

TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.
Balance Sheet As at 31st March 2020
All amounts are in Turkish Lira unless otherwise stated

| Particulars | Note No. | As at 31st Mar 2020 | As at 31st Mar 2019 |
|-------------------------------------|----------|------------------------|------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 71,26,055 | 60,05,528 |
| (b) Capital work in progress | 3 | 7,89,536 | 13,92,789 |
| (c) Other Intangible assets | 3 | 1,29,691 | 42,865 |
| (d) Other financial assets | 4 | 2,12,618 | 2,08,242 |
| (e) Deferred tax assets (net) | 5 | 2,82,080 | 2,75,028 |
| | | 85,39,981 | 79,24,453 |
| 2 Current assets | | | |
| (a) Inventories | 6 | 66,22,939 | 48,13,148 |
| (b) Financial Assets | | | |
| (i) Investments | 7 | 38,68,316 | 1,93,829 |
| (i) Trade receivables | 8 | 3,95,69,160 | 2,10,44,206 |
| (ii) Cash and cash equivalents | 9 | 10,18,997 | 41,86,773 |
| (iii) Loans | 10 | 54,774 | 23,09,532 |
| (c) Other current assets | 11 | 8,85,309 | 11,90,987 |
| | | 5,20,19,496 | 3,37,38,475 |
| TOTAL ASSETS | | 6,05,59,477 | 4,16,62,928 |
| EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| (a) Equity share capital | 12 | 10,00,000 | 10,00,000 |
| (b) Other Equity | 13 | 3,22,11,783 | 2,28,38,355 |
| | | 3,32,11,783 | 2,38,38,355 |
| 2 Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Lease liability | 30 | 1,16,956 | - |
| (b) Long-term provisions | 14 | 14,63,874 | 12,24,310 |
| | | 15,80,830 | 12,24,310 |
| 3 Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 1,66,09,485 | 1,13,35,119 |
| (ii) Trade payables | 16 | 52,31,912 | 34,85,127 |
| (iii) Lease liability | 30 | 4,345 | - |
| (iv) Other financial liabilities | 17 | - | 4,18,039 |
| (b) Other current liabilities | 18 | 1,83,318 | 2,60,001 |
| (c) Provisions | 19 | 81,139 | 54,729 |
| (d) Current tax liabilities (Net) | 20 | 36,56,666 | 10,47,247 |
| | | 2,57,66,864 | 1,66,00,263 |
| TOTAL EQUITY AND LIABILITIES | | 6,05,59,477 | 4,16,62,928 |

See accompanying notes to the financial statements

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As per our report of event date
 Deloitte Turkey
 Auditors

Place : Istanbul
 Date : 8th May 2020

For and on Behalf of the Board of Directors

Manish Gupta

Manish Gupta
 Director

Thane, 6th May 2020



TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.
Statement of Profit and Loss for the Year ended 31st March 2020
All amounts are in Turkish Lira unless otherwise stated

| Particulars | | Note No | Year Ended 31 March 2020 | Year Ended 31 March 2019 |
|---|---|---------|-----------------------------|-----------------------------|
| (I) | Revenue From Operations | 21 | 6,51,22,067 | 2,77,78,654 |
| (II) | Other Income | 22 | 7,48,968 | 7,87,482 |
| Total Income (I+ II) | | | 6,58,71,035 | 2,85,66,136 |
| (III) | EXPENSES | | | |
| | Cost of materials consumed | 23 | 3,23,71,684 | 1,02,04,474 |
| | Changes in inventories of finished goods and work-in-progress & intermediates | 24 | (2,77,597) | (9,84,627) |
| | Employee benefits expense | 25 | 57,24,948 | 45,53,179 |
| | Finance costs | 26 | 6,11,742 | 5,39,969 |
| | Depreciation and amortization expense | 27 | 7,39,065 | 7,41,264 |
| | Other expenses | 28 | 1,45,14,545 | 87,51,662 |
| Total expenses (III) | | | 5,36,84,387 | 2,38,05,921 |
| (IV) | Profit before tax and exceptional item (III- IV) | | 1,21,86,648 | 47,60,215 |
| (V) | Exceptional item (gain)/loss | | - | - |
| (VI) | Profit before tax and after exceptional item (V-VI) | | 1,21,86,648 | 47,60,215 |
| (VII) | Tax expense: | 29 | | |
| | (a) Current tax | | 26,82,490 | 10,47,247 |
| | (b) Deferred tax | | (1,428) | - |
| | (c) Prior Period tax | | - | (22,30,839) |
| Total Tax (VII) | | | 26,81,063 | (11,83,592) |
| (VIII) | Profit (Loss) for the period (VI-VII) | | 95,05,586 | 59,43,807 |
| (IX) | Other comprehensive income for the year, net of taxes | | (1,12,218) | (2,12,356) |
| (X) | Total Comprehensive Income for the period (VIII - IX) | | 93,93,368 | 57,31,451 |
| (XI) | Earnings per equity share: | 31 | | |
| | (1) Basic | | 0.10 | 0.06 |
| | (2) Diluted | | 0.10 | 0.06 |
| See accompanying notes to the financial statements | | 2 | | |

