



**Independent Auditor's Report
To the Members of DVK Investments Private Limited**

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying standalone Ind AS financial statements of DVK Investments Private Limited (the company), which comprise the Balance Sheet as at 30 September 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the six months' period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounting) Rules, 2014 and the Companies (Indian Accounting Standards) Rule, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. 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 thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India under, as 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 financial statements are free from material misstatement.
6. 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 Ind AS 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 Ind AS 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



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For Fermenta Biotech Limited
Srikant Sharma
Company Secretary

reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Ind AS financial statements.

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

OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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:
- (a) In the case of the Balance Sheet, of the state of affairs of the company as at 30 September 2021;
 - (b) In the case of the Statement of Profit and Loss, of the profit including other comprehensive income for the six months' period ended on that date, and
 - (c) in the case of the Cash Flow Statement, of the cash flows and the changes in equity for the six months' period ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the Order), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on September 30, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B"; and
 - (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, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:



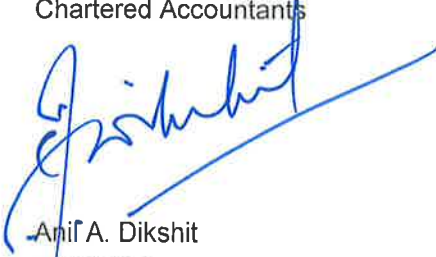
(i) The company has disclosed the impact of pending litigations as at September 30, 2021 on its financial position in its Ind AS financial statements;

- (ii) The company has made provision as at September 30, 2021, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the six months' period ended September 30, 2021.

For Anil A. Dikshit & Co.

Firm registration number: 100410W

Chartered Accountants



Anil A. Dikshit
Proprietor

Membership No.: 036706

Place: Thane

Date: January 3, 2022

UDIN: 22036706AAAAAA8001



Annexure – A referred to in paragraph 9 our report of even date to the members of DVK Investments Private Limited on the accounts of the company for the six months' period ended September 30, 2021.

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 does not have fixed assets, and therefore, the provisions of Para 3(1) of the Order are not applicable to the Company;
- ii. The nature of business of the Company does not require it to have any inventory. Hence, the provisions of Clause 3(ii) of the Order are not applicable to the Company;
- iii. The company has granted loans, secured or unsecured to one Company covered in the register maintained under section 189 of the Act.
 - a) In respect of the aforesaid loan, the terms and conditions under which the loan was granted, is not prejudicial to the interest of the Company;
 - b) The schedule of repayment has been stipulated;
 - c) There is no amount overdue for more than 90 days;
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of the loans and investments made and guarantees and security provided by it;
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Act and rules framed there under to the extent notified;
- 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;
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India;

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes;
- viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. Accordingly, the provisions of Clause 3(viii) of the Order are not applicable to the company;
- ix. The company has not raised any moneys by way of public offer and term loans during the year under review. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the company;
- x. During the course of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India, and according to the information and explanations given to us, we have neither come across any instance of any fraud on the Company by its officers or employees, noticed or reported during the course of our audit, nor have we been informed of any such instance by the Management;



- xi. The company has not paid any managerial remuneration during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the company;
- xii. As the company is not a Nidhi company and the Nidhi Rules 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the company;
- xiii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards;
- xiv. The company has not made any preferential allotment or private placement of shares or partly or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the company;
- xv. The company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the company;
- xvi. The company, as explained to us, is registered under Section 45-I of the Reserve Bank of India Act, 1934.

For Anil A. Dikshit & Co.

Firm registration number: 100410W

Chartered Accountants

Anil A. Dikshit

Proprietor

Membership no.: 036706

Place: Thane

Date: January 3, 2022



Annexure - B to the Auditors' Report

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

1. We have audited the internal financial controls over financial reporting of DVK Investments Private Limited ("the Company") as of September 30, 2021 in conjunction with our audit of the standalone financial statements of the Company for the six months' period ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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

7. 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

- 8 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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Anil A. Dikshit & Co.

