

July 30, 2020

To,
Corporate Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot No.C-1, G Block,
BKC, Bandra (E), Mumbai 400 051
Scrip Code: **NSE - KILITCH**

Dear Sir,

Sub: Reply to the Clarification sought on Financial Results of the Company.

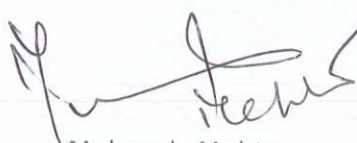
With reference to clarification sought by your good office, Please find attached herewith Auditor's Report on Consolidated Financial Results.

Kindly apologies for the error, we will take care in future.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For **Kilitch Drugs (India) Limited**



Mukund Mehta
Managing Director
DIN: 00147876



A. M. GHELANI & COMPANY
CHARTERED ACCOUNTANTS

Independent Auditor's Report on Quarterly and Year to Date Consolidated Financial Results of Kilitch Drugs (India) Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended)

To,
The Board of Directors of
Kilitch Drugs (India) Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of quarterly and year to date Consolidated Financial Results of **Kilitch Drugs (India) Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates for the quarter and year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements/financial results/financial information of the subsidiaries, the statement:

i. includes the results of entities as given below:

List of Subsidiaries:

1. Monarchy Healthserve Private Limited
2. Kilitch Estro Biotech PLC – Foreign Subsidiary

ii. is presented in accordance with requirements of the Listing Regulations in this regard; and

iii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit, other comprehensive loss and other financial information of the Group for the quarter and year ended March 31, 2020.

Basis for Opinion



We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (as amended) (the "Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associates in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 4 of the Statement, which states the impact of Corona virus Disease 2019 (Covid-19) on the operations of the Group. Our opinion is not modified in respect of this matter

Management's Responsibility for the Consolidated Financial Results

The statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of statement that give a true and fair view of the net profit, other comprehensive loss and other financial information of the Group including its associates in accordance with the applicable accounting standards specified under section 133 of the Act, read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of these Company included in the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates is also responsible for overseeing the financial reporting process to the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financials Statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group to continue

as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statements, including the disclosures, and whether the statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information/financial results of the entities within the Group and its associates, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matters

1. We have relied on the unaudited financial statements of one foreign subsidiary, whose financial statements reflects Total Assets of Rs. 4,509.56 Lakhs as at 31st March, 2020, as considered in the consolidated financial results. These unaudited financial statements have been furnished to us by the management and our opinion on the statement, in so far as it



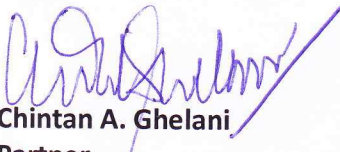
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CHARTERED ACCOUNTANTS

relates to the amounts included in respect of the said subsidiary is solely based on such unaudited financial statements certified by the management. Our conclusion on the Statement is not modified in respect of the other matter.

2. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For A. M. Ghelani & Company
Chartered Accountants
Firm Registration No. 103173W




Chintan A. Ghelani
Partner
Membership No. 104391

ICAI UDIN: 20104391 AAAAB L6579

Place : Mumbai
Date : 30th June, 2020