As per our report of event date
Deloitte Turkey
Auditors

Place : Istanbul
Date : 8th May 2020

For and on Behalf of the Board of Directors

Manish Gupta
Director

Thane, 6th May 2020



TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.
Statement of Changes in Equity (SOCIE) for the period ended 31 March, 2020
All amounts are in Turkish Lira unless otherwise stated

(a) Equity share capital

| Particulars | As at 31 March, 2020 | | As at 31 March, 2020 | |
|---|----------------------|------------------|----------------------|------------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the reporting period | 10,00,00,000 | 10,00,000 | 10,00,00,000 | 10,00,000 |
| Changes in equity share capital during the year/ period | - | - | - | - |
| Balance at the end of the reporting period | 10,00,00,000 | 10,00,000 | 10,00,00,000 | 10,00,000 |

(b) Other Equity

| Reserves and Surplus | As at 31 March, 2020 | | | As at 31 March, 2019 | | |
|---------------------------------------|----------------------|-----------------------|--------------------|----------------------|-----------------------|--------------------|
| | General reserve | Remeasurement Benefit | Retained Earnings | General reserve | Remeasurement Benefit | Retained Earnings |
| Opening balance | 62,37,293 | (2,14,806) | 1,68,15,869 | 62,37,293 | (2,450) | 1,08,72,062 |
| Profit for the period | - | (1,12,218) | 95,05,586 | - | (2,12,356) | 59,43,807 |
| Remeasurement of the defined Benefits | - | - | - | - | - | - |
| Lease IND AS 116 | - | - | (25,564) | - | - | - |
| Deferred Tax - IND AS 116 | - | - | 5,624 | - | - | - |
| Closing balance | 62,37,293 | (3,27,024) | 2,63,01,514 | 62,37,293 | (2,14,806) | 1,68,15,869 |
| | | | 3,22,11,783 | | | 2,28,38,355 |

The accompanying notes are an integral part of the financial statements.

As per our report of event date
 Deloitte Turkey
 Auditors



Place : Istanbul
 Date : 8 May 2020

For and on Behalf of the Board of Directors



Manish Gupta
 Director
 Thane, 6 May 2020



TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes forming part of the financial statements

Notes

1 Legal status and principal activities

TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş. ('the Company') is a company duly organised and incorporated in accordance with the laws of Turkey and is engaged in the manufacturing and marketing of a Vet pharmaceuticals products.

2 Significant accounting policies

2.1 Changes in accounting policies and disclosures:

New and amended standards

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments apply for the first time for the year ending 31 March 2019, but do not have an impact on the consolidated financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the full retrospective method of adoption, with the date of initial application on 1 April 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

2.2 Basis of accounting and preparation of financial statements

The Financial Statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at revalued amounts.

The financial statements of 'TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.(the Company)' have been prepared, in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.3 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprise its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than the subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets to the date the asset is ready for its intended use. Exchange differences arising on restatement/ settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes forming part of the financial statements

2.4 Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. 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 or 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 economic 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 expense 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.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

2.5 Depreciation

Depreciation is provided under the SLM method based on the useful lives

| Name of the Assets | Useful life |
|------------------------|-------------|
| Factory building | 21 years |
| Furniture and fixtures | 5 years |
| Plant & Machinery | 5 years |
| Vehicles | 4 years |

2.6 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial period even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten periods from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.7 Inventory

Inventories comprises of Raw material, Work-in-progress and intermediates, packing material & finished goods. These are valued at the lower of cost and net realizable value. Cost is determined as follows:-

(i) Raw materials & packing material :

