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## **Independent Auditor's Report**

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**To the Members of  
Pharmpak Private Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Pharmpak Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors are 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 to 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of 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.

While conducting the audit, we have taken into account the provisions of the Act, the accounting standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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. An audit also includes evaluating the appropriateness of 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.

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## Independent Auditor's Report

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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 31st March, 2017, and its profit and its cash flows 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 issued by the Central Government of India in terms of Section 143(11) of the Act(hereinafter referred to as "order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, 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 the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - (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 has disclosed the impact, if any, of pending litigations on its financial position in its financial statements.

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## Independent Auditor's Report

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- ii. the Company has not entered into any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards;
- iii. there has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note 20

For B. S. Shah & Co.  
Chartered Accountants  
Firm Reg. No.: 114661W



*Harish B. Shah*

Harish B. Shah  
Proprietor

Membership No.: 33716

Mumbai: 20 APR 2017

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**Annexure "A" to The Independent Auditor's Report**

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification;
- c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the physical verification of inventory has been conducted by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable and no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company has, during the year, not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership; or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Clause 3 (iii) (a), (b) and (c) of the Order are not applicable
- (iv) In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under section 185. Further, the company has complied with the provisions of section 186 of the companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified. Accordingly, Clause 3(v) of the Order is not applicable.
- (vi) The Central government of India has not specified the maintenance of cost records under section 148(1) of the Act for any of the products of the company.
- (vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service tax, Custom duty, Excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities.
- b) The company does not have dues of Income tax or Sales tax or Service tax or duty of Customs or duty of Excise or value added tax which have not been deposited on account of any dispute.

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**Annexure "B" to The Independent Auditor's Report  
(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)**

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**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 Pharmpak Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**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 Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. 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.

**Annexure "A" to The Independent Auditor's Report**  
**(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)**

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in Repayment of Loans or Borrowings to Financial Institution, Bank, Government or Dues to Debenture holders as at the Balance Sheet date
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- (x) According to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year in course of our audit, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company not being a public company, the provisions of section 197 of the Act as regards limit on managerial remuneration etc. is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, 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, paragraph 3(xiv) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xiv) of the order is not applicable.

For B. S. Shah & Co.  
Chartered Accountants  
Firm Reg. No.: 114661W



11.5.16/362  
Harish B. Shah  
Proprietor  
Membership No.: 33716

Mumbai: 20 APR 2017

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**Annexure "B" to The Independent Auditor's Report**  
**(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)**

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

Mumbai: 20 APR 2017



For B. S. Shah & Co.  
Chartered Accountants  
Firm Reg. No.: 114661W

11.5.16 BSL  
Harish B. Shah  
Proprietor  
Membership No.: 33716





**Pharmpak Private Limited.**  
**Balance Sheet as at 31st March, 2017**

Particulars		Note No.	31-03-2017 ₹	31-03-2016 ₹
<b>A</b>	<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>1</b>	<b><u>Shareholders' funds:</u></b>			
	a) Share capital	2	12,00,000	12,00,000
	b) Reserves and surplus	3	11,89,236	10,12,694
			23,89,236	22,12,694
<b>2</b>	<b><u>Current liabilities:</u></b>			
	a) Short term borrowings	4	27,25,000	0
	b) Trade payables	5	13,43,500	0
	c) Other current liabilities	6	2,51,648	1,51,828
			43,20,148	1,51,828
	<b>TOTAL</b>		67,09,384	23,64,522
<b>B</b>	<b><u>ASSETS:</u></b>			
<b>1</b>	<b><u>Non-current assets:</u></b>			
	a) Fixed assets			
	Tangible assets	7	6,79,578	9,21,998
	b) Long term loans and advances	8	9,72,419	3,49,421
			16,51,997	12,71,419
<b>2</b>	<b><u>Current assets:</u></b>			
	a) Trade Receivables	9	47,37,322	0
	b) Cash and cash equivalents	10	1,79,949	10,24,484
	c) Short-term loans and advances	11	1,27,979	31,785
	d) Other current assets	12	12,137	36,834
			50,57,387	10,93,103
	<b>TOTAL</b>		67,09,384	23,64,522
	<b>Notes (including significant accounting policies) on Financial Statements</b>	1 to 22		

