



JOSHI VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of
Biodeal Pharmaceuticals Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Biodeal Pharmaceuticals Private Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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.
- 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 information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for JOSHI VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: CHANDIGARH

DATE: 01/09/2016



M.No. 097336

FRN: 016437N

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act,
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares 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 and hence not commented upon.



- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

PLACE: CHANDIGARH
DATE: 01/09/2016

for JOSHI VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS



(VISHAL JOSHI)

M.NO : 097336

ERN : 016437N

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Biodeal Pharmaceuticals Private Limited

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

We have audited the internal financial controls over financial reporting of Biodeal Pharmaceuticals Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, "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".

PLACE: CHANDIGARH

DATE: 01/09/2016

for JOSHI VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS



M.NO: 077356

FRN: 016437N

BIODEAL PHARMACEUTICALS PVT LTD
VILLAGE SAINI MAJRA, NALAGARIH ROPAR ROAD, TEHSIL NALAGARIH,
DISTT. SOLAN, HIMACHAL PRADESH

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

D SIGNIFICANT ACCOUNTING POLICIES:-

1 Basis of Preparation of Financial Statements:-

The company maintains its accounts on accrual basis following the historical cost conventions in accordance with generally accepted Accounting principles (GAAP) and in compliance with the Accounting Standards referred in in section 133 and other requirements of the Companies Act 2013.

The preparation of the financial statements in conformity with GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of profits and losses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements.

2 Fixed Assets:-

Fixed Assets are stated at cost, less accumulated depreciation and impairment losses if any. All cost related to the acquisition and installation of Fixed Assets are capitalised.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

3 Depreciation:-

Depreciation on fixed assets is provided on written down method basis in accordance with & in the manner as specified in the Schedule II to the Companies Act, 2013."

4 Inventories:-

Inventories are valued at lower of cost and net realisable value. Work In progress is valued at cost as per the measurements taken and certified by the management.

5 Revenue Recognition:-

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

- a. Revenue from sale of goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.
- b. Other income is accounted for on accrual basis as and when the right to receive arises.

6 Research and Development:-

Revenue expenditure incurred on Research & Development is charged to Profit & Loss Account in the year in which it is incurred.

7 Investments:-

- i. Investments are classified as Long Term and Current Investments.
- ii Long Term Investments are carried at Cost. Provision for Diminution, if any in the value of each long term investment is made to recognize a decline other than of temporary nature.
- iii Current Investments are stated at lower of cost or fair value and the lower of cost or fair value resultant decline, if any, is charged to revenue.
- iv Dividend income is recognized when the right to receive payment is established.



8 Retirement Benefits:-

The company's contribution to defined contribution plans is charged to Profit & Loss Account as incurred. Defined Contribution Plan is provided on the basis of valuation as at Balance Sheet date based on an actuarial valuation.

9 Taxes on Income:

Tax expenses comprise of current and deferred income tax, fringe benefit tax and wealth tax. Current income tax and Fringe benefits tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient further taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty that such deferred tax assets can be realized against further taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that further taxable income will be available against which such deferred tax assets can be realized.

10 Miscellaneous Expenditure:-

Preliminary Expenses are written off equally over a period of ten years.

11 Impairment of Assets:-

At each balance sheet date, the carrying amounts of fixed assets are reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (recoverable amount is the higher of an assets net selling price or value in use). In assessing the value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-discounted rate that reflects the current market assessment of time value of money and risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the profit and Loss account.

12 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has

- 1 A present obligation as a result of past events,
- 2 It is probable that an outflow of resources will be required to settle the obligation,
- 3 In respect of which a reliable estimate can be made.

Provisions are determined based on the best estimates required to fulfill the obligation on the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



13 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividend & taxes) by the weighted average number of equity shares outstanding during the year. Equity shares that are partly paid up are treated as a fraction of an equity share to the extent they entitled to participate in dividends. The weighted average numbers of equity shares outstanding during the year are adjusted for events such as bonus issue, bonus element in a right issue to the existing shareholders, share split and consolidation of shares.