Firm registration number: 100410W

Chartered Accountants



Anil A. Dikshit

Proprietor

Membership no.: 036706

Place: Thane

Date: January 3, 2022



DVK INVESTMENTS PRIVATE LIMITED
BALANCE SHEET AS AT SEPTEMBER 30, 2021

	Notes	As at September 30, 2021 ₹	As at March 31, 2021 ₹
ASSETS			
Non-current assets			
a) Investments			
i) Investments in equity instruments of subsidiaries	3	16,86,62,075	16,86,62,075
ii) Investments in associates			
iii) Investments in government securities			
b) Financial assets			
i) Investments	4	1,80,000	1,80,000
iii) Share application money	5		
c) Non-current tax assets (net)	6	42,51,440	4,82,610
d) Other non-current assets	7		
Total non-current assets		17,30,93,515	16,93,24,685
Current assets			
a) Financial assets			
i) Investments	8	1,16,848	17,93,705
ii) Cash and cash equivalents	9	3,70,98,342	46,11,131
iii) Loans	10		
vi) Other financial assets	11		
Total current assets		3,72,15,190	64,01,836
TOTAL ASSETS		21,03,08,705	17,57,29,521
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12	6,52,16,650	6,52,16,650
b) Other equity	13	14,50,64,105	10,79,24,421
Total equity		21,02,80,755	17,31,41,071
Liabilities			
Current liabilities			
b) Other current liabilities	14	27,950	25,88,450
Total current liabilities		27,950	25,88,450
Total liabilities		27,950	25,88,450
TOTAL EQUITY AND LIABILITIES		21,03,08,705	17,57,29,521

In terms of our report attached

As per our report of even date
 For Anil A. Dikshit & Co
 Firm Registration No. 100410W
 Chartered Accountants


 Anil A. Dikshit
 Proprietor
 Membership No : 036706



Place : Thane
 Date : January 3, 2022

For and on behalf of the Board of Directors of
 DVK Investments Private Limited


 KRISHNA DATLA
 Director


 SATISH VARMA
 Director


 SONIA GUPTE
 Company Secretary



Place : Thane
 Date : January 3, 2022

DVK INVESTMENTS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Notes	Period Ended September 30, 2021 ₹.	Year Ended March 31, 2021 ₹.
Income:			
Revenue from operations	15	3,76,88,295	20,41,030
Other income	16	-	86,42,226
Total Income		3,76,88,295	1,06,83,256
Expenses:			
Employee benefits expense	17	3,40,333	5,91,490
Other expenses	18	2,08,278	1,33,03,435
Total expenses		5,48,611	1,38,94,925
Profit before tax		3,71,39,684	(32,11,670)
Tax expense:			
Current tax			
- For the year			
Total tax expense		-	-
Profit for the year		3,71,39,684	(32,11,670)
Earnings per equity share (nominal value per equity share ₹ 10 each)	19		
Basic (in ₹)		5.69	(0.49)
Diluted (in ₹)		5.69	(0.49)

In terms of our report attached
As per our report of even date
For Anil A. Dikshit & Co
Firm Registration No. 100410W
Chartered Accountants