As per our attached report of even date

For B. S. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 114661W

*Harish B. Shah*

Harish B. Shah  
Proprietor  
M. No. : 33716



MUMBAI 20 APR 2017

For and on behalf of the Board of Directors

*Milind Dalal*  
*Smriti*  
Directors

LIVERMORE 17 APR 2017

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**Pharmpak Private Limited.**  
**Statement of Profit & Loss for the year ended 31st March, 2017.**

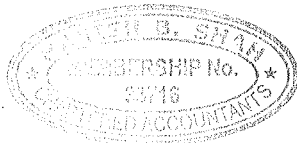
Particulars		Note No.	31-03-2017 ₹	31-03-2016 ₹
<b>A</b>	<b><u>INCOME:</u></b>			
<b>1</b>	Revenue from operations	<b>13</b>	<b>48,81,582</b>	<b>0</b>
<b>2</b>	Other income	<b>14</b>	<b>1,58,177</b>	<b>1,01,226</b>
	<b>Total Revenue</b>		<b>50,39,759</b>	<b>1,01,226</b>
<b>3</b>	<b><u>EXPENSES:</u></b>			
	a). Cost of Material	<b>15</b>	<b>40,49,083</b>	<b>0</b>
	b). Employee benefits expenses	<b>16</b>	<b>0</b>	<b>1,85,376</b>
	c). Finance Cost	<b>17</b>	<b>10,950</b>	<b>0</b>
	d). Other expenses	<b>18</b>	<b>7,04,951</b>	<b>7,59,909</b>
	e). Depreciation and amortization expenses	<b>7</b>	<b>98,233</b>	<b>2,05,230</b>
	<b>Total expenses</b>		<b>48,63,217</b>	<b>11,50,515</b>
<b>4</b>	<b>Profit before tax</b>		<b>1,76,542</b>	<b>(10,49,289)</b>
<b>5</b>	<b>Tax expense</b>			
	Current tax		<b>0</b>	<b>0</b>
			<b>0</b>	<b>0</b>
<b>6</b>	<b>Profit for the year</b>		<b>1,76,542</b>	<b>(10,49,289)</b>
<b>7</b>	<b>Earning per share (of Rs.100 each) (Basic &amp; Diluted)</b>		<b>15</b>	<b>(87)</b>
	<b>Notes (including significant accounting policies) on Financial Statements</b>	<b>1 to 22</b>		