For the purpose of calculating diluted EPS, the net profit or loss attributable to equity share holders and weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

14 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprises cash at bank, cash in hand & short term investments

15 Foreign Exchange Transactions

Foreign Exchange Transactions are recorded at the exchange rate prevailing on the date of transaction. All exchange differences in respect of foreign currency transactions are dealt with in the Profit & Loss Account.



11) NOTES TO ACCOUNTS

1. Land of the Company is yet to be entered in Revenue Records of the Himachal State Revenue Authorities.
2. The balances of advances, debtors & creditors are subject to confirmation.
3. In the opinion of the Management, the current assets, loans and advances, if realized in the ordinary course of business, have a realizable value which is at least equal to the value at which these are stated in the accounts.
4. The amount of Service Tax payable was paid before the due date of filing of Service Tax Return for the year.
5. Contingent Liability: NIL.
6. The liability in respect of Sales Tax and Income Tax has been accounted for on the basis of respective returns filed with the relevant authorities. Additional Demand, if any, is accounted for in the year in which the assessment is completed.

7. AUDITORS REMUNERATION

Audit fee	80150/-	37000/-
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8. Earning Per Share

	2015-16	2014-15
a. Weighted average number of shares	25000000	25000000
b. Net profit/(loss) available for Equity Share Holders	15084420	2000690
c. Basic & Diluted Earning per Share	0.59	0.06

9. Related Party Disclosure

Disclosure as required by the Accounting Standard 18: Related Party Disclosures:

A. Related parties

1. Key Management Personnel

Sh. Anurag Kumar
Sh. H.D.Kansagra
Sh. N.P.Patel
Sh. Gunjan Kumar
Sh. Subodh Singh Prasad

2. Associated Companies, Firms and Relatives

Sh. Chandrakant P. Patel
Sh. Deepak Bhai P. Patel
Sh. Popet Bhai N. Patel
Devang Pharma Pvt. Ltd
Devang Paper Mills Pvt. Ltd
Marshal Leasing & Finance Co.
Smt. Mitalben H.Kansagra



B. Transactions with Related Parties	(In Lacs)	(In Lacs)
	Current Year	Previous Year
Remuneration to Directors and their Relatives	9.00	36.00
Interest to Directors and their Relatives	100.00	21.47
Purchases from associate companies & Firms	0.00	0.00
Sales to Holding Company	0.00	0.00
Sales to associate companies & Firms	0.00	0.00
Rendering of Services from associate companies, Firms	0.00	0.00
Rendering of Services to associate companies, Firms &	0.00	0.00

10 Deferred Tax Liability:

The deferred tax liability as on 31.03.16 amounting to Rs. 314244/- has been charged to profit & loss account. Deferred tax assets and liabilities are being offset as they relate to taxes income levied by the same governing taxation laws. Major components of deferred tax liability are as under:

Particulars	As on 31.03.16	As on 31.03.15
Deferred Tax Liability		
Difference between carrying amount of Fixed Assets	10.17	13.49
Total A	10.17	13.49
Deferred Tax Assets		
Unabsorbed Depreciation as per Returns	0.00	0.00
Expenses Disallowed u/s 43B	-	-
Sales Tax	-	-
Penalty	-	-
Donation	-	-
Gratuity	-	-
Total B	-	-
Net Timing Difference (A - B)	10.17	13.49
Net Deferred Tax Liability	3.14	4.17

11. The debit and credit balance in the accounts of Debtors and Suppliers are subject to their respective confirmation and reconciliation.

12. In the opinion of the Board of Directors, the current assets, loans and advances are having the value as stated in the balance sheet, if realized in the ordinary course of business.

13. Impairment of Assets

As per AS-28 Impairment of Assets issued by ICAI, the management has reviewed its cash generating unit as on 31.03.2016. No such indication has been found by the management that the recoverable amount of Asset is less than the carrying amount. Hence no impairment loss on asset has been recognized.



- 14 There was no employee employed through out the year or for a part of the year who was getting salary in excess of the limits specified under Section 217(2A) of the Companies Act.
- 15 The figures relating to the previous year have been regrouped / rearranged wherever necessary to make them comparable with the current year.