At purchase cost including other cost incurred in bringing materials to their present location and condition

(ii) Work in process, intermediates & Finished goods :

At material cost, conversion cost and appropriate share of production overheads

TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes forming part of the financial statements

2.8 Revenue recognition

On 01 April 2018, the Company adopted IND AS 115, Revenue from Contracts with Customers using the modified retrospective method. The company applied the new standard to all contracts with customers within the scope of the standard that were in effect on 01 April 2018. However, no amount was recognized as there was no impact of the cumulative effect of initially applying the new standard as an adjustment to the opening balance of retained earnings. Comparative information for prior periods has not been restated and continues to be reported under the accounting standards in effect for those periods.

The new standard requires to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to in exchange for those goods or services. The new standard introduces a 5-step model to recognize revenue when the control is transferred: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as the performance obligations are satisfied.

Revenue from export sales is recognized on the basis of the shipping bills for exports. Revenue from domestic sales is recognized based on the passage of title of goods which generally coincides with dispatch. Sales are stated net of discounts, other taxes, and sales returns.

Dividend income is recognised when the right to receive the same is established.

Interest income is recognised on an accrual basis.

2.9 Employee benefits

Short term employee benefits are accrued based on the terms of employment when services are rendered by the employees and charged as an expense to the statement of profit and loss.

Leave balances standing to the credit of the employees that are expected to be availed in the short term are provided for on full cost basis.

2.10 Foreign currency transactions

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the period-end rates. Non monetary items of the Company are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the period.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the statement of profit and loss.

2.11 Taxes on income

Income tax comprises the current tax provision. Current tax is the amount of tax payable on the taxable income for the period

2.12 Earnings per share (EPS)

In determining the Earnings per share, the Company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the period. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes forming part of the financial statements

2.13 Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized but are disclosed in the notes to financial statements.

2.14 Use of estimates

The preparation of the financial statements in conformity with the Accounting Standards generally accepted in India requires that the Management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Management believes that the estimates used in preparation of financial statement are prudent and reasonable. Actual results could differ from those estimates and the estimates are recognised in the period in which the results are known/materialise.

2.15 Segment

Segments have been identified taking into account the nature of services, the differing risks and returns, the organizational structure and the internal reporting system.

2.16 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.17 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

2.18 Leases

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (see Note 33).

2.19 Cash and cash equivalents

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

2.20 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

TOPKİM-TOPIKAPI İLAC PREMİKS SAN. VE TİC. A.Ş.

Note 3: Statement of Fixed assets for the year ended 31st March 2020

All amounts are in Turkish Lira unless otherwise stated

| Particulars | As at | As at |
|--------------------------|------------------|------------------|
| | 31 March, 2020 | 31 March, 2019 |
| Carrying Amount of: | | |
| Building | 52,87,070 | 45,79,901 |
| Furniture and fixtures | 1,00,957 | 70,552 |
| Plant and machinery | 16,42,474 | 13,45,165 |
| ROU Lease Asset | 89,247 | - |
| Vehicles | 6,307 | 9,911 |
| | <u>71,26,055</u> | <u>60,05,528</u> |
| Capital work-in-progress | 7,89,536 | 13,92,789 |
| Acquired software | 1,29,691 | 42,865 |
| Total | 80,45,282 | 74,41,183 |

| Cost or deemed cost | Tangible asset | | | | | Intangible asset | Total |
|-------------------------------------|------------------|------------------------|---------------------|-----------------|-----------------|-------------------|--------------------|
| | Building | Furniture and fixtures | Plant and machinery | ROU Lease Asset | Vehicles | Acquired software | |
| Balance as on 01 April, 2018 | 48,30,073 | 4,90,850 | 38,94,332 | - | 2,98,417 | 1,06,032 | 96,19,712 |
| Additions: | | | | | | | |
| Assets acquired | 4,32,309 | 51,778 | 3,74,207 | - | - | - | 8,58,294 |
| Deletions | - | - | - | - | - | - | - |
| Balance as on 31 March, 2019 | 52,62,382 | 5,42,636 | 42,68,539 | - | 2,98,417 | 1,06,032 | 1,04,78,006 |

