no significant uncertainty as to its determination or realisation exists.
- **Dividend**
Dividend income is recognised when to right to receive payment has been established.

3.2 Foreign Currency Transaction and Translation

i. Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency.

ii. Transactions and Balances

In preparing the financial statements transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items are measured at historical cost. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise. Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. Exchange differences arising on retranslation on non-monetary items carried at fair value are included in statement of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income.

3.3 Taxes

Tax expenses comprise of current and deferred tax.

Current income tax

- a. Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- b. Current tax items are recognised in correlation to the underlying transaction either in P&L, OCI or directly in equity.

Deferred tax

- a. Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- b. Deferred tax liabilities are recognised for all taxable temporary differences.
- c. 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, the carry forward of unused tax credits and unused tax losses can be utilized.
- d. 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 utilized. 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.
- e. 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.
- f. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

- g. 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.
- h. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of Profit and Loss.

3.4 Property, Plant and Equipment

Under the previous GAAP (Indian GAAP), fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs, if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Capital Work in progress included in PPE is stated at cost, net accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term constructions projects if the recognition criteria is met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Borrowing cost relating to acquisition/construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Depreciation is calculated on WDV basis over the estimated useful life of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for the assets mentioned below for which useful lives estimated by the management. The identified component of fixed assets are depreciated over the useful lives and the remaining components are depreciated over the life of the principal assets.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Further, the Company evaluated the useful life of certain components of Plant and Machinery, the impact of which is not material. Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company has elected to regard previous GAAP carrying value of Intangible Assets as deemed cost at the date of transition to Ind AS.

3.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

General borrowing costs are capitalised at the weighted average of such borrowings outstanding during the year.

3.7 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.

For arrangements entered into prior to 1st April, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a Lessee. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except the case where incremental lease reflects inflationary effect and lease expense is accounted in such case by actual rent for the period.

3.8 Inventories

Inventories are valued as under:

a. Raw Materials, Packing Materials And Stores & Spares:

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis. Due provision for obsolescence is made.

b. Finished Goods & Work-in-Progress:

At cost or net realizable value, whichever is lower. Cost is determined on absorption basis. Due provision for obsolescence is made.

c. Stock-in-Trade:

Valued at lower of cost or net realizable value and for this purpose cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Earnings Per Share (EPS)

- **Basic Earnings per Share**

Basic earnings per share is calculated by dividing: the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

- **Diluted Earnings per Share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.10 Impairment of financial assets & non-financial assets

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

b. Non-financial assets

Intangible assets and Property, Plant and Equipment 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 CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior year.

Impairment is determined for goodwill by assessing the recoverable amount of each Cash Generating Unit (i.e. CGU) (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

3.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has present obligation (legal or constructive) as a result of past events, for which 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 for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes to Financial Statements. Contingent assets are not recognised in the financial statements but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable. Provisions and contingent liabilities are reviewed at each Balance Sheet date.

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.

3.12 Financial instruments

Initial recognition and measurement:

The Company recognizes a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not

recorded at fair value through profit or loss (FVTPL), transaction cost that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 inputs as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain in the Statement of Profit and Loss only to the extent the such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However trade receivables that do not contain a significant financing component are measured at transaction price.

3.13 Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income or through the Statement of Profit and Loss); and
- (2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- (1) Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

- (2) Fair value through other comprehensive Income: Assets that do not meet the criteria for amortised cost are measured at fair value through Other Comprehensive Income. Interest income from these financial assets is included in other income.

Equity instruments

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to received cash flows of the financial assets and has substantially transferred all the risk and rewards of ownership of the financial assets;

- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligations to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial assets, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset (except as mentioned in ii above for financial assets measured a FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Financial liabilities:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

3.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.16 Government grants

- a) Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.
- b) Government grants related to revenue are recognised on a systematic and gross basis in the Statement of Profit and Loss over the period during which the related costs intended to be compensated are incurred.
- c) Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.
- d) When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

3.17 Standard issued but not yet effective

In March, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from contracts with Customers, Appendix B to Ind AS 21 Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are in line with recent amendments made by International Accounting Standard Boards (IASB). These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective dates.

Revenue from Contract with Customers

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and service to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Company is in process of evaluating the impact of Ind AS 115 on its financial statements.

Ind AS 21, Foreign Currency transactions and advance consideration

The Appendix clarifies that the date of the transactions for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary liability arising from the payment or receipt of advance consideration towards such assets, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration in a foreign currency.

The Company is in process of evaluating the impact of Ind AS 21 on its financial statements.

4. Use of estimates and critical accounting judgments**4.1 Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in (Note 1.4). Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

4.2 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgment are:

Estimation of current tax expenses – (Refer Note)

Government grant – (Refer Note)

4.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value as per Ind AS 113 at each balance sheet date. 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, 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 5 : Property, Plant and Equipment

Particulars	(INR in Lakhs)										
	Land	Building	Roads & Bridges	Plant and Machinery	Computer and Furniture	Furniture and Fixtures	Vehicles	Office Equipments	Electrical Installations	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2016	992.75	162.95	22.78	336.72	38.92	0.69	46.95	13.44	53.00	1,668.20	-
Additions	12.44	-	-	20.81	2.38	0.16	6.73	3.17	-	45.69	26.99
Transfer	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	1,005.19	162.95	22.78	357.53	41.30	0.85	53.68	16.61	53.00	1,713.89	26.99
Additions / Transfer	-	-	-	95.42	4.63	-	-	4.74	-	104.79	51.84
Disposals	-	-	-	-	-	-	(6.47)	-	-	(6.47)	-
As at March 31, 2018	1,005.19	162.95	22.78	452.95	45.93	0.85	47.21	21.35	53.00	1,812.21	78.83
Accumulated depreciation as at April 1, 2016	-	87.76	18.68	195.38	23.59	0.50	28.36	4.32	18.03	376.62	-
Depreciation charge during the year	-	5.60	0.87	12.70	11.69	0.03	3.36	4.51	2.71	41.47	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	-	93.36	19.55	208.08	35.28	0.53	31.72	8.83	20.74	418.09	-
Depreciation charge during the year	-	4.17	0.39	24.77	5.89	0.09	4.04	5.09	2.94	47.38	-
Accumulated depreciation on deletions	-	-	-	-	-	-	(4.72)	-	-	(4.72)	-
As at March 31, 2018	-	97.53	19.94	232.85	41.17	0.62	31.04	13.92	23.68	460.75	-
Net carrying amount as at March 31, 2018	1,005.19	65.42	2.84	220.10	4.76	0.23	16.17	7.43	29.32	1,351.47	78.83
Net carrying amount as at March 31, 2017	1,005.19	69.59	3.23	149.45	6.02	0.32	21.96	7.78	32.26	1,295.81	26.99
Net carrying amount as at April 1, 2016	992.75	75.19	4.10	141.34	15.33	0.19	18.59	9.12	34.97	1,291.58	-

1 Asset under construction

Capital Work-in-Progress as at March 31, 2018 is INR 78.33 lakhs.