Place: Chandigarh.
Date: 01/09/2016

For Joshi Vishal & Associates
Chartered Accountants



M.No:97336

FAN:016437N

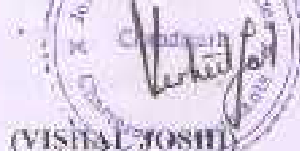
BIODEAL PHARMACEUTICALS PVT. LTD.
BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS'S FUNDS			
SHARE CAPITAL	1	250000000	250000000
RESERVES AND SURPLUS	2	(12970768)	(106716209)
NON-CURRENT LIABILITIES			
LONG-TERM BORROWINGS	3	103056082	100000000
DEFERRED TAX LIABILITIES (NET)	4	0	32586435
CURRENT LIABILITIES			
SHORT TERM BORROWINGS	5	56161671	39214764
TRADE PAYABLES	6	30293616	27995043
OTHER CURRENT LIABILITIES	7	17897375	5096595
TOTAL		444437976	348176627
<u>ASSETS</u>			
NON- CURRENT ASSETS			
FIXED ASSETS			
TANGIBLE ASSETS			
TANGIBLE ASSETS	8	251046602	253722795
INTANGIBLE ASSET		6243714	0
NON-CURRENT INVESTMENT	9	50000	50000
DEFERRED TAX ASSET (NET)	10	46074586	0
CURRENT ASSETS			
INVENTORIES	11	70202807	58592829
TRADE RECEIVABLES	12	56130688	22585571
CASH AND CASH EQUIVALENTS	13	4485048	4856545
SHORT TERM LOANS AND ADVANCES	14	9664076	6826346
OTHER CURRENTS ASSETS	15	540455	1542541
TOTAL		444437976	348176627

AUDITORS REPORT

As per our separate report of even date annexed

FOR JOSHI VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS



(VISHAL JOSHI)

PLACE : CHANDIGARH

DATE : 01/09/2016

Gunjan Kumar

DIRECTOR

Gunjan Kumar

DIN: 05203788

Subodh Prasad Singh

DIRECTOR

Subodh Prasad Singh

DIN: 07148323

BIODEAL PHARMACEUTICALS PVT. LTD.
STATEMENT OF PROFIT AND LOSS AS ON 31ST MARCH, 2016

PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
INCOME			
REVENUE FROM OPERATIONS	16	216176675	181048620
OTHER INCOME	17	490236	712355
TOTAL REVENUE		216666911	181760975
EXPENSES:			
COST OF MATERIALS CONSUMED	18	82548596	70230845
CHANGE IN INVENTORIES OF FINISHED GOODS	19	5875580	(5149539)
STOCK-IN-PROCESS AND STOCK IN TRADE			
EMPLOYEE BENEFITS EXPENSE	20	51792998	54515444
FINANCE COSTS	21	15627363	5299738
DEPRECIATION AND AMORTISATION EXPENSES	22	15196847	15759531
OTHER EXPENSES	23	30541107	39104266
TOTAL EXPENSES		201582491	179760285
PROFIT/(LOSS) BEFORE TAX		15084420	2000690
TAX EXPENSES:			
CURRENT TAX		0	0
DEFERRED TAX		314244	416860
PROFIT/(LOSS) FOR THE PERIOD		14770176	1583830
EARNING PER EQUITY SHARE:-			
BASIC		0.59	0.06
DILUTED		0.59	0.06

AUDITORS REPORT

As per our separate report of even date annexed.

FOR JOSHI VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS



(VISHAL JOSHI)

PLACE : CHANDIGARH

DATE : 01/09/2016

Gunjan Kumar

DIRECTOR

Gunjan Kumar

DIN: 05203788

Subodh Prasad Singh

DIRECTOR

Subodh Prasad Singh

DIN: 07148323

BIODEAL PHARMACEUTICALS PVT. L.TD.