| Cost or deemed cost | Tangible asset | | | | | Intangible asset | Total |
|-------------------------------------|------------------|------------------------|---------------------|-----------------|-----------------|-------------------|--------------------|
| | Building | Furniture and fixtures | Plant and machinery | ROU Lease Asset | Vehicles | Acquired software | |
| Balance as on 01 April, 2019 | 52,62,382 | 5,42,636 | 42,68,539 | - | 2,98,417 | 1,06,032 | 1,04,78,006 |
| Additions: | | | | | | | |
| Assets acquired | 9,31,318 | 82,549 | 6,54,683 | 99,163 | - | 1,98,625 | 19,66,338 |
| Deletions | - | - | 26,365 | - | - | - | 26,365 |
| Balance as on 31 March, 2020 | 61,93,700 | 6,25,185 | 48,96,857 | 99,163 | 2,98,417 | 3,04,657 | 1,24,17,979 |

| Accumulated depreciation | Tangible asset | | | | | Intangible asset | Total |
|--|-----------------|------------------------|---------------------|-----------------|-----------------|-------------------|------------------|
| | Building | Furniture and fixtures | Plant and machinery | ROU Lease Asset | Vehicles | Acquired software | |
| Balance as on 01 April, 2018 | 25,72,806 | 1,46,675 | 11,84,094 | - | (1,65,159) | - | 37,38,416 |
| Depreciation / amortisation expense for the year | (18,90,326) | 3,25,410 | 17,89,744 | - | 5,07,204 | 58,552 | 7,90,584 |
| Deletions | - | - | 50,464 | - | 53,539 | - | 1,04,003 |
| Balance as on 31 March, 2019 | 6,82,481 | 4,72,085 | 29,23,374 | - | 2,88,506 | - | 44,24,997 |

| Accumulated depreciation | Tangible asset | | | | | Intangible asset | Total |
|--|-----------------|------------------------|---------------------|-----------------|-----------------|-------------------|------------------|
| | Building | Furniture and fixtures | Plant and machinery | ROU Lease Asset | Vehicles | Acquired software | |
| Balance as on 01 April, 2019 | 6,82,481 | 4,72,085 | 29,23,374 | - | 2,88,506 | - | 43,66,445 |
| Depreciation / amortisation expense for the year | 2,24,149 | 52,144 | 3,37,454 | 9,916 | 3,604 | 1,11,799 | 7,39,065 |
| Deletions | - | - | 6,445 | - | - | - | 6,445 |
| Balance as on 31 March, 2020 | 9,06,630 | 5,24,228 | 32,54,383 | 9,916 | 2,92,110 | 1,11,799 | 50,99,066 |

| Carrying amount | Tangible asset | | | | | Intangible asset | Total |
|-------------------------------------|------------------|------------------------|---------------------|-----------------|--------------|-------------------|------------------|
| | Building | Furniture and fixtures | Plant and machinery | ROU Lease Asset | Vehicles | Acquired software | |
| Balance as on 01 April, 2018 | 22,57,266 | 3,44,183 | 27,10,238 | - | 4,63,576 | 1,01,417 | 58,76,680 |
| Additions: | | | | | | | |
| Assets acquired | 4,32,309 | 51,778 | 3,74,207 | - | - | - | 8,58,294 |
| Deletions | - | - | (50,464) | - | (53,539) | - | (1,04,003) |
| Depreciation expense | (18,90,326) | 3,25,410 | 17,89,744 | - | 5,07,204 | 58,552 | 7,90,584 |
| Balance as on 31 March, 2019 | 45,79,901 | 70,552 | 13,45,165 | - | 9,911 | 42,865 | 60,48,393 |

| Carrying amount | Tangible asset | | | | | Intangible asset | Total |
|-------------------------------------|------------------|------------------------|---------------------|-----------------|--------------|-------------------|------------------|
| | Building | Furniture and fixtures | Plant and machinery | ROU Lease Asset | Vehicles | Acquired software | |
| Balance as on 01 April, 2019 | 45,79,901 | 70,552 | 13,45,165 | - | 9,911 | 42,865 | 60,48,393 |
| Additions: | | | | | | | |
| Assets acquired | 9,31,318 | 82,549 | 6,54,683 | 99,163 | - | 1,98,625 | 19,66,338 |
| Deletions | - | - | 19,920 | - | - | - | 19,920 |
| Depreciation expense | 2,24,149 | 52,144 | 3,37,454 | 9,916 | 3,604 | 1,11,799 | 7,39,065 |
| Balance as on 31 March, 2020 | 52,87,070 | 1,00,957 | 16,42,474 | 89,247 | 6,307 | 1,29,691 | 72,55,746 |