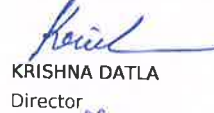


Anil A. Dikshit
Proprietor
Membership No : 036706

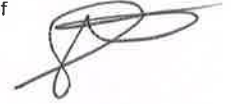


Place : Thane
Date : January 3, 2022

For and on behalf of the Board of Directors of
DVK Investments Private Limited


KRISHNA DATLA
Director


SONIA GUPTA
Company Secretary



SATISH VARMA
Director

Place : Thane
Date : January 3, 2022



DVK INVESTMENTS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2021

PARTICULARS	Period ended September 30, 2021	Year ended March 31, 2021
A. Cash flows from operating activities		
Profit before tax	3,71,39,684	(32,11,670)
Adjustments for:		
Net gain on sale / fair valuation of investments through profit and loss	-	-
Interest income	-	-
Dividend income	(3,76,88,295)	(20,41,030)
Provision for doubtful debts and advances	-	-
Operating loss before working capital changes	<u>(5,48,611)</u>	<u>(52,52,700)</u>
Movements in working capital :		
Decrease/(increase) in trade receivables	-	-
(Increase)/decrease in other assets	-	4,000
Increase/(Decrease) in other liabilities	(25,60,500)	24,75,606
Income taxes paid (net of refund)	(37,68,830)	4,18,797
Net cash generated from / (used in) operations (A)	<u>(68,77,941)</u>	<u>(23,54,297)</u>
B. Cash flows from investing activities		
Interest received	-	-
Proceeds from sale of non-current investments	16,76,857	1,11,30,753
Proceeds from sale/redemption of investments	-	-
Current investments	-	(5,24,24,025)
Non-current investments	-	25,06,020
Dividend received	3,76,88,295	20,41,030
Net cash (used in) / generated from investing activities (B)	<u>3,93,65,152</u>	<u>(3,67,46,222)</u>
C. Cash flows from financing activities		
Dividend paid (including Dividend Distribution Tax)	-	3,39,12,659
Net cash (used in) / generated from financing activities (C)	<u>-</u>	<u>3,39,12,659</u>
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	<u>3,24,87,211</u>	<u>(51,87,860)</u>
Cash and cash equivalents at the beginning of the period	46,11,131	97,98,991
Cash and cash equivalents at the end of the period	<u>3,70,98,342</u>	<u>46,11,131</u>
Components of cash and cash equivalents		
Cash on hand	12,934	1,62,934
Balances with banks in current account	3,70,85,408	44,48,197
Total cash and cash equivalents (Refer note 7)	<u>3,70,98,342</u>	<u>46,11,130.92</u>

In terms of our report attached
As per our report of even date
For Anil A. Dikshit & Co
Firm Registration No. 100410W
Chartered Accountants

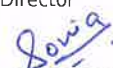
Anil A. Dikshit
Proprietor
Membership No : 030700


Place : Thane
Date : January 3, 2022



For and on behalf of the Board of Directors of
DVK Investments Private Limited


KRISHNA DATLA
Director


SONIA GUPTA
Company Secretary


SATISH VARMA
Director

Place : Thane
Date : January 3, 2022



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Statement of Changes in Equity for the period ended September 30, 2021

(a) Equity share capital:

₹.

	As at September 30, 2021	As at March 31, 2021
Balance at the beginning and end of the year	6,52,16,650	6,52,16,650

(b) Other equity

	Reserves and surplus				Total
	General reserve	Securities Premium	Special Reserve under RBI Act	Retained earnings	
Balance as at April 01, 2020	1,96,30,480	1,02,85,050	5,23,87,522	7,20,08,915	15,43,11,967
Profit for the year				(32,11,670)	(32,11,670)
Payment of dividend (including dividend distribution tax)				(3,39,12,659)	(3,39,12,659)
Previous Year adjustments				(92,63,217)	(92,63,217)
Balance as at March 31, 2021	1,96,30,480	1,02,85,050	5,23,87,522	2,56,21,369	10,79,24,421
Balance as at April 01, 2021	1,96,30,480	1,02,85,050	5,23,87,522	2,56,21,369	10,79,24,421
Profit for the year				3,71,39,684	3,71,39,684
Payment of dividend (including dividend distribution tax)					
Balance as at September 30, 2021	1,96,30,480	1,02,85,050	5,23,87,522	6,27,61,053	14,50,64,105

* Represents remeasurement of defined benefit plan

(c) Total equity

₹.