CASH FLOW STATEMENT

CASH FLOW FROM OPERATING ACTIVITIES	As at 31st March, 2016	As at 31st March, 2015
Net Profit Before Tax	15084420	2000690
Adjustments for:		
Depreciation	15180904	15742687
Preliminary Expenses w/off	0	0
Deferred Revenue Expenditure	0	0
(Profit)/loss on sale of Assets	0	0
Interest & Finance Charges	15627363	5299738
Interest On Income Tax Refund	0	0
Interest on FD	0	0
Dividend Income	30807366	0
Operating Profit before Working Capital Changes	45891786	23043115
Adjustments for:		
Decrease/(Increase) in Preliminary Expenses	0	0
Decrease/(Increase) in Receivables	(35380760)	12080290
Decrease/(Increase) in Inventories	(11609978)	(29001861)
Increase/(Decrease) in Payables	32046260	3720167
Cash generated from operations	30947308	9841711
Income Tax Adjustment	0	0
Interest On Income Tax Refund	0	0
Net Cash flow from Operating activities	30947308	9841711
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(18806118)	(798493)
Investment in Shares	0	0
Sale of Fixed Assets	58593	464213
Increase in Advances & others	0	0
Interest on FD	0	0
Dividend Income	0	0
Net Cash used in Investing activities	(18747525)	(334280)
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Capital	0	0
Increase/(Decrease) in Share Application Money	0	0
Proceeds from Long term Borrowings	3056082	(3068236)
Interest paid	(15627363)	(5299738)
Net Cash used in financing activities	(12571281)	(8367974)
Net increase/(Decrease) in cash & Cash Equivalents	(371498)	1139457
Opening Balance	4856545	3717088
Balance at close	4485048	4856545
Cash & Cash Equivalents	As on 31/03/2016	As on 31/03/2015
Cash in Hand	297081	38358
Cash at Bank	4187967	4818187
Cash & Cash equivalents as stated	4485048	4856545

AUDITORS REPORT

As per our separate report of even date annexed

FOR JASH VISHAL & ASSOCIATES
CHARTERED ACCOUNTANTS



DATE : 01/04/2016

(Signature)

DIRECTOR

DIRECTOR

BIODEAL PHARMACEUTICALS PVT. LTD.

SHARE CAPITAL

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<u>AUTHORISED SHARE CAPITAL</u>		
25000000 EQUITY SHARES OF RS 10/- EACH	250000000	250000000
TOTAL	250000000	250000000
<u>ISSUED SUBSCRIBED AND PAID UP</u>		
250000000 (PREVIOUS YEAR 250000000) EQUITY SHARES OF RS. 10/- EACH FULLY PAID UP	250000000	250000000
TOTAL	250000000	250000000

**1A. RECONCILIATION OF THE SHARES OUTSTANDING AT THE BEGINNING
AND AT THE END OF THE REPORTING PERIOD**

PARTICULARS	AS AT 31ST MARCH 2016		AS AT 31ST MARCH 2015	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
<u>EQUITY SHARES</u>				
AT THE BEGINNING OF THE YEAR	25000000	250000000	25000000	250000000
ADD: SHARES ISSUED DURING THE YEAR	0	0	0	0
BALANCE AS AT THE END OF YEAR	25000000	250000000	25000000	250000000

**1B. DETAILS OF SHARES HELD BY THE SHAREHOLDERS HOLDING MORE THAN 5%
OF THE AGGREGATE SHARES IN THE COMPANY**

<u>NAME OF SHAREHOLDER</u>	NO. OF SHARES	% HOLDING	NO. OF SHARES	% HOLDING
HOVID BERHAD	0	0	12750000	51
NITIN P. PATEL	1271900	5	1271900	5
POPATLAL N. PATEL	1449152	6	1449152	6
CHANDRAKANT P. PATEL	1271895	5	1271895	5
DEEPAK P. PATEL	1271895	5	1271895	5
ANURAG KUMAR	12750000	51	0	0

1C. RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES

EQUITY SHARES:- THE COMPANY HAS ONE CLASS OF EQUITY SHARES HAVING PAR VALUE OF RS. 10 PER SHARE. EACH SHAREHOLDER IS ELIGIBLE FOR VOTE AS PER THEIR SHAREHOLDING.