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TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes to accounts

All amounts are in Turkish Lira unless otherwise stated

| Note No. | Particulars | As at - 31st Mar 2020 | As at 31st Mar 2019 |
|-----------|---|--------------------------|------------------------|
| 4 | Non current Other Financial assets | | |
| | Security Deposits | 2,12,618 | 2,08,242 |
| | | <u>2,12,618</u> | <u>2,08,242</u> |
| 5 | Deferred tax assets (net) | | |
| | On account of Leases | 7,052 | - |
| | Others | 2,75,028 | 2,75,028 |
| | | <u>2,82,080</u> | <u>2,75,028</u> |
| 6 | Inventories | | |
| | Raw materials and packing materials | 53,60,714 | 38,28,521 |
| | Work-in-progress and intermediates | 85,584 | - |
| | Finished goods | 11,76,641 | 9,84,627 |
| | | <u>66,22,939</u> | <u>48,13,148</u> |
| 7 | Current Investments | | |
| | Investments in Mutual funds | 38,68,316 | 1,93,829 |
| | | <u>38,68,316</u> | <u>1,93,829</u> |
| 8 | Trade receivables | | |
| | Unsecured, considered good | 3,95,69,160 | 2,10,44,206 |
| | | <u>3,95,69,160</u> | <u>2,10,44,206</u> |
| 9 | Cash and cash equivalents | | |
| | Cash on hand | 643 | 643 |
| | Balances with banks in current account | 10,18,354 | 41,86,130 |
| | | <u>10,18,997</u> | <u>41,86,773</u> |
| 10 | Loans | | |
| | Unsecured, considered good | | |
| | Advances to employees | 54,774 | 1,67,985 |
| | Loans & Advances to related parties | - | 21,41,547 |
| | | <u>54,774</u> | <u>23,09,532</u> |
| 11 | Other current assets | | |
| | Advance to suppliers | 3,97,749 | 5,16,977 |
| | Balances with government authorities | 3,73,559 | 6,22,184 |
| | Prepaid expenses | 1,13,161 | 46,926 |
| | Others | 839 | 4,900 |
| | | <u>8,85,309</u> | <u>11,90,987</u> |

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TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes to accounts

All amounts are in Turkish Lira unless otherwise stated

| Note No. | Particulars | As at | | | |
|-----------|---|---------------------|------------------|---------------------|--------------------|
| | | 31st Mar 2020 | 31st Mar 2019 | | |
| 12 | Share capital | | | | |
| (a) | Authorised | | | | |
| | 100,000,000 equity shares of TRL 0.01 | 10,00,000 | 10,00,000 | | |
| (b) | Issued, Subscribed and fully paid up | | | | |
| | 100,000,000 equity shares of TRL 0.01 | 10,00,000 | 10,00,000 | | |
| | | <u>10,00,000</u> | <u>10,00,000</u> | | |
| | Notes: | | | | |
| | (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period: | | | | |
| | Particulars | As at 31 March 2020 | | As at 31 March 2019 | |
| | Equity shares | Nos of Shares | Amount | Nos of Shares | Amount |
| | Shares outstanding at the beginning of the period | 10,00,00,000 | 10,00,000 | 10,00,00,000 | 10,00,000 |
| | Add: Shares issued during the period | | | | |
| | Shares outstanding at the end of the period | <u>10,00,00,000</u> | <u>10,00,000</u> | <u>10,00,00,000</u> | <u>10,00,000</u> |
| | (ii) Terms/rights attached to equity shares | | | | |
| | In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders. | | | | |
| | (iii) Details of shares held by each shareholder holding more than 5% shares | | | | |
| | Equity shares | As at 31 March 2020 | | As at 31 March 2019 | |
| | | Nos of Shares | % of Holding | Nos of Shares | % of Holding |
| | Provet | 10,00,00,000 | 100% | 10,00,00,000 | 100% |
| 13 | Other equity | | | | |
| (a) | Retained Earnings | | | | |
| | Opening Balance | | | 1,66,01,063 | 1,08,69,612 |
| | Profit for the year | | | 95,05,586 | 59,43,807 |
| | Lease IND AS 116 | | | (25,564) | - |
| | Deferred Tax IND AS 116 | | | 5,624 | - |
| | Remeasurement Benefit | | | (1,12,218) | (2,12,356) |
| | Closing balance | | | <u>2,59,74,490</u> | <u>1,66,01,063</u> |
| (b) | General reserves | | | | |
| | Opening Balance | | | 62,37,293 | 62,37,293 |
| | Add movement during the year | | | - | - |
| | Closing balance | | | <u>62,37,293</u> | <u>62,37,293</u> |
| | Other equity | | | <u>3,22,11,783</u> | <u>2,28,38,355</u> |
| 14 | Non current provisions | | | | |
| | Provision for employee benefits | | | | |
| | Provision for gratuity (net) | | | 3,89,465 | 2,24,310 |
| | Provision for compensated absences | | | 74,409 | - |
| | Other employee Provision | | | 10,00,000 | 10,00,000 |
| | | | | <u>14,63,874</u> | <u>12,24,310</u> |