2 Property, Plant and Equipments pledged/ mortgaged as security

All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Company.

- Gross carrying amount of Land includes certain plots having gross block value of INR 1,005.19 lakhs (March 31, 2017 INR. 1,005.19 lakhs and March 31, 2016 INR 992.75 lakhs.)
- Gross carrying amount of Motor Vehicles includes certain Motor Vehicles having gross block value of INR 47.21 lakhs (March 31, 2017: INR 53.68 lakhs; March 31, 2016: INR 46.95 lakhs) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 6 - Intangible Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Gross Carrying Amount		
Opening gross carrying amount	2.54	2.54
Additions	-	-
Closing gross carrying amount	2.54	2.54
Accumulated Depreciation		
Opening accumulated depreciation	1.22	0.69
Depreciation charge for the year	-	-
Closing accumulated depreciation	1.22	0.69
Net carrying amount	1.32	1.85

Notes:

- a) The Intangible Assets Consists of Trade Marks
- b) Gross carrying amount of Investment Property includes certain plots of land having gross block value of INR 2.54 lakhs (March 31, 2017: INR 2.54 lakhs; April 1, 2016: INR 2.54 lakhs)

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 7 : Non-Current Financial Assets - Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade Investments - Unquoted Equity Instruments		
10,000 (March 31, 2017: 10,000, April 1, 2016: 10,000) Equity Shares of Nakamichi Securities Limited of INR 10 each fully paid up	1.00	1.00
2,02,500 (March 31, 2017: 2,02,500, April 1, 2016: 2,02,500) Equity Shares of Lykis Confectioners Limited of INR 10 each fully paid up	-	19.98
(March 31, 2017: 10,000, April 1, 2016: Nil) Equity Shares of Lykis Packaging Private Limited of INR 10 each fully paid up	-	-
(March 31, 2017: 5,000, April 1, 2016: Nil) Equity Shares of Bion Aerosols Private Limited of INR 10 each fully paid up	-	-
(March 31, 2017: 5,000, April 1, 2016: Nil) Equity Shares of Lykis Home Care Private Limited of INR 10 each fully paid up	-	-
(March 31, 2017: 2,25,000, April 1, 2016: Nil) Equity Shares of Lykis Soaps Private Limited of INR 10 each fully paid up	-	21.04
(March 31, 2017: 53,339, April 1, 2016: Nil) Equity Shares of Lykon Foods Private Limited of INR 10 each fully paid up	0.00	3.33
(March 31, 2017: 53,339, April 1, 2016: Nil) Equity Shares of Lyfresh Private Limited of INR 10 each fully paid up	7.59	-
(March 31, 2017: 53,339, April 1, 2016: Nil) Equity Shares of Lykis biscuits Private Limited of INR 10 each fully paid up	-	-
(March 31, 2017: 53,339, April 1, 2016: Nil) Equity Shares of Lykis Herbals Private Limited of INR 10 each fully paid up	6.50	-
Investments to Associates	-	-
- Bion Aerosols Private Limited	-	0.50
- Lykis Homecare Private Limited	-	0.50
Investment carried at cost - In Subsidiaries*	-	-
1,99,900 (March 31, 2017: 1,99,900, April 1, 2016: 1,99,900) Equity Shares of Lykis Marketing Private Limited of INR 10 each fully paid up	-	-
Nil (March 31, 2017: 2,40,075, April 1, 2016: 3,96,000) Equity Shares of Lykis Packaging Private Limited of INR 10 each fully paid up	-	9.68
In Preference shares of IL&FS	-	-
Total	15.09	56.03

Note:

The Company has pledged 45,000 (March 31, 2017: 45,000, April 1, 2016: 45,000) equity shares with the banks under a condition of agreement for loan taken by the subsidiary company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 8 - Other Non-Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Capital Advances	-	-
MAT Credit Entitlement	-	-
Total	-	-

Note 9 - Non-Current Financial Assets - Others

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Carried at amortised cost		
Security Deposits		
VAT and CST Deposit		
Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks]	1.47	1.16
Total	1.47	1.16

Note 10 - Income Tax Assets (Net):

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Income tax assets	183.63	-
Less: Provision for Tax	(179)	-
Total	4.94	-

Note 11 - Deferred Tax Assets (Net)

The major components of deferred tax Liabilities/ (Assets) as recognised in the financial statements are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:	-	-
Property, Plant and Equipment including Intangible Assets - Depreciation	-	-
Gratuity	-	-
Leave Entitlement	-	-
Financial Instruments - Borrowings	-	-
Allowances for credit losses - Trade Receivables	20.57	-
Others	-	-
Deferred Tax Liabilities (net)	20.57	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 12 - Inventories

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Finished Goods	223	276.43
Tea (At net realizable value)	39.28	46.89
FMCG Products (At cost)	456.96	63.12
Greenleaf	0.55	0.24
Nursery Plants (At net realizable value)	64.36	63.64
Store, Spare Parts and Consumables	28.87	29.68
Total	813.20	480.00

Note 13 - Current Financial Assets - Investments

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Other Investments		
Investment in Mutual Funds - Quoted		
**** (as at March 31, 2017: 38.555, April 1, 2016: 4,56,861.594) units ICICI Prudential Flexible Income Plan	4.45	0.04
Investments carried at fair value through profit or loss		
Total	4.45	0.04

Note 14 - Current Financial Assets - Trade Receivables

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured		
Considered Good	3,004.21	3,128.35
Considered Doubtful	66.52	31.28
	3,070.73	3,159.63
Less: Allowances for credit losses	66.52	31.28
Total	3,004.21	3,128.35