Gunjan Kumar
DIRECTOR
Gunjan Kumar
DIN: 05203788

Subodh Prasad Singh
DIRECTOR
Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

Z. RESERVES AND SURPLUS

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<u>GENERAL RESERVE</u>		
AS PER LAST BALANCE SHEET	(106716209)	(108300039)
ADD/LESS- DEFERRED TAX LIABILITY/ASSET	78975265	0
ADD- TRANSFERRED FROM PROFIT AND LOSS ACCOUNT	14770176	1583830
	<u>(12970768)</u>	<u>(106716209)</u>
<u>PROFIT AND LOSS ACCOUNT</u>		
AS PER LAST BALANCE SHEET	0	0
ADD- PROFIT (LOSS) FOR THE YEAR	14770176	1583830
	<u>14770176</u>	<u>1583830</u>
LESS- APPROPRIATIONS TRANSFERRED TO GENERAL RESERVE	<u>14770176</u>	<u>0</u>
	<u>0</u>	<u>1583830</u>
TOTAL	<u><u>(12970768)</u></u>	<u><u>(106716209)</u></u>

Gurjun Kumar
DIRECTOR
 Gurjun Kumar
 DIN: 05203788

Subodh Prasad Singh
DIRECTOR
 Subodh Prasad Singh
 DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

3. LONG TERM BORROWINGS

PARTICULARS	AS AT 31ST MARCH 2016		AS AT 31ST MARCH 2015	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
<u>SECURED</u>				
AXIS BANK BUS LOAN	956792	233831	0	0
AXIS BANK ECCO LOAN	214786	52637	0	0
AXIS BANK ERTIGA LOAN	536675	128387	0	0
AXIS BANK VERNA LOAN	711691	149673	0	0
AXIS BANK ERTIGA 2 LOAN	676138	123862	0	0
	<u>3056082</u>	<u>689190</u>	<u>0</u>	<u>0</u>
<u>UNSECURED LOANS</u>	100000000	3000000	100000000	0
	<u>100000000</u>	<u>9000000</u>	<u>100000000</u>	<u>0</u>
TOTAL	<u>103056082</u>	<u>968190</u>	<u>100000000</u>	<u>0</u>

4. DEFERRED TAX LIABILITY (NET)

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<u>DEFERRED TAX LIABILITY</u> RELATED TO DEPRECIATION	0	32586435
TOTAL	<u>0</u>	<u>32586435</u>

5. SHORT TERM BORROWINGS

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<u>SECURED</u> CANARA BANK CASH CREDIT A/C	56161671	39214764
TOTAL	<u>56161671</u>	<u>39214764</u>

(WORKING CAPITAL LOAN FROM BANK IS SECURED BY HYPOTHECATION OF STOCK OF RAW MATERIAL,
STOCK IN PROCESS, FINISH GOODS AND RECEIVABLE)

Gunjan Kumar
DIRECTOR

Gunjan Kumar
DIN: 05203788

Subodh Prasad Singh
DIRECTOR

Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

6. TRADE PAYABLES

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
OTHERS(CREDITORS EXCLUDING FIXED ASSETS)	30293616	27995043
TOTAL	30293616	27995043

7. OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
CURRENT MATURITIES OF LONG TERM DEBT (REFER NOTE 3)	9688190	0
ADVANCES FROM CUSTOMERS	1371277	941430
OTHERS PAYABLES	6837908	4155164
TOTAL	17897375	5096595

Gunjan Kumar
DIRECTOR
Gunjan Kumar
DIN: 05203788

Subodh Prasad Singh
DIRECTOR
Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

9. NON-CURRENT INVESTMENT

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
INVESTMENT IN SHIVALIK SOLID WASTE MANAGEMENT LTD.	50000	50000
	<u>50000</u>	<u>50000</u>

10. DEFERRED TAX ASSET (NET)

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<u>DEFERRED TAX ASSET</u> RELATED TO LOSSES	46074586	0
TOTAL	<u>46074586</u>	<u>0</u>