	As at September 30, 2021	As at March 31, 2021
Total equity [(a)+(b)]	21,02,80,755	17,31,41,071

See accompanying notes 1 to 31 to the standalone financial statements

In terms of our report attached

As per our report of even date

For Anil A. Dikshit & Co

Firm Registration No. 100410W

Chartered Accountants

Anil A. Dikshit

Proprietor

Membership No : 036706

Place : Thane

Date : January 3, 2022



For and on behalf of the Board of Directors of
DVK Investments Private Limited

Krishna Datla

KRISHNA DATLA
Director

Sonia Gupte

SONIA GUPTA
Company Secretary

Place : Thane

Date : January 3, 2022

Satish Varma

SATISH VARMA
Director



DVK INVESTMENTS PRIVATE LIMITED

Notes to standalone financial statements for the period ended September 30, 2021

1. Corporate information

DVK Investments Private Limited ('the Company') is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1913. The registered office of the Company is located at A- 1601, Thane One, DIL Complex, Ghodhbunder Road, Majiwada, Thane (West) 400610. The Company is engaged in the business of a residuary Non-Banking Financial Institute. The Company has strategic long-term investments in subsidiary companies primarily in the business of renting properties, motion picture production and distribution, manufacturing of bulk drugs. The Company is an investment Company as defined under the provisions of the Reserve Bank of India Act, 1934. It has not accepted any deposits from public within the meaning of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

These Financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on January 3, 2022.

2. Significant accounting policies

2.1 Statement of compliance

The standalone financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other provisions of the Companies Act, 2013.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; and (ii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(a) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

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

(b) Operating cycle

Based on the nature of activities of the Company, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

(c) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax:

Current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognized for all the deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



DVK INVESTMENTS PRIVATE LIMITED

Notes to standalone financial statements for the period ended September 30, 2021

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

iii) Presentation of current and deferred tax:

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(d) Revenue recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable. Revenue includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax, and goods and services tax are excluded from revenue.

Interest and dividend:

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the life of the financial assets to that asset's net carrying amount on initial recognition.

Interest on income tax refund is recognized on receipt of the refund order.

Dividend income is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

(e) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial asset on initial recognition. Transaction costs directly attributable to the acquisition of financial assets as at fair value through profit or loss are recognised immediately in profit or loss. All regular way purchases or sales of financial assets are recognised or derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Subsequent measurement

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

- 1 Debt instruments at amortised cost
- 2 Debt instruments at fair value through other comprehensive income (FVTOCI)
- 3 Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- 4 Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

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

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').



Notes to standalone financial statements for the period ended September 30, 2021

Equity Instruments

All equity Instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument including foreign exchange gain or loss, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

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

- 1) The contractual rights to receive cash flows from the asset have expired, or
- 2) The Company has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement; in that case the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed

Financial liabilities and equity instruments

Classification as debts or equity:

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

Equity instruments:

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



DVK INVESTMENTS PRIVATE LIMITED

Notes to standalone financial statements for the period ended September 30, 2021

Compound financial instruments:

The components parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substances of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instruments as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retain earnings. No gain or loss is recognized in the Statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity components are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Financial liabilities:

Initial recognition and measurement:

All financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities fair valued through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the issue of financial liabilities fair valued through profit or loss are recognised immediately in profit or loss.

Subsequent measurement:

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts, issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

it has been incurred principally for the purpose of repurchasing it in the near term; or

on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit, or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit and loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at FVTPL are recognised in Statement of profit or loss.

Fair value is determined in the manner described in note 24.

Financial liabilities at amortised cost:

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



DVK INVESTMENTS PRIVATE LIMITED

Notes to standalone financial statements for the period ended September 30, 2021

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(f) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee :

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the standalone balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate

(g) Investments in equity instruments of subsidiaries:

Investments in equity instruments of subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

(h) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows "when the effect of the time value of money is material".

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are not recognized in the financial statements of the Company. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare case where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(i) Earnings per share

The Company presents basic and diluted earnings per shares data for its equity shares

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. The Company does not have any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.



DVK INVESTMENTS PRIVATE LIMITED

Notes to standalone financial statements for the period ended September 30, 2021

(j) Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash with 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.

(k) Use of estimates and Judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Useful lives of property, plant and equipment and intangible assets :

The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time when the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Assets and obligations relating to employee benefit:

The employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

Tax expense : [refer note 2(c)]

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, if any, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA cannot be recognised on want of probable taxable profits.