Note 15 - Current Financial Assets - Cash and Cash Equivalents

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Bank Balances		
- In current accounts	3,274.62	578.12
- In fixed deposits with maturity of less than 3 months	921.59	1,135.57
Cash in Hand	28.28	7.30
Total	4,224.49	1,720.99

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the applicable short-term deposit bank rates.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 16 - Current Financial Assets - Loans and Advances

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Advances to Employees	90.43	90.82
Loan to Subsidiary Company	-	
Loan to Others	510.32	169.79
Other Advances	708.42	166.28
Total	1,309.17	426.89

Note 17 - Current Financial Assets - Others

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good		
Security Deposits	19.07	19.07
Incentive Receivable	994.41	578.87
(Financial assets carried at fair value through Profit or Loss)		
Others		
Total	1,013.48	597.94

Note 18 - Other Current Assets

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Preliminary Expenses Written-Off		0.09
Accrued Income on Term Deposits	29.76	42
Advance Payment to Vendors	3,653.85	3,944
Balance with Government Authorities:		
- VAT Receivables	89.09	89
- Service Tax Receivables	55.43	60
- GST Receivables	1,050.06	-
Other Receivable	474.75	26
Prepaid Expenses	1.86	2
Total	5,354.80	4,164.22

Note 19 - Share Capital

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Authorised Capital		
2,00,00,000 (March 31, 2017: 2,00,00,000, April 1, 2016: 2,00,00,000) Equity Shares of INR 10 each	2,000	2,000
Total	2,000	2,000
Issued, Subscribed and Paid up Capital		
1,93,75,155 (March 31, 2017: 1,93,75,155, April 1, 2016: 1,93,75,155) Equity Shares of INR 10 each fully paid up	1,937.52	1,937.52
Add: Forfeited Shares	55.18	55.18
Total	1,992.70	1,992.70

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

(a) Terms / rights attached to:

Equity Shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars

	Year Ended March 31, 2018		Year Ended March 31, 2017
	Number of Shares (in Lakhs)	Amount (INR in Lakhs)	Number of Shares (in Lakhs)
Balance as at the Beginning of the year	193.75	1,937.52	193.75
Add: Shares issued during the year	-	-	-
Balance as at the end of the year	193.75	1,937.52	193.75

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Equity Shares:

Shares held by

	As at March 31, 2018		As at March 31, 2017	
	Number of Shares (in Lakhs)	%	Number of Shares (in Lakhs)	%
Vijay Kishanlal Kedia	32.34	16.69%	32.34	16.69%
Nazim S Charania	29.99	15.48%	29.99	15.48%
Kedia Securities Pvt. Ltd.	24.79	12.79%	24.79	12.79%
Salim Anwarali Kamani	24.41	12.60%	24.41	12.60%
Sajid Umedali Dhrolia	23.59	12.18%	23.59	12.18%
Vighnhar Holdings Pvt. Ltd.	20.00	10.32%	20.00	10.32%
Pawan Kumar Gupta	-		9.68	5.00%

Note 20 - Other Equity

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
General Reserve	1.76	1.76
Development Rebate Reserve	0.13	0.13
Revaluation Reserve	10.76	10.76
Investment Allowance Utilised Reserve	48.57	44.25
Securities Premium Reserve	1,171.06	1,171.06
Retained Earnings	(1,089.27)	(761.62)
Less: Adjustments	472.34	186.93
Total	(329.33)	279.41

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

(i) General Reserve:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Balance as at the beginning of the year	1.76	1.76
Add : Additions during the year	-	-
Balance as at the end of the year	1.76	1.76

(ii) Development Rebate Reserve:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Balance as at the beginning of the year	0.13	0.13
Add : Additions during the year	-	-
Balance as at the end of the year	0.13	0.13

(iii) Revaluation Reserve:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Balance as at the beginning of the year	10.76	10.76
Add : Additions during the year	-	-
Balance as at the end of the year	10.76	10.76

(iv) Investment Allowance Utilised Reserve:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Balance as at the beginning of the year	44.25	28.01
Add : Contribution during the year	4.32	16.24
Balance as at the end of the year	48.57	44.25

(v) Securities Premium Reserve:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Balance as at the beginning of the year	1,171.06	1,171.06
Add : Additions during the year	-	-
Balance as at the end of the year	1,171.06	1,171.06

(vi) Retained Earnings:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Balance as at the beginning of the year	(761.62)	(403.11)
Add : Profit for the year	(358.60)	(343.63)
Add : Items of Other Comprehensive Income recognised directly in Retained Earnings	31.28	-
Re-measurement gains/(losses) on defined benefit obligations (net of tax)	-	-
Less: Agriculture Income Tax paid for earlier year	(0.33)	(14.88)
Balance as at the end of the year	(1,089.27)	(761.62)

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 21 - Non-Current Financial Liabilities - Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Secured Term Loans* (Refer Note (a) below)		
Rupee Term Loans from Banks		
From Indian Bank - Car Loan - secured by hypothecation of vehicles	3.87	4.83
Foreign Currency Term Loans from Banks		
Rupee Term Loans from Others		
Unsecured Loans (Refer Note (b) below)		
Loans from Related Parties		
Total Non-Current Borrowings	3.87	4.83

Note 22 - Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:	7.00	10.46
Property, Plant and Equipment including Intangible Assets - Depreciation		
Gratuity		
Leave Entitlement		
Financial Instruments - Borrowings		
Allowances for credit losses - Trade Receivables		
Others		
Deferred Tax Liabilities (net)	7.00	10.46

Note 23 - Current Financial Liabilities - Borrowings

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Secured Loans (Repayable on demand)		
Working Capital Loans from Banks (Refer Note (a) below)		
From Indian Bank - Bank Overdraft - secured against Fixed Deposits	42.71	44.92
Unsecured Loans (Repayable on demand)		
Working Capital Loans from Banks:		
Packing Credit Foreign Currency Loan (Refer Note (b) below)	9,454.55	7,360.44
Working Capital Loans from Others:		
From Directors (Interest Free)	679.76	429.65
From Others - IIFL Private Wealth Management	683.09	692.35
Working Capital Loans from Related Parties	1.00	1.00
Total	10,861.11	8,528.36

Note:

- (a) These facilities are secured against the following charge on various assets of the Company :
- Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
 - Collateral : Fixed deposits of third Party and Fixed deposit of the company.
- (b) Working Capital Loan from ICICI Bank Limited amounting INR 8,759.27 lakhs (March 31, 2018) and INR 6,786.26 lakhs (March 31, 2017) and DBS Bank Limited INR 683.09 lakhs (March 31, 2018) and INR 574.17 lakhs (March 31, 2017) Bank overdraft facility from Indian Bank amounting to INR 42.71 Lakhs as on March 31, 2018 and INR 44.92 Lakhs as on March 31, 2017.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 24 - Current Financial Liabilities - Trade Payables

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade Payable		
Dues to Micro and Small Enterprises		
Others	2,252.43	2,027.35
Less: Inter company Adjustment	1,614.96	1,516.95
Total	637.47	510.40

Note 25 - Current Financial Liabilities - Others

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 23 above)		
Liabilities of Car Loans		
Other Finances	422.51	57.16
Foreign Currency Term Loans from Banks (Refer Note 23 above)		
Rupee Term Loans from Others: (Refer Note 23 above)		
Plantation Finance Loan from Tea Board	19.29	25.64
Interest Accrued		
Foreign Currency Forward and Interest Rate Swap Contracts		
Trade Advances and Deposits (Security Deposit)	8.50	13.07
Liability for Corporate Guarantee		
Provision for Directors Sitting Fees		
Liabilities for Acquisition of Property, Plant and Equipment		
Application Money Refundable (Refer Note Below)		
Other Payables		
Total	450.30	95.87

Note 26 - Other Current Liabilities

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	4.06	9.91
Trade Advances and Deposits	3,475.00	421.38
Sundry Creditors for Expenses		
Total	3,479.06	431.29

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 27 - Current Provisions

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Provision for Wealth Tax		
Provision for Fringe Benefit Tax (Earlier Years)	1.56	1.56
Provision for Expenses	6.85	33.24
Provision for Bad debts	75.66	
Provision for CHA expenses	11.86	
Provision for Employee benefits:		
Provision for Gratuity [Refer Note 50]		
Provision for Leave Obligation [Refer Note 50]		
Total	95.93	34.80

Note 28 - Current Tax Liabilities (Net)

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Provision for Income Tax	-	167.56
Less: Income Tax Assets	-	(154.90)
Total	-	12.65

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2018 and March 31, 2017 is as follows:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Net current income tax asset/ (liability) at the beginning	(12.65)	2.24
Add : Current income tax expense	(11.13)	
Less: Income tax paid (net of refund, if any)		
Net current income tax asset/ (liability) at the end	(23.78)	2.24

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 29 - Revenue from Operations

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Goods:		
Finished Goods sales (Including Excise Duty)	1,087.57	1,654.91
Trading Goods sales		
FMCG	40.01	15.72
Tea		-
Export Sales (FMCG)	13,058.62	8,566.36
Other Operating Revenue:		
Export- MEIS	430.50	300.77
Export - Drawback	128.13	92.76
Export - VKGUY	-	0.47
Export -Service Tax incentives	0.03	0.00
DFIA	80.26	94.35
Export- FMS	0.33	1.19
Total	14,825.45	10,726.53

Note 30 - Other Income

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income:		
From Term Deposits with Banks	81.64	53.28
From Loans to Related Party (Refer Note 51)	34.76	5.30
Foreign Exchange Gain (Net)	123.58	211.32
Miscellaneous Income	0.95	3.04
Profit on Sales of Current Investment - Mutual Fund	-	0.56
Profit on sale of fixed asset	0.25	-
Reversal of Liabilities no longer required	3.17	9.09
Dividend Income	4.45	10.21
Other Income (Discount received)	15.06	-
Commission Income	7.69	
Total	271.55	292.80

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 31 - Change in Inventories of Finished Goods/Work-in-progress/ Stock in Trade

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Stock at the beginning of the year		
Stock-in-Trade	449.53	413.30
Stock at the end of the year		
Stock-in-Trade	784.33	450.32
Changes in Inventories of Finished Goods, Stock-in-Trade & Work-in-Progress	-334.80	-37.02

Note 32 - Employee Benefits Expenses

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, Wages and Bonus	437.66	500.48
Contributions to Provident and Other Funds (Refer Note 50)	26.05	22.72
Gratuity Expenses (Refer Note 50)	-	-
Leave Compensation Expenses	-	-
Loss on Food Stuff	13.60	13.13
Staff Welfare Expenses	31.80	33.62
Total	509.11	569.95

Note 33 - Finance Costs

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on Borrowings from Banks on Car Loans	0.45	0.43
Interest on Borrowings from Others on Bank Overdrafts	3.23	3.99
Interest on Borrowings from Banks on PCFC	403.90	231.50
Dividend on Redeemable Preference Share	-	-
Interest on Unsecured Loans	66.28	46.22
Interest on Others	2.52	2.15
Bank Charges and Commission	15.50	8.72
Total	491.88	293.01

Note 34 - Depreciation and Amortisation Expense

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation on tangible assets (Refer Note 5)	47.37	41.47
Amortisation of intangible assets (Refer Note 7)	0.53	0.53
Total	47.90	42.00

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 35 - Other Expenses

Particulars	(INR in lakhs)	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Direct Expenses		
Conveyance	0.23	1.92
Manufacturing Expenses	179.37	175.21
Cultivation Expenses	35.13	53.42
Cess on Greenleaf	3.50	3.76
Tea Chest & Components	13.00	18.36
Clearing & Forwarding on Import	0.64	-
Miscellaneous Expenses	2.72	2.54
Freight Charges on Purchases	68.92	17.98
	303.51	273.19
Selling & Distribution Expenses		
Transport Expenses	28.07	69.86
Collie & Cartage Charges	0.37	3.86
Tea Selling Expenses	6.30	7.68
Clearing & Forwarding Expenses	579.54	363.05
Shipping Expenses	9.44	9.75
Commission Charges paid	5.88	18.25
Packing & Development Expenses	67.49	107.82
Sales Promotion Expenses	42.38	38.91
Trade Discount	2.84	-
Factory Stuffing Permission Expenses	-	0.44
	742.31	619.62
Establishment Expenses		
Advertisement Expenses	11.94	8.10
AGM Expenses	0.15	-
Payment to Auditors:		
Statutory Audit Fees	1.45	1.20
Taxation Audit	0.20	0.45
Listing fees	3.00	0.15
Licence Fees	0.11	-
Cylinder Charges	0.04	0.85
Labour Charges	-	0.05
CSR Expenses (Refer Note 53)	-	-
Donation Expenses	5.96	2.02
Director Sitting Fees	0.15	-
Bungalow Expenses	1.99	2.33
General and Office Expenses	15.23	15.33
Information Technology Expenses	-	-
Inventory Scrap	11.17	-
Freight and handling charges	0.28	13.29

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 35 - Other Expenses (Contd.)