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TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes to accounts

All amounts are in Turkish Lira unless otherwise stated

| Note No. | Particulars | As at | As at |
|----------|--|--------------------|--------------------|
| | | 31st Mar 2020 | 31st Mar 2019 |
| 15 | Current financial liabilities | | |
| | Unsecured | | |
| | From related parties | 1,66,09,485 | 1,13,35,119 |
| | | <u>1,66,09,485</u> | <u>1,13,35,119</u> |
| 16 | Current financial liabilities | | |
| | Trade payable | 52,31,912 | 34,85,127 |
| | | <u>52,31,912</u> | <u>34,85,127</u> |
| 17 | Other current financial liabilities | | |
| | Current maturities of long-term debt | - | 4,18,039 |
| | | <u>-</u> | <u>4,18,039</u> |
| 18 | Other Current Liabilities | | |
| | Statutory remittances | 1,83,318 | 2,60,001 |
| | | <u>1,83,318</u> | <u>2,60,001</u> |
| 19 | Current provisions | | |
| | Provision for gratuity (net) | 74,414 | 54,729 |
| | Provision for compensated absences | 6,725 | - |
| | | <u>81,139</u> | <u>54,729</u> |
| 20 | Current tax liabilities (Net) | | |
| | Provision for taxation | 36,56,666 | 10,47,247 |
| | | <u>36,56,666</u> | <u>10,47,247</u> |

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TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes to accounts

All amounts are in Turkish Lira unless otherwise stated

| Note No | Particulars | Year Ended 31 March 2020 | Year Ended 31 March 2019 |
|-----------|--|-----------------------------|-----------------------------|
| 21 | Revenue from operations | | |
| | n) Sale of products | 6,51,22,067 | 2,77,78,654 |
| | | <u>6,51,22,067</u> | <u>2,77,78,654</u> |
| 22 | Other Income | | |
| | Interest income | 1,52,757 | 2,05,285 |
| | Net gain on sale of investments | 1,82,481 | 15,309 |
| | Other non-operating income | 5,210 | |
| | Profit/Loss on Sales of Fixed Assets | 6,465 | |
| | Miscellaneous Income | 4,02,055 | 5,66,889 |
| | | <u>7,48,968</u> | <u>7,87,482</u> |
| 23 | Cost of materials consumed | | |
| | Opening stock | 38,28,521 | 22,39,783 |
| | Add: Purchases | 3,39,03,878 | 1,17,93,211 |
| | Less: Closing stock | 53,60,714 | 38,28,521 |
| | | <u>3,23,71,684</u> | <u>1,02,04,474</u> |
| 24 | Changes in inventories of finished goods and work-in-progress & intermediates | | |
| | Opening stock | | |
| | Work-in-progress and intermediates | | |
| | Finished goods | 9,84,627 | 1 |
| | | <u>9,84,627</u> | <u>1</u> |
| | Closing stock | | |
| | Work-in-progress and intermediates | 85,584 | |
| | Finished goods | 11,76,641 | 9,84,627 |
| | | <u>12,62,224</u> | <u>9,84,627</u> |
| | Net (increase) / decrease | <u>(2,77,597)</u> | <u>(9,84,627)</u> |
| 25 | Employee benefits expense | | |
| | Salaries and wages | 41,96,171 | 34,69,144 |
| | Contribution to provident and other funds | 9,29,022 | 7,58,646 |
| | Gratuity | 99,169 | |
| | Staff welfare expenses | 5,00,585 | 3,25,389 |
| | | <u>57,24,948</u> | <u>45,53,179</u> |
| 26 | Finance costs | | |
| | Interest expense | 5,47,967 | 4,23,265 |
| | Lease Interest costs | 29,574 | |
| | Other borrowing costs | 34,201 | 1,16,703 |
| | | <u>6,11,742</u> | <u>5,39,969</u> |
| 27 | Depreciation and amortization expense | | |
| | Tangible assets | 6,27,267 | 7,32,032 |
| | Intangible assets | 1,11,799 | 9,232 |
| | | <u>7,39,065</u> | <u>7,41,264</u> |

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TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.