11. INVENTORIES

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
RAW MATERIAL	26023088	26424975
PACKING MATERIAL	34252565	17819664
CONSUMABLE STORE	4251958	2797354
FINISHED GOODS	5675256	11550836
TOTAL	<u>70202807</u>	<u>58592829</u>

12. TRADE RECEIVABLES
UNSECURED AND CONSIDERED GOOD

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
OVER SIX MONTHS	1169298	1033357
OTHERS	54961290	21552215
TOTAL	<u>56130688</u>	<u>22585571</u>

Gunjan Kumar
DIRECTOR
Gunjan Kumar
DIN: 05203788

Subodh Prasad Singh
DIRECTOR
Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

13. CASH AND CASH EQUIVALENTS


PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
BALANCE WITH BANKS	4187967	4818187
CASH IN HAND	297081	38358
TOTAL	4485048	4856545

14. SHORT TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
BALANCE WITH CUSTOMS, EXCISE, TDS, SALES TAX ETC.	7025573	5856166
OTHERS (ADVANCES TO SUPPLIERS)	1808823	680158
STAFF ADVANCE	56642	0
PREPAID EXPENSES	773038	299722
TOTAL	9664076	6826346

15. OTHER CURRENT ASSETS

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
UNAMORTISED PRELIMINARY EXPENSES	16844	33687
SECURITIES	284338	87155
INSURANCE CLAIM RECEIVABLE	239273	28900
INTEREST RECEIVABLE	0	299880
PROVISION FOR JW CHARGES RECEIVABLE	0	1092919
TOTAL	540455	1542541


DIRECTOR
Ganjan Kumar
DIN: 05203788


DIRECTOR
Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

Notes to Balance Sheet as at March 31, 2016

Note 8:- Fixed Assets

Tangible assets	GROSS			DEPRECIATION/AMORTISATION			NET			
	Opening Balance	Additions	Deductions / Trf	Total	Up to the end of the previous year	During the year	Written back	Total as at the year end	Current year	Previous year
Land	42599000	0	0	42599000	0	0	0	0	42599000	42599000
Building	42324961	1383981	0	43708942	7346920	1284614	0	8631535	35973409	34978041
Electrical Installation	6023891	0	0	6023891	2160822	267135	0	2437957	3595934	3863069
Computer	3028470	742985	0	3771464	2810381	250167	0	3060547	710917	218098
Plant & Machinery	246792070	3803154	0	250595223	87353940	11027702	0	98381643	152213581	159438130
Misc. Fixed Assets	14997790	1297123	0	16294913	4983938	683001	0	5666939	10667974	10013852
Vehicle	2191635	4587847	58591	6720880	2090668	289359	0	2385427	4335463	95568
Furniture & Fixture	5970475	113568	0	6084043	3453438	684279	0	4137717	1946326	2517037
Total (A)	363928301	11868658	58593	37538366	110205906	14486258	0	124691764	251046602	253722795
Intangible assets										
Product Registration	0	6937460	0	6937460	0	693746	0	0	6243714	0
Total (B)	0	6937460	0	6937460	0	693746	0	0	6243714	0
Total (A)+(B)	363928301	18806118	58593	382675826	110205506	15180004	0	124691764	257290316	253722795
Previous Year	363594021	798493	464213	363928301	94462819	15742687	0	110205506	253722795	269131202

Figures in (Rs.)



Chagti/Sah
DIRECTOR
Gurjan Kumar
DIN: 05203788

Prasad Singh
DIRECTOR
Subhojit Prasad Singh
DIN: 07148323

BIODEAL PHARMACEUTICALS PVT. LTD.