As per our attached report of even date

For B. S. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 114661W

*Harish B. Shah*

Harish B. Shah  
Proprietor  
M. No. : 33716



MUMBAI 20 APR 2017

For and on behalf of the Board of Directors

*Milind Dalal*

*SP Somani*

Directors

LIVERMORE 17 APR 2017

**Pharmapak Private Limited.**  
**Cash Flow Statement for the year ended 31st March, 2017.**

Particulars		31-03-2017 ₹	31-03-2016 ₹
<b>A</b>	<b><u>Cash Flow From Operating Activities</u></b>		
	Net Profit as per Statement of profit and loss	1,76,542	(10,49,289)
	Adjusted for :		
	Depreciation and Amortisation	98,233	2,05,230
	Interest Expenses	10,950	-
	Interest Income	(38,047)	(1,01,226)
	Profit on Sale of Fixed Assets	(1,20,130)	-
	<b>Operating Profit Before Working Capital Changes</b>	<b>1,27,548</b>	<b>(9,45,285)</b>
	Adjusted for :		
	Long Term Loans & Advances	(6,29,229)	-
	Trade and other receivables	(47,37,322)	-
	Short Term Loans & Advances	(96,194)	(18,865)
	Other Current Assets	24,697	55,617
	Trade Payables	13,43,500	(29,000)
	Other Current Liabilities	99,820	(3,20,940)
		<b>(39,94,728)</b>	<b>(3,13,188)</b>
	<b>Cash generated from Operations</b>	<b>(38,67,180)</b>	<b>(12,58,473)</b>
	Taxes Paid	(6,231)	(24,919)
	<b>Net Cash from Operating Activities (A)</b>	<b>(38,60,949)</b>	<b>(12,33,554)</b>
<b>B</b>	<b><u>Cash Flow From Investing Activities</u></b>		
	Sales of fixed assets	2,64,317	-
	Investment in Bank Fixed Deposits	5,81,171	11,43,829
	Interest Income	38,047	1,01,226
	<b>Net Cash (used in) Investing Activities (B)</b>	<b>8,83,535</b>	<b>12,45,055</b>
<b>C</b>	<b><u>Cash Flow From Financing Activities</u></b>		
	Increase in Short Term Borrowings	27,25,000	-
	Interest Expenses	(10,950)	-
	<b>Net Cash (used in) Financing Activities (C)</b>	<b>27,14,050</b>	<b>-</b>
	<b>Net increase/ (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(2,63,364)</b>	<b>11,501</b>
	Cash and cash equivalents at the beginning of the year	3,68,313	3,56,812
	<b>Cash and cash equivalents at the end of the year</b>	<b>1,04,949</b>	<b>3,68,313</b>
Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements, specified under section 133 of the Companies Act, 2013.			

As per our attached report of even date

For B. S. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 114661W

12/04/2017

Harish B. Shah  
Proprietor  
M. No. : 33716



MUMBAI 20 APR 2017

For and on behalf of the Board of Directors

*(Signature)*  
S. S. S. S. S.  
Directors

LIVERMORE 17 APR 2017

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**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

<b>1</b>	<b><u>Significant Accounting Policies:</u></b>
<b>1.1</b>	<b><u>Basis of Accounting and Preparation of Financial Statements:</u></b> The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards specified under Section 133 of the companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013.
<b>1.2</b>	<b><u>Fixed Assets:</u></b> Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.
<b>1.3</b>	<b><u>Depreciation / Amortisation:</u></b> Depreciation is provided on fixed assets on written down value method at the rates prescribed in Schedule II of the Companies Act, 2013 and on prorata basis from the month of addition or upto the month of sale/discard as the case may be.
<b>1.4</b>	<b><u>Investments:</u></b> Long-term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Current investments are valued at lower of cost and fair value.
<b>1.5</b>	<b><u>Inventories:</u></b> Inventories are valued at cost. The cost is determined on the basis of FIFO Method. For the purpose of finished goods and work - in - process, cost comprises of material cost plus appropriate share of production overheads and excise duty, wherever applicable.
<b>1.6</b>	<b><u>Taxation:</u></b> Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised subject to the consideration of prudence in respect of deferred tax assets, on timing difference, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods except for carried forward losses, which are recognized only if there is virtual certainty of their realization.
<b>1.7</b>	<b><u>Provisions and Contingent Liabilities:</u></b> A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

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**Pharmapak Private Limited.**  
**Notes forming the part of the Financial Statements**

Note No.	Particulars	31-03-2017 ₹	31-03-2016 ₹
2	<b>Share Capital:</b>		
	<b>Authorised:</b> 25,000 Equity Shares of Rs.100 each	25,00,000	25,00,000
	<b>Issued, Subscribed and Paid Up:</b> 12,000 Equity Shares of Rs.100 each fully paid up	12,00,000	12,00,000
	<b>Total</b>	12,00,000	12,00,000
2.1	<b>Shares held by Holding Company.</b>		
		As at 31 March, 2017	As at 31 March, 2016
	Name of shareholder	Number of shares	%
	Foods & Inns Limited	12,000	100.00
			0
2.2	<b>Details of shares held by each shareholder holding more than 5% shares:</b>		
		As at 31 March, 2017	As at 31 March, 2016
	Name of shareholder	Number of shares	%
	1) Foods & Inns Limited.	12,000	100.00
	2) Shailesh P. Patel	0	0.00
	3) Malini S. Patel	0	0.00
	4) Urmila B. Patel	0	0.00
	5) Nikita S. Patel	0	0.00
	6) Hetal S. Patel	0	0.00
	7) Deepal S. Patel	0	0.00
2.3	With effect from 6th January 2017 the Company has become 100% Subsidiary of M/s. Foods & Inns Limited.		
3	<b>Reserves &amp; Surplus:</b>		
	<b>General Reserve:</b>		
	Opening balance	69,58,077	69,58,077
	Closing balance	69,58,077	69,58,077
	<b>Surplus / (Deficit) in Statement of Profit and Loss :</b>		
	Opening balance	(59,45,383)	(48,96,094)
	Add: Profit / (Loss) for the year	1,76,542	(10,49,289)
	Closing balance	(57,68,841)	(59,45,383)
	<b>Total</b>	11,89,236	10,12,694