Notes to accounts

All amounts are in Turkish Lira unless otherwise stated

| Note No | Particulars | Year Ended 31 March 2020 | Year Ended 31 March 2019 |
|-----------|---|-----------------------------|-----------------------------|
| 28 | Other expenses | | |
| | Travel expenses | 13,51,691 | 10,34,821 |
| | Communication expenses | 72,663 | 93,746 |
| | Consumables | 66,267 | 18,824 |
| | Contract labour charges | 63,50,500 | 14,00,000 |
| | Legal and Professional charges | 2,96,902 | 1,12,156 |
| | Freight and forwarding | 1,14,168 | 66,860 |
| | Power and fuel | 2,69,582 | 1,21,302 |
| | Rent | 8,125 | 82,163 |
| | Analytical charges | 1,26,932 | 60,635 |
| | Repairs to others | 1,94,640 | 92,594 |
| | Insurance | 1,42,885 | 46,537 |
| | Advertisement and selling expenses | 23,70,597 | 6,02,694 |
| | Rates and taxes | 2,33,169 | 27,427 |
| | Net loss on foreign currency transactions and translation | 18,36,655 | 37,36,352 |
| | Other expenses | 10,79,768 | 12,55,550 |
| | | 1,45,14,545 | 87,51,662 |
| 29 | Tax expense | | |
| | Current tax | 26,82,490 | 10,47,247 |
| | Deferred tax leases | (1,428) | |
| | Prior Period Taxes | - | (22,30,839) |
| | | 26,81,063 | (11,83,592) |

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TOPKİM-TOPKAPI İLAÇ PREMİKS SAN. VE TİC. A.Ş.
Notes for the period of April'19 to March'20
All amounts are in Turkish Lira unless otherwise stated

30 Details of leasing arrangements

The Company's significant leasing arrangement is mainly in respect of office premises; the aggregate lease rent payable on these leasing arrangements charged to Statement of Profit and Loss is TRY 41,125

The following is the movement in lease liabilities during the year ended 31 March 2020:

| | |
|------------------------------------|-----------------|
| Balance as at 1 April 2019 | 1,24,727 |
| Accretion of interest | 29,574 |
| Payments | (33,000) |
| Balance as at 31 March 2020 | 1,21,301 |
| Current | 4,345 |
| Non-current | 1,16,956 |

The effective interest rate for lease liabilities is 24%, with maturity till Mar,2029

The following are the amounts recognised in profit or loss:

| | |
|--|----------------------|
| | Year ended |
| | 31 March 2020 |
| Depreciation expense of right-of-use assets | 9,916 |
| Interest expense on lease liabilities | 29,574 |
| Deferred tax leases | (1,428) |
| Total amount recognised in profit or loss | 38,062 |

31 Earnings per share

| Particulars | Year Ended | Year Ended |
|--|---------------|---------------|
| | 31 March 2020 | 31 March 2019 |
| Net profit / (loss) for the period as per statement of profit and loss | 95,05,586 | 59,43,807 |
| Net profit / (loss) for the period attributable to the equity shareholders | 95,05,586 | 59,43,807 |
| Weighted average number of equity shares | 10,00,00,000 | 10,00,00,000 |
| Earnings / (Loss) per share - Basic | 0.10 | 0.06 |
| Earnings / (Loss) per share - Diluted | 0.10 | 0.06 |

32 Contingent liabilities and commitments

There are no contingent liability and commitments as at 31 March 2018 & 31st March 2019

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of

| | | |
|-----------------------|-------------------|----------------------|
| | Year Ended | Year Ended |
| | 31 March | 31 March 2019 |
| Tangible Fixed assets | Nil | Nil |

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33 Details on derivatives instruments and unhedged foreign currency exposures