Provisions: [refer note 2(h)]

Contingencies (refer note 2(h))

(l) Recent Accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 01, 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect of adoption of Appendix B to Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

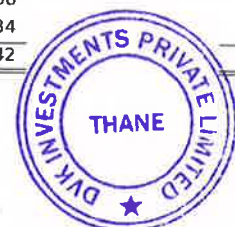
Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch-up approach) The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	As at September 30, 2021 ₹.	As at March 31, 2021 ₹.
Note 3- Investments-(Non-current)		
i) Investments in subsidiaries- in equity instruments quoted (Fully paid up) (At cost less impairment in the value of investments, if any)		
a) Fermenta Biotech Limited (quoted) ***	16,86,62,075	16,86,62,075
1,50,75,318 (March 31, 2021 - 1,50,75,318 shares) Equity shares of ₹. 5/- each		
	<u>16,86,62,075</u>	<u>16,86,62,075</u>
Aggregate amount of quoted investments before impairment	16,86,62,075	16,86,62,075
Note 4 -Investments (Non-current):		
Equity instruments:		
Unquoted Investments (all fully paid up)		
<u>Investments in equity instruments at FVTPL</u>		
Biodil Marsing Private Limited	3,00,000	3,00,000
30,000 (March 31, 2021 - 30,000) Equity shares of ₹ 10 each		
Less: Diminution in the value of investments	<u>(3,00,000)</u>	<u>(3,00,000)</u>
Island Veerchemie Private Limited	1,80,000	1,80,000
12 (March 31, 2021 - 12) Equity shares of ₹. 15,000 each fully paid-up		
Total aggregate Investments (A)	<u>1,80,000</u>	<u>1,80,000</u>
Aggregate carrying value of unquoted investment before impairment	1,80,000	1,80,000
Aggregate amount of impairment in value of investments		
Aggregate book value of quoted investments		
Aggregate market value of quoted investments		
	As at September 30, 2021 ₹.	As at March 31, 2021 ₹.
Note 5 - Share application money		
Jomaange Innovative Market Solutions Private Ltd		
	<u>-</u>	<u>-</u>
	As at September 30, 2021	As at March 31, 2021
Note 6 - Non-current tax assets (net)		
Advance income-tax (Net of provision for tax)	42,51,440	4,82,610
	<u>42,51,440</u>	<u>4,82,610</u>
	As at September 30, 2021	As at March 31, 2021
Note 7 - Other non-current assets		
Prepaid expenses	-	-
	<u>-</u>	<u>-</u>
	As at September 30, 2021	As at March 31, 2021
Note 8 - Investments (Current)		
In Mutual funds*		
a) Franklin India Low Duration fund**	1,16,848	17,93,705
3,97,498.749 (March 31, 2021 - 5,89,504.384) units of ₹.10 each		
	<u>1,16,848</u>	<u>17,93,705</u>
* Investments in mutual funds have been fair valued at the closing net asset value (NAV).		
** Denotes dividend reinvested in the respective funds		
	As at September 30, 2021	As at March 31, 2021
Note 9 - Cash and cash equivalents		
Balances with banks in current accounts	3,70,85,408	44,48,197
Cash on hand	12,934	1,62,934
	<u>3,70,98,342</u>	<u>46,11,131</u>



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	As at September 30, 2021	As at March 31, 2021
Note 10- Loans (Current)		₹.
Unsecured, considered good		
Loans and ICDs to related parties (Refer note 21 and below)	-	-
Loans to others	-	-
	<u>As at September 30, 2021</u>	<u>As at March 31, 2021</u>
	₹.	₹.
Note 11 - Other financial assets (Current)		
Interest accrued but not due from banks and others	-	-
	<u>As at September 30, 2021</u>	<u>As at March 31, 2021</u>
		₹.
Note 12 - Equity share capital		
Authorised share capital:		
65,30,000 (March 31, 2021 - 65,30,000) Equity shares of ₹ 10/- each	6,53,00,000	6,53,00,000
	<u>6,53,00,000</u>	<u>6,53,00,000</u>
Issued, subscribed and fully paid up shares:		
65,21,665 (March 31, 2021 - 65,21,665) Equity shares of ₹ 10/- each.	6,52,16,650	6,52,16,650
	<u>6,52,16,650</u>	<u>6,52,16,650</u>