16. REVENUE FROM OPERATIONS

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
SALE OF PRODUCTS	169028179	127389435
JOB WORK	47148498	52566267
AMOUNT TO BE BILLED (LOAN LICENSE)	0	1092919
TOTAL	216176675	181048620

17. OTHER INCOME

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
OTHER INCOME	490236	712355
TOTAL	490236	712355

Gurjan Kumar
DIRECTOR
Gurjan Kumar
DIN: 05203788

Subodh Prasad Singh
DIRECTOR
Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

18. COST OF MATERIAL CONSUMED

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
RAW MATERIAL CONSUMED	29402640	21095834
CONSUMABLE STORE	8236773	2562012
PACKING MATERIAL	44909183	46572999
TOTAL	82548596	70230845

19. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<u>INVENTORIES (AT CLOSE)</u> FINISHED GOODS/STOCK IN TRADE	5675256	11550836
<u>INVENTORIES (AT COMMENCEMENT)</u> FINISHED GOODS/STOCK IN TRADE	11550836	6401297
TOTAL	5875580	(5149539)

20. EMPLOYEE BENEFITS EXPENSES

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
SALARIES AND WAGES	48232641	40277223
CONTRIBUTIONS TO PROVIDENT AND OTHER FUNDS	3071568	3720806
STAFF WELFARE EXPENSES	1088780	1517415
TOTAL	51792988	54515444

Gunjan Kumar

DIRECTOR
Gunjan Kumar
DIN: 05203788

Subodh Prasad Singh

DIRECTOR
Subodh Prasad Singh
DIN: 07148323



BIODEAL PHARMACEUTICALS PVT. LTD.

21. FINANCE COSTS

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
INTEREST EXPENSES (BANK CHARGES)	5627363	4086854
INTEREST ON UNSECURED LOAN	10000000	1212884
TOTAL	15627363	5299738

22. DEPRECIATION AND AMORTISATION EXPENSES

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
DEPRECIATION ON FIXED ASSETS	14486258	15742687
AMORTISATION OF PRELIMINARY EXPENSES	16844	16844
PRODUCT REGISTRATION CHARGES WRITTEN OFF	693746	0
TOTAL	15196847	15759531


DIRECTOR
Gunjan Kaur
DIN: 05203788


DIRECTOR
Subeda Prasad Singh
DIN: 07148323




BIODEAL PHARMACEUTICALS PVT. LTD.

23. OTHER EXPENSES

PARTICULARS	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
ADVERTISMENT	57834	10208
AMOUNT WRITTEN OFF	0	37183
AUDITOR'S REMUNERATION	80150	37000
CLEANING & SANITATION	165237	346919
CLEARING AND FORWARDING	2368538	1439509
CONSULTANCY EXPENSES	234265	1731255
DEPB WRITTEN OFF	0	1098343
DIWALI GIFTS	211430	10060
ELECTRICITY & WATER CHARGES	9387401	10827505
FEES & TAXES	130351	108504
FIXED ASSETS WRITTEN OFF	0	464217
FREIGHT INWARD	686001	857285
FREIGHT OUTWARD	1199291	1896
GENSET EXPENSES	6039510	7159847
INCOME TAX PAYABLE	0	104832
INSURANCE	637970	503332
INTERNET EXPENSES	333402	117365
MEMBERSHIP & SUBSCRIPTION	47672	29179
OFFICE EXPENSES	76569	14403
POSTAGE & TELEGRAM	41604	47715
PRINTING & STATIONARY	324308	710662
REBATE & DISCOUNT	0	989
REST-HOUSE EXPENSES	31533	0
REPAIRS & MAINTENANCE		
- MACHINERY	1448991	1210609
- OTHER	1076148	1062734
ROUND OFF	0	413
BUSINESS PROMOTION	62250	48878
SECURITY EXPENSES	1206718	1154410
SALE COMMISSION	0	6613020
TELEPHONES	97965	38693
TESTING EXPENSES	1760356	1426280
TRAVELLING & CONVEYANCE-DIRECTOR'S	90393	275711
TRAVELLING & CONVEYANCE-OTHERS	1212186	1452828
VEHICLE REPAIR & MAINTENANCE	1030360	500534
NET (GAIN)/LOSS ON FOREIGN CURRENCY TRANSACTION	496674	(358048)
TOTAL	30541107	39104266


DIRECTOR
Gunjan Kumar
DIN: 05203788


DIRECTOR
Subodh Prasad Singh
DIN: 07148323