The year-end foreign currency exposures that have not been hedged by a derivative instrument or

| Foreign currency | As at 31st March 2020 | As at 31st March 2019 |
|-----------------------------|--------------------------|--------------------------|
| USD | | |
| Receivable | 68,579 | 7,11,017 |
| Payable | (21,35,672) | (21,08,890) |
| Net exposure in USD | (20,67,093) | (13,97,873) |
| EURO | | |
| Receivable | 1,525 | 21,710 |
| Payable | - | - |
| Net exposure in EURO | 1,525 | 21,710 |

34 Segment information

Segments have been identified taking into account the nature of services, the differing risks and returns, the organisational structure and the internal reporting system

Primary segment: Business segment

The Company is mainly engaged in the business of manufacturing and marketing of Vet Pharmaceutical products. Considering the nature of business and financial reporting of the Company, the Company has only one business segment viz; Vet formulation as primary reportable segment.

Secondary Segment Information (Geographical Segment)

| Particulars | Year Ended 31 March 2020 | Year Ended 31 March 2019 |
|---|-----------------------------|-----------------------------|
| Revenue from operation | | |
| Europe | 3,16,155 | - |
| Asia | 6,48,05,913 | 2,77,78,654 |
| Total | 6,51,22,067 | 2,77,78,654 |
| Segment Assets | | |
| Europe | 14,127 | - |
| Asia | 6,05,45,350 | 4,16,62,928 |
| Total | 6,05,59,477 | 4,16,62,928 |
| Cost incurred during the year to acquire segment assets (tangible and intangible fixed assets) | | |
| Asia | 19,66,338 | 8,58,294 |
| Total | 19,66,338 | 8,58,294 |

TOPKİM TOPKAPI İLAÇ PREMİKS SANAYİ VE TİCARET A.Ş.

Notes forming part of the financial statements

All amounts are in Turkish Lira unless otherwise stated

Note 35 Related Party Disclosures**Holding company:**

Provet Veteriner Ürünleri San. ve Tic. A.Ş.

Alivira Animal Health Limited, Ireland ((Holding company of Provet Veteriner Ürünleri San. ve Tic. A.Ş.))

Alivira Animal Health Limited, India (Holding company of Alivira Animal Health Limited, Ireland)

Sequent Scientific Limited, India (Ultimate Holding Company)

Laboratorios Karizoo SA

Key Management Personnel

Dr. Huseyin Aydin

Manish Gupta

A. Transaction during the year

| | Year Ended 31.03.2020 | Year Ended 31.03.2019 |
|--|--------------------------|--------------------------|
| (i) Purchase of materials/services | | |
| Alivira Animal Health Ltd, India | 14,87,036 | 3,23,525 |
| Provet Veteriner Ürünleri San. ve Tic. A.Ş. | 1,45,03,259 | 51,40,814 |
| Laboratorios Karizoo SA | 18,360 | - |
| (ii) Sale of materials/services | | |
| Provet Veteriner Ürünleri San. ve Tic. A.Ş. | 1,17,18,062 | 13,28,689 |
| (iii) Interest on Loan | | |
| Dr. Huseyin Aydin | 4,86,687 | 4,09,833 |
| (iv) Expenses from Car rent cross charge | | |
| Provet Veteriner Ürünleri San. ve Tic. A.Ş. | 7,92,000 | - |
| (v) Expenses from Conversion charges cross charge | | |
| Provet Veteriner Ürünleri San. ve Tic. A.Ş. | 63,50,500 | - |
| (iv) Loan repaid during the year | | |
| Dr. Huseyin Aydin | 9,84,876 | - |

B. Balance as at balance sheet date:

| | As at 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| i) Loan/Advance receivable | | |
| Provet Veteriner Ürünleri San. ve Tic. A.Ş. | - | 21,41,547 |
| ii) Borrowing | | |
| Dr. Huseyin Aydin | 1,28,70,343 | 1,13,35,119 |
| Provet Veteriner Ürünleri San. ve Tic. A.Ş. | 37,39,142 | - |
| iii) Creditors balance | | |
| Alivira Animal Health Ltd, India | 1,49,373 | 77,109 |
| Alivira Animal Health Ltd, Ireland | 95,499 | 1,01,064 |

The accompanying notes are an integral part of the financial statements.

As per our report of event date
Deloitte Turkey
AuditorsPlace : Istanbul
Date : 8 May 2020

For and on Behalf of the Board of Directors

Manish Gupta
Manish Gupta
Director
Thane, 6 May 2020