a) Details of shareholders holding more than 5% equity shares in the Company

Name of the shareholder

Equity shares of ₹ 10/- each fully paid,

Mr. Krishna Datla

Mr. Satish Varma

Ms. Preeti Thakkar

Ms. Anupama Datla Desai

As at September 30, 2021		As at March 31, 2021	
No of shares in lakhs	% holding in the class	No of shares in lakhs	% holding in the class
32.66	50.08%	32.66	50.08%
14.84	22.75%	14.84	22.75%
8.86	13.59%	8.86	13.59%
8.86	13.58%	8.86	13.58%



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 13 - Other equity

	Reserves & Surplus				Total
	General reserve	Securities Premium	Special Reserve under RBI Act	Retained earnings	
Balance as at April 01, 2020	1,96,30,480	1,02,85,050	5,23,87,522	7,20,08,915	15,43,11,967
Profit for the year	-	-	-	(32,11,670)	(32,11,670)
Payment of dividend (including dividend distribution tax)	-	-	-	(3,39,12,659)	(3,39,12,659)
Previous Year adjustments	-	-	-	(92,63,217)	(92,63,217)
Balance as at March 31, 2021	1,96,30,480	1,02,85,050	5,23,87,522	2,56,21,369	10,79,24,421
Balance as at April 01, 2021	1,96,30,480	1,02,85,050	5,23,87,522	2,56,21,369	10,79,24,421
Profit for the year	-	-	-	3,71,39,684	3,71,39,684
Payment of dividend (including dividend distribution tax)	-	-	-	-	-
Balance as at September 30, 2021	1,96,30,480	1,02,85,050	5,23,87,522	6,27,61,053	14,50,64,105

* Represents remeasurement of defined benefit plan

Description of nature and purpose of each reserve

General reserve: General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

Security premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve

Special Reserve under RBI Act: Special reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

Retained earnings: Profits generated by the Company that are not distributed to shareholders as dividends but are reinvested in the business.



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	As at September 30, 2021	As at March 31, 2021
Note 14 - Other current liabilities	₹.	₹.
Statutory dues	5,450	
Others	22,500	25,88,450
	<u>27,950</u>	<u>25,88,450</u>
	Period Ended September 30, 2021	Year Ended March 31, 2021
Note 15 - Revenue from operations		
Dividend Income from investments:	3,76,88,295	20,41,030
Interest on intercorporate deposit to subsidiary	-	-
	<u>3,76,88,295</u>	<u>20,41,030</u>
	Period Ended September 30, 2021	Year Ended March 31, 2021
Note 16 - Other income:		
Net (Loss)/gain arising on financial assets measured at fair value through profit and loss	-	7,29,654
Gain on sale of financial assets	-	79,11,745
Miscellaneous income	-	827
	<u>-</u>	<u>86,42,226</u>
	Period Ended September 30, 2021	Year Ended March 31, 2021
Note 17 - Employee benefits expense		
Salaries and wages	3,40,333	5,91,490
	<u>3,40,333</u>	<u>5,91,490</u>
	Period Ended September 30, 2021	Year Ended March 31, 2021
Note 18 - Other expenses:		
Rent	17,700	35,400
Rates and taxes	32,063	2,023
Legal and professional charges	1,27,220	2,31,493
Payment to auditors (Refer note below)	22,500	45,000
Loss on sale/redemption of current investments	-	1,12,48,209
Donation	-	8,80,000
Self-assessment Tax	-	8,51,365
Miscellaneous expenses	8,795	9,945
	<u>2,08,278</u>	<u>1,33,03,435</u>
Payment to auditors (excluding statutory levy)		
For audit	22,500	45,000
	<u>22,500</u>	<u>45,000</u>

Note 19 - Earnings per share (EPS):

The following table sets forth the computation of basic and diluted earnings per share :