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Insurance Expenses	6.03	5.33
Foreign Exchange Loss (Net)	-	0.58
Legal and Professional Fees	71.54	60.57
ROC Filing Fees	0.32	0.04
FDA Approval Charges	0.12	1.49
FMS & VKGUY Realisation Expenses	12.84	15.37
Discount Allowed	11.43	23.11
Electricity Expenses	0.50	0.48
Loss on Sale of Property, Plant and Equipment	-	-
Printing & Stationery Expenses	10.97	15.88
Preliminary Expenses w/off	0.09	0.14
CDSL / NSDL Expenses	1.15	0.95
Stock Exchange Expenses	2.50	1.20
Postage & Telegram Expenses	23.74	17.52
Products Testing Expenses	5.96	12.12
Prior Period Expenses 2013-14	6.95	-
Prior Period Expenses 2014-15	0.81	-
Prior Period Expenses 2015-16	1.06	-
Prior Period Expenses 2016-17	0.69	-
Rent Expenses	70.07	67.19
Rates and Taxes	5.87	21.67
Repairs and Maintenance:	-	-
Buildings	7.39	2.95
Machinery	14.32	17.59
Motor Car	29.45	26.99
Computer	4.40	4.82
Other Assets	8.96	5.03
Sales Promotion Expenses	-	1.43
Speculative Loss from Commodities Trade	-	1.47
Security Expenses	-	-
Telephone and Internet Charges	7.61	8.90
Trademarks Registration Charges	2.26	3.16
Travelling Expenses	50.62	56.57
Travelling Expenses - Foreign	6.82	-
CST Paid	-	0.26
Loss on sale of IL&FS Preference Shares	-	15.83
Miscellaneous Expenses	89.49	1.51
Sundry Balance Written Off	3.20	14.73
Provision for Loss Allowance on Trade Receivables	142.17	12.01
Total	1,696.82	1,353.47

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 36 - Earnings Per Equity Share

Particulars	(INR in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit attributable to Equity Shareholders (INR in Lakhs)	(358.60)	(343.63)
Weighted Average Number of Equity Shares (Nos. in Lakhs)	193.75	193.75
Basic and Diluted Earnings Per Share (INR)	(1.85)	(1.77)
Face value per Share (INR)	10.00	10.00

Note 37 - Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Non-Current Financial Assets		
Loans	-	-
Others	1.47	1.16
Current Financial Assets		
Trade receivables	3,004.21	3,128.35
Cash and Cash Equivalnets	4,224.48	1,720.99
Other bank balances		
Loans	1,309.17	426.89
Others	1,013.48	597.94
Total	9,552.81	5,875.33

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 38 - Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Non-Current Financial Liabilities		
Borrowings	3.87	4.83
Current Financial Liabilities		
Borrowings	10,861.11	8,528.36
Trade Payable	637.47	510.40
Other Financial Liabilities	450.30	95.87
Total	11,952.75	9,139.46

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 39 - Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Current Financial Assets		
Investments	4.45	0.04
Foreign currency forward and options contracts	-	-
Total	4.45	0.04

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

Note 40 - Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Current Financial Liabilities		
Other Financial Liabilities	450.30	95.87
Total	450.30	95.87

Note: The above other financial liabilities includes Foreign Currency Forward and Options Contracts and Liability for Corporate Guarantee. Only observable inputs directly and indirectly are available to recognise the same at fair value, accordingly fair value measurement is done considering the Level -2 of Fair Value Hierarchy as per the Ind-AS 113.

Note 41 - Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Measurement	Management
Credit Risk	Aging analysis and Credit ratings	Diversification of bank deposits and credit limits
Liquidity Risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - interest rate	Sensitivity analysis	Interest rate swaps

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 financial institutions and other financial instruments.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of Trading of Tea and FMCG goods. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each reequipping date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reequipping date is the carrying value of each class of financial assets disclosed in Note 15.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2018 and March 31, 2017 is the carrying amounts as stated in balance sheet except for balances of subsidiary company. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans. The Company has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Company believes that the working capital is sufficient to meet its current requirements.

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2018, March 31, 2017 and March 31, 2016:

Particulars	(INR in Lakhs)		
	Less than 1 Years	1 to 5 years	Total
Year ended March 31, 2018			
Secured Loans	42.71	445.67	488.38
Unsecured Loans	9,454.55	1,362.85	10,817.40
Trade Payables	575.63	61.84	637.47
Year ended March 31, 2017			
Secured Loans	44.92	87.63	132.55
Unsecured Loans	7,360.44	1,122.00	8,482.44
Trade Payables	478.23	32.17	510.40

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest rate risk

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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced Equipment folio of fixed and variable rate loans and borrowings. The Company's policy is to keep balance between its borrowings at fixed rates of interest. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Variable Rate Borrowing - (USD LIBOR)	2.45	1.40
Fixed Rate Borrowing	1.30	1.30
Total	3.75	2.70

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that Equipmention of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(INR in Lakhs)	
	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2018	+ 1%	113.06
	- 1%	(113.06)
March 31, 2017	+ 1%	86.15
	- 1%	(86.15)

Foreign Currency Fluctuation Risk

Foreign Currency Fluctuation Risk is one of the key risk impacting our business. The offshore part of the revenue remains exposed to the risk of Rupee apprecaiton which is the functional currency of the company vis- a- vis US Dollar, the cost incurred are in Indian rupees and the revenue inflow are in foreign currency. Any weakening of the currency of the functional currency may impact the Company's cost of Import and cost of borrowing and consequently may increase the cost of fianancing the company's expenditure.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

The Company exposure to foreign currency risk at the end of reporting period expressed in INR as follows:

	As at March 31, 2018	(INR in Lakhs) As at March 31, 2017
Financial Assets		
Trade Receivables	3662.34	3526.82
Cash & Cash Equivalent item amount	2,935.27	284.70
Net Exposure to Foreign Currency Risk Assets	6,597.61	3,811.52
Financial Liabilities		
Borrowings	9,454.55	7,360.44
Other Financial Assets	3,831.51	1,058.71
Net Exposure to Foreign Currency Risk Liability	13,286.06	8,419.15
Net Exposure to Foreign Currency Risk (Asset -Liability)	6,688.45	4,607.63

Foreign Currency Sensitivity

Particulars	(INR in Lakhs)	
	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2018	+ 9%	(601.96)
	- 9%	601.96
March 31, 2017	+ 10%	(460.76)
	- 10%	460.76

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

Note 42 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	March 31, 2018	March 31, 2017
A) Debt		
Borrowings (Current and Non-Current)	11,315.28	8,629.06
	11,315.28	8,629.06
B) Equity		
Equity share capital	1,992.70	1,992.70
Other Equity	(329.33)	279.41
	1,663.37	2,272.11
Gearing Ratio (Debt / Capital) i.e. (A / B)	680.26%	379.78%

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 43 - Segment Information:

Information about Primary Business Segment

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in Trading of FMCG Goods and related activities during the year, consequently the Company is having separate reportable business segment for the year ended March 31, 2018.

Following are the reportable business segments:

- (i) Tea
- (ii) FMCG

Revenue and expenses directly attributable to segments are reported under each reportable business segment. Common expenses which are not directly identifiable to each reporting segment have been allocated to each reporting segment on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable segments have disclosed as unallocated expenses.

	(INR in Lakhs)		
Year ended 31 March 2018	TEA	FMCG	Total
Revenue	639.14	14,186.31	14,825.45
Expenses	644.11	14,803.26	15,447.37
Other Income	7.84	263.71	271.55
Segment Profit	2.87	(353.24)	(350.37)
Less: Unallocable expense			21.13
Profit Before Tax			(371.50)
Tax Expenses			(12.90)
Profit After Tax			(358.60)

	(INR in Lakhs)		
Year ended 31 March 2017	TEA	FMCG	Total
Revenue	707.92	10,018.61	10,726.53
Expenses	716.65	10,633.67	11,350.32
Other Income	15.71	277.09	292.80
Segment Profit	6.98	(337.97)	(330.99)
Less: Unallocable expense			-
Profit Before Tax			(330.99)
Tax Expenses			12.64
Profit After Tax			343.63

Information about Secondary Geographical Segment

The Company does not have separate reportable geographical segment for the year ended March 31, 2018 and March 31, 2017.

IV. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to not required, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note 44 - Related Party Disclosure:

i) Relationship

Description of relationship	Country
Subsidiary Company (100% wholly owned)	India
Lykis Marketing Private Limited	
Associates	
Lykis Cofectionary Private Limited	India
Lyfresh Private Limited	India
Lykis Packaging Private Limited	India
Lykon Foods Private Limited	India
Chairman	
Mr. Vijay Kishanlal Kedia - Non Executive Director	India
Key Managerial Personnel	
Mr. Pawan Kumar Gupta - CEO (till 27th February 2018.)	India
Mr. Ankit Maheshwari - CFO (till 27th February 2018.)	India
Ms. Neha Mankame - CS	India
Ms. Rupa Khanna - CS (till 25th November 2017)	India
Mr. Prince Tulsian - Managing director (Executive)	India
Mr. Nadir Dhrolia - Non Executive Director	India
Mrs. Jyoti Budhia - Non Executive (Independent Director)	India
Mr. Mayank Jhunjunwala - Non Executive (Independent Director)	India
Mr. Rajendra Shah - Non Executive (Independent Director)	India
Relative of Key Managerial Person Mr. Pawan Kumar Gupta -CEO	
Shikha Gupta	India
Pramod Gupta	India

Notes:

- The list of related parties above has been limited to entities with which transactions have taken place.
- Related party transactions have been disclosed till the time the relationship existed.

ii) Transaction with Related Parties during the year

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Directors Remuneration and Salary		
Managing Director's Remuneration	7.20	7.20
Chief Executive Officer's Remuneration	29.23	36.22

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Chief Financial Officer's Remuneration	14.45	9.75
Remuneration to Relatives of Key Managerial Person	7.80	7.80
Professional Fee to Relatives of Key Managerial Person	33.01	19.01
	91.69	79.98

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
Revenue from Operations	309.60	805.15
	309.60	805.15
Interest Income on Loan given	18.46	18.00
	18.46	18.00
Rent Expenses	56.17	56.17
	56.17	56.17
Purchases	2,345.79	13.24
	2,345.79	13.24
Cost of Material Consumed (Greenleaf)	-	113.17
	-	113.17
Loans and Advances Given		
Key Managerial Person	4.44	50.88
Others	509.99	203.75
	514.43	254.62
Loans and Advance Given Received		
Unsecured Loans	198.00	272.00
	198.00	272.00
Repayment of Loans and Advance		
Unsecured Loans	-	261.30
	+-	261.30
Purchase/ Subscription of Investments	239.11	28.83
	239.11	28.83
Rent Expenses (incl other charges)	56.17	64.54
	56.17	64.54
Trade Advance (Given)	287.51	861.95
	287.51	861.95
Development charges	9.66	28.11

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Particulars	(INR in Lakhs)	
	For the year Ended March 31, 2018	For the year Ended March 31, 2017
	9.66	28.11
iii) Balance with Related Parties :		
Particulars	Balances as at March 31, 2018	Balances as at March 31, 2017
Loans and Advances Given		
Subsidiaries	-	-
Key Managerial personnel	55.32	50.88
Others	1,174.91	337.76
	1,230.22	388.63
Loans Payable (Unsecured)		
Key Managerial personnel	679.76	429.65
Others	-	-
	679.76	429.65
Investments		
in Subsidiaries	19.99	19.99
in Others	487.08	242.47
	507.07	262.46
Trade Advance given		
	1,311.61	1,340.12
	1,311.61	1,340.12

Note 45 : Contingent Liabilities not Provided for:

Particulars	As at March 31, 2018	As at March 31, 2017
Disputed Liabilities in respect of MVAT Act 2002 for A.Y. 2013-2014	41.44	-
Disputed Liabilities in respect of Income Tax Act 1961 for A.Y. 2015-2016	95.05	-
Total	136.49	-

Note:

- No provision for interest has been made on the advances or loan taken or given pending reconciliation and confirmation of respective parties.
- The company has given undertaking to pay ₹ 88,000/- to DGFT by way of bank guarantee for taking the EPCG Licence. The said bank guarantee is issued by Indian Bank, silchar Branch against Fixed Deposit of the same amount

For SANJAY P AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn.No.325683E

(SANJAY AGARWAL)

Partner

Mem. No. 062218

Place : Kolkata
May 30, 2018

NEHA MANKAME
Company Secretary

For and on behalf of the Board

VIJAY KISHANLAL KEDIA

Chairman

DIN: 00230480

PRINCE TULSIAN

Managing Director

DIN: 02691348

Dear Shareholder,

Re: Green Initiative in Corporate Governance

We wish to inform you that the Ministry of Corporate Affairs, New Delhi ("MCA") (vide its Circulars dated April 21, 2011 and April 29, 2011) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. This move by the MCA is welcome since it will benefit the society at large through reduction in paper consumption and contribute towards greener environment. Also you will be able to receive the Communication promptly and without loss in transit.

Keeping in view the underlying theme and the circulars issued by MCA, we propose to send henceforth all communications /documents including the Notice calling the General Meeting/ Notice of Postal Ballot, Audited Financial Statements, Directors' Report, Auditors' Report etc. via electronic mode on the Email ID registered by shareholders with their Depository Participant (DP).

Shareholders holding shares in demat mode and who have not yet registered their Email ID are requested to kindly register/update their e-mail ID with their concerned Depository Participant, on which they desire to receive all future communications/ documents as specified above. In case of change in your Email Address in future, please update same with your DP.

Please note that the email address indicated in your respective DP accounts periodically downloaded from the depositories viz. NSDL/ CDSL will be deemed to be your registered email address.

Shareholders holding shares in physical mode are requested to register their email address with the Company by sending a written request signed by the First Shareholder mentioning your folio no. to the Registrar & Share Transfer Agents – R & D Infotech Pvt. Ltd.

Please note that, upon receipt of a requisition from you, the Company shall send all these documents on the address registered with the Company free of cost.

Please note that the Annual Report of your Company along with all future notice/ communication/ documents will be displayed on the Company's website www.lykisgroup.com

It is clarified that shareholders holding shares in physical form and have not registered their email address with the Registrar/ Company and those Demat Shareholders who have not registered email ID with their DP, will continue to receive physical copies of these documents.

We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and co-operate with the Company to make it a success.

Thanking You,
Yours faithfully,
For **Lykis Limited**

Vijay Kedia
Chairman
DIN: 00230480



FOOD

If undelivered please return to



Omer Mansion, 29A, Weston Street, 2nd Floor, Room No. B5, Kolkatta 700 012

LYKIS LIMITED

CIN: L74999WB1984PLC038064

Registered Office: Omer Mansion, 29A, Weston Street, 2nd Floor, Room No. B5, Kolkata 700012

NOTICE OF 34th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 34th Annual General Meeting of the members of LYKIS LIMITED will be held on September 24, 2018 at 10:30 A.M at Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026 to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statement

To consider and adopt the Financial Statements of the company for the financial year ended as on March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.

2. Adoption of Consolidated Financial Statement

To consider and adopt the Consolidated Financial Statements of the company for the financial year ended as on March 31, 2018 and the Report of the Auditors thereon.

3. Re-appointment of Mr. Nadir Umedali Dhrolia (DIN 03303675)

To appoint a Director in place Mr. Nadir Umedali Dhrolia (DIN 03303675), who retires by rotation and being eligible, offer himself for re-appointment.

By order of the Board of Directors
For Lykis Limited

Neha Mankame
Company Secretary

Place: Kolkata
Date: August 13, 2018

CIN:L74999WB1984PLC038064

Registered office:

Omer Mansion, 29A,
Weston Street, 2nd Floor,
Room No. B5, Kolkata 700012

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF /HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy for members not exceeding 50(fifty) and holding in aggregate not more than ten percent of the total share capital of the company.
- Proxy form is sent herewith. The proxy form in order to be effective should be duly completed, signed and deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
- Corporate members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.

4. Pursuant to regulation 36 of the Listing Regulation and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, details of Directors who are proposed to be appointed, forms a part of notice.
5. The Register of Members and Share Transfer Books of the Company will remain closed from September 18, 2018 to September 24, 2018 (Both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable regulation of the Listing Regulation entered into with the Stock Exchanges.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to M/s. R & D Infotech Pvt. Ltd. All members are requested to intimate changes, if any, in their registered address, immediately to the Registrar & Transfer Agents, M/s R & D Infotech Private Limited or to their depository participants in case shares are held in depository form.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. All documents referred to in the notice are open for inspection at the registered office of the company during office hours.
9. To support green initiative of the Government, electronic copy of the Annual Report for the year ended March 31, 2018 and notice of 34th Annual General Meeting are being sent to the members whose mail IDs are available with the Company / Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2018 and the Notice are being sent in the permitted mode. Please note that annual report and the notice of 34th Annual General Meeting are also posted on the website www.lykisgroup.com.
10. Members desires of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 may send the same to the office of the Registrar and Transfer Agent of the Company.
11. Members are requested to:-
 - a. bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - b. complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - c. send their questions at least 10 days in advance before the Annual General Meeting about any further information on accounts or other related topics in the Annual Report so as to enable the Company to answer their question satisfactorily.
12. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is providing the members with the facility to cast their vote electronically from a location other than the venue of the Annual General Meeting (hereinafter to be referred as "Remote e-voting"). That the business at the Annual General Meeting may be transacted by Remote e-voting. The Company has engaged National Securities Depository Limited (here in after to be referred as "NSDL") to provide to the Members the e-voting platform and services for casting their vote through the said remote E-voting on all resolutions set forth in this Notice.
13. The instruction and other information relating to remote e-voting are as under:
 - A. In case a Member receiving an e-mail from R & D Infotech [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)]:
 - i. Open email and open PDF File viz "LykisLtd_e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the URL: <https://www/evoting.nsdl.com>

- iii. Enter the login credentials (i.e. User ID and Password). Your Folio No./DP ID-Client ID will be your User ID. However, if you are already registered with R & D Infotech for e-voting, you can use your existing User ID and password for casting your vote.
 - iv. After entering these details appropriately, Click on "LOGIN".
 - v. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one uppercase (A-Z), one lowercase (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - vi. You need to login again with the new credentials.
 - vii. On successful login, the system will prompt you to select the "EVENT" i.e., Lykis Limited.
 - viii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either heads.
 - ix. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folios/ demat accounts.
 - x. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - xi. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xii. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify or change the votes cast. During the voting period, Members can login any number of times till they have voted on all the Resolution(s).
 - xiii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at e-mail ID: agarwaldcs@yahoo.co.in with a copy marked to evoting@nsdl.co.in. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO."
- B. In case of Members receiving physical copy of the Notice [for Members whose e-mail IDs are not registered with the Company/ Depository Participant(s)]:
- i. User ID and initial password as provided on the Attendance Slip.
 - ii. Please follow all steps from Sr. No. (i) to (xiii) as mentioned in (A) above, to cast your vote by electronic means.
14. The members, who have not cast their vote through Remote e-voting can exercise their voting rights at the Meeting through Electronic voting system ("Insta poll") for all businesses specified in the accompanying Notice. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting, however, those Members are not entitled to cast their vote again at the Meeting.
 15. The remote e-voting period commences on Friday, September 21, 2018 (9.00 A.M.) and ends on Sunday, September 23, 2018 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Monday, September 17, 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently

16. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cutoff date i.e. Monday, September 17, 2018.
17. Mr. Dinesh Agarwal Practicing Company Secretary (Membership No. FCS 6315 and CP No. 5881), have been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
18. Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, at the address Mr. Dinesh Agarwal, C/o Lykis Limited, Omer Mansion, 29A, Weston Street 2nd Floor, Room No. B5, Kolkata 700012, not later than Sunday, September 23, 2018 (5:00 P.M IST). Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to lykisho@lykisgroup.com by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer not later than Sunday, September 23, 2018. Ballot Form received after this date will be treated as invalid.
19. The Scrutinizer after scrutinizing the votes cast at the Meeting by Poll and through remote e-voting, will not later than two (2) days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.
20. The Result of Annual General Meeting will be announced at the registered office of the company situated at, Omer Mansion, 29A, Weston Street 2nd Floor, Room No. B5, Kolkata 700012, and also available on the website of the Company (www.lykisgroup.com). The Results shall simultaneously be communicated to Stock Exchanges where the Shares of the Company are listed.
21. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 24, 2018 subject to receipt of the requisite number of votes in favour of the Resolutions.

By order of the Board of Directors
For Lykis Limited

Neha Mankame
Company Secretary

Place: Kolkata
Date: August 13, 2018

CIN:L74999WB1984PLC038064

Registered office:

Omer Mansion, 29A,
Weston Street 2nd Floor,
R. No. B5, Kolkata, West Bengal - 700012
Telefax: 033-40045265,
E-mail:lykisho@lykisgroup.com,
Website: www.lykisgroup.com



CIN : L74999WB1984PLC038064

PROXY FORM

Omer Mansion, 29A, Weston Street, 2nd Floor, Room No. B5, Kolkata - 700 012 Telefax : 033 4004 5265,
E-mail : lykisho@lykisgroup.com, Website : www.lykisgroup.com

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management & Administration Rules, 2014)]

Name of the member (s) :	
Registered address :	
E-mail ID :	
Folio No./Client ID/DP ID :	

I/We being the member(s) of Shares of the above named Company, hereby appoint

- (1) Name: _____
Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (2) Name: _____
Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (3) Name: _____
Address: _____
E-mail Id: _____ Signature: _____ or failing him;

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Monday, the September 24, 2018 at 10:30 A.M at Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	DESCRIPTION	Optional (3)	
		For	Against
1.	To adopt the Audited Financial Statements of the Company for the financial year ended as on March 31, 2018 together with the Reports of Board of Directors and Auditor's thereon.		
2.	To adopt Consolidated Financial Statements of the company for the financial year ended as on March 31, 2018 and the Report of the Auditors thereon.		
3.	Re-appointment of Mr.Nadir Umedali Dhrolia (DIN: 03303675), who retires by rotation.		

Signed this _____ day of _____ 2018

Signature of shareholder _____

Signature of Proxy holder(s) _____

Re. 1/-
Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.





CIN : L74999WB1984PLC038064

ATTENDANCE SLIP

Omer Mansion, 29A, Weston Street, 2nd Floor, Room No. B5, Kolkata - 700 012
Telefax : 033 4004 5265,
E-mail : lykisho@lykisgroup.com, Website : www.lykisgroup.com

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management & Administration Rules, 2014)]

34th ANNUAL GENERAL MEETING	
Folio No./Client ID/DP ID :	No. of Shares :
Name of the member (s) :	
Name of the Proxy :	

I hereby record my presence at the 34th Annual General Meeting of the Members of LYKIS LIMITED held on Monday, the September 24, 2018 at 10:30 A.M at Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026.

Name of Proxy (in BLOCK LETTERS)

Shareholder's / Proxy's Signature

Notes :

- Members/ Proxy holders are requested to bring this slip with them when they come to the Meeting and hand it over at the entrance of the Meeting Hall duly signed.
- Please bring your copy of the Annual Report at the Meeting.

ELECTRONIC VOTING

- The electronic voting particulars are set out as below :

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 , and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members as an alternative to exercise their right to vote by electronic means for the items of business to be transacted at Annual General Meeting to be held on Monday, the September 24, 2018 at 10:30 A.M at Sujata Devi Smriti Sadan, 7 Hazra Road, Kolkata 700026 through the services of National Securities Depository Limited (NSDL) as the Authorised Agency to provide e-voting facilities. The e-voting facility is available at the link <https://www.evoting.nsdl.com>.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
109354		

Please read the instructions carefully written in "VOTING THROUGH ELECTRONIC MEANS" before exercising your Vote, enclosed with the NOTICE.

- E-Voting facility is available during the following voting period :

The e-voting period commences on Friday, September 21, 2018 (9.00 A.M.) and ends on Sunday, September 23, 2018 (5:00 P.M.) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.