	For the period ended September 30, 2021	For the year ended March 31, 2021
Loss for the year used for computation of basic and diluted earnings per share (₹ in Lakhs)	3,71,39,684	(32,11,670)
Weighted average number of equity shares used in calculating basic and diluted EPS	65,21,665	65,21,665
Basic earnings per equity share [nominal value of share ₹ 10 (March 31, 2021: ₹ 10)]	5.69	(0.49)
Diluted earnings per equity share [nominal value of share ₹ 10 (March 31, 2021: ₹ 10)]	5.69	(0.49)



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 20 - Leases:

Particulars	For the half year ended September 30, 2021	For the year ended March 31, 2021
Assets taken on operating lease		
During the year, the Company has entered into arrangement for taking on leave and license basis office premises. The agreement is cancellable and the agreement has no escalation clause and is renewable.		
a) Lease payments recognised in the Statement of profit and loss for the year	17,700	35,400
Particulars		
	As at September 30, 2021	As at March 31, 2021
b) Future minimum lease payments under non cancellable leases in the aggregate and for each of the following periods:		
i) Not later than one year	10,000.00	10,000.00
ii) Later than one year and not later than five years		



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 21 Interest on loans

It is the policy of the Company not to charge interest on loans and advances granted by it to its business associates and the repayment of loans is as mutually discussed and agreed upon between the Company and the various parties.

Note 22 Related party disclosures

₹.

Particulars

Fermenta Biotech Limited - Subsidiary Company (formerly known as DIL Limited)

Rent paid 17,700
(35,400)

Loans to Directors

Late Shrimati D. Annapurna Charity Trust
[A trust controlled as Trustees by two directors of Company]

Donations given (8,80,000)



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 23 -Categories of the financial instruments

₹

Particulars	As at September 30, 2021	As at March 31, 2021
Financial assets		
Financial assets measured at fair value through the Statement of profit and loss		
Investments in securities - quoted	1,80,000	1,80,000
Island Veerchemie Private Limited	1,80,000	1,80,000
Investments in mutual funds - unquoted	1,16,848	17,93,705
Franklin India Low Duration fund**	1,16,848	17,93,705
Financial assets measured at amortised cost		
(i) Trade receivables	-	-
(ii) Cash and cash equivalents	3,70,98,342	46,11,131
(iii) Share application money	-	-
(iv) Loans	-	-
(v) Other financial assets	-	-
Total financial assets	3,73,95,190	65,84,836
Financial liabilities measured at amortised cost		
(ii) Trade payables	-	-
Total financial liabilities	-	-



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 24 - Fair Value

Fair value of financial assets and financial liabilities that are not measured at fair value but fair value disclosures are required :

₹.

Particulars	Carrying value		Fair value	
	As at September 30, 2021	As at March 31, 2021	As at September 30, 2021	As at March 31, 2021
Financial assets				
(i) Loans	-	-	-	-
(ii) Share application money	-	-	-	-
(iii) Others financial assets	-	-	-	-
(iv) Trade receivables	-	-	-	-
(v) Cash and cash equivalents	3,70,98,342	46,11,131	3,70,98,342	46,11,131
Total assets	3,70,98,342	46,11,131	3,70,98,342	46,11,131
Financial liabilities				
(i) Borrowings	-	-	-	-
(ii) Trade payables	-	-	-	-
(iii) Other financial liabilities	-	-	-	-
Total liabilities	-	-	-	-

The financial assets above do not include investments in subsidiaries which are measured at cost, investments in mutual funds and equity instruments are measured at fair value through profit and loss.

The Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Note 25 - Fair value hierarchy

	As at September 30, 2021		As at March 31, 2021	
	Fair Value	Fair value hierarchy	Fair Value	Fair value hierarchy
Financial assets measured at fair value through profit or loss				
Investments in mutual funds	1,16,848	Level 1	17,93,705	Level 1
Total	1,16,848		17,93,705	



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 26 -Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies. This note explains the sources of risk to which the Company is exposed to and how to mitigate those risks.

a) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risks: interest rate risk and other price risks, such as equity price risk. Financial instruments are affected by market risk include loans and borrowings and investments in securities.

i) Equity price risk

The Company's unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Company's Board of Directors reviews and approves all equity investments.

As at September 30, 2021, the Company had exposure to equity securities measured at fair value. The changes in fair values of the equity investments were strongly positively co-related with changes in market index. As at September 30, 2021 and March 31, 2021, the Company did not have material investments in / exposure to quoted or unquoted securities.

ii) 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 portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

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

Year ended	₹ in Lakhs	
	(+)Increase/(-) decrease in basis points	Effect on loss decrease / (increase)
March 31, 2021	+0.50	+0.50
	-0.50	-0.50
September 30, 2021	+0.50	+0.50
	-0.50	-0.50

The assumed movement in basis points for the interest rate sensitivity analysis is based on the observable market environment as at the respective reporting dates.

b) Credit risk

Credit risk is the risk that a 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. The credit risk is mitigated through credit approvals establishing credit limits and continuous monitoring of credit worthiness of the counter party.

i) Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 27 - Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure

(i) The gearing ratio at the end of the year was as follows:

	₹.	
	As at September 30, 2021	As at March 31, 2021
Debts (Long term and short term borrowings including current maturities of long term borrowings)	-	-
Less: Cash and cash equivalents (Refer note 7)	3,70,98,342	46,11,131
Net debt	(3,70,98,342)	(46,11,131)
Total equity	21,02,80,755	17,31,41,071
Net debt to equity ratio	-	-

(ii) Dividend on equity shares paid during the year

	Period ended September 30, 2021	Year ended March 31, 2021
Dividend on equity shares		
Dividend for the period ended September 30, 2021 of ₹ Nil (previous year for year ended March 31, 2021 ₹ 5.20) per fully paid share of ₹ 10 each	-	3,39,12,659



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 28 - Income tax

(₹.)

A Tax expense recognised in the Statement of profit and loss and other comprehensive income consists of:

Particulars	For the half ended September 30, 2021	For the year ended March 31, 2021
Current tax:		
- For the year	-	-
- Short provision of tax for earlier years	-	-
Deferred tax charge/(credit)	-	-
Income tax expense reported in the Statement of profit and loss		
Tax expense recognised in other comprehensive income	-	-
Tax expense		

B A reconciliation of income tax expense to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

Particulars	For the half ended September 30, 2021	For the year ended March 31, 2021
Profit before tax	3,71,39,684	(32,11,670)
Enacted income tax rate in India (%) #	26.00%	26.00%
Income tax expenses calculated at enacted income tax rate	96,56,318	(8,35,034)
Effect of tax on:		
- dividend income being exempt	(97,98,957)	(1,22,21,214)
- carried forward tax loss of the current year for which DTA is not created	1,42,639	1,30,56,248
Effect of above	(96,56,318)	8,35,034
Tax expense recognised in profit or loss		
Tax expense recognised in other comprehensive income	-	-
Total tax expense		

The tax rate used for reconciliation above is the corporate tax rate of 26% (March 31, 2021 - 26%) at which the Company is liable to pay tax on taxable income under the Indian tax Laws

* Deferred tax asset has not been recognised in the previous year since the company is earning tax free dividend income and the same is the major component of its total operating revenue.



DVK INVESTMENTS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

Note 29 - The financial statements were approved for issue by the Board of Directors on January 3, 2022.

Note 30 - Previous year's figures have been reclassified/regrouped wherever necessary.

As per our report of even date

For Anil A. Dikshit & Co
Firm Registration No. 100410W
Chartered Accountants


Anil A. Dikshit
Proprietor
Membership No : 036706

Place : Thane
Date : January 3, 2022



For and on behalf of the Board of Directors of
DVK Investments Private Limited


KRISHNA DATLA
Director


SONIA GUPTA
Company Secretary


Place : Thane
Date : January 3, 2022


SATISH VARMA
Director





CERTIFIED TRUE COPY

For Fermenta Biotech Limited

Srikant Sharma
Company Secretary