**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

<b>Note No.</b>	<b>Particulars</b>	<b>31-03-2017 ₹</b>	<b>31-03-2016 ₹</b>
<b>4</b>	<b><u>Short Term Borrowings:</u></b>		
	Loan from Holding Company	27,25,000	0
	<b>Total</b>	<b>27,25,000</b>	<b>0</b>
<b>5</b>	<b><u>Trade Payables:</u></b>		
	Trade Payables	13,43,500	0
	<b>Total</b>	<b>13,43,500</b>	<b>0</b>
<b>6</b>	<b><u>Other Current Liabilities:</u></b>		
	Statutory remittances	3,079	0
	Advances from customers	44,099	44,099
	Other liabilities	2,04,470	1,07,729
	<b>Total</b>	<b>2,51,648</b>	<b>1,51,828</b>

**Pharmapak Private Limited**  
**Notes Forming the part of the Financial Statements**

**7. Fixed Assets:**

Descriptions	Gross block				Depreciation / Amortisation			Net Block	
	As at 01-04-2016	Additions	Deductions/ Adjustments	As at 31-03-2017	As at 01-04-2016	For the year	Deduction Made	As at 31-03-2017	As at 31-03-2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible Assets:									
Office premises	3,63,245 (3,63,245)	- -	- -	3,63,245 (3,63,245)	2,66,279 (2,61,529)	4,528 (4,750)	- -	2,70,807 (2,66,279)	92,438 (96,966)
Plant and machinery	49,70,908 (49,70,908)	- -	- -	49,70,908 (49,70,908)	47,13,643 (46,93,918)	4,565 (19,725)	- -	47,18,208 (47,13,643)	2,52,700 (2,57,265)
R & D equipments	2,67,679 (2,67,679)	- -	- -	2,67,679 (2,67,679)	2,54,295 (2,54,295)	- -	- -	2,54,295 (2,54,295)	13,384 (13,384)
Factory equipments	43,50,173 (43,50,173)	- -	- -	43,50,173 (43,50,173)	41,21,692 (40,97,474)	6,528 (24,218)	- -	41,28,220 (41,21,692)	2,21,953 (2,28,481)
Furniture & Fixtures	4,96,278 (4,96,278)	- -	- -	4,96,278 (4,96,278)	4,81,842 (4,81,842)	- -	- -	4,81,842 (4,81,842)	14,436 (14,436)
Electric Installation	1,98,562 (1,98,562)	- -	- -	1,98,562 (1,98,562)	1,91,874 (1,90,525)	1,068 (1,349)	- -	1,92,942 (1,91,874)	5,620 (6,688)
Office equipments	2,48,300 (2,48,300)	- -	- -	2,48,300 (2,48,300)	2,35,885 (2,35,885)	- -	- -	2,35,885 (2,35,885)	12,415 (12,415)
Air-conditioner	10,18,691 (10,18,691)	- -	- -	10,18,691 (10,18,691)	9,58,036 (9,41,010)	3,440 (17,026)	- -	9,61,476 (9,58,036)	57,215 (60,655)
Computers	9,29,633 (9,29,633)	- -	- -	9,29,633 (9,29,633)	9,20,216 (9,20,216)	- -	- -	9,20,216 (9,20,216)	9,417 (9,417)
Motorcar	16,91,138 (16,91,138)	- -	16,91,138	- (16,91,138)	14,68,847 (13,30,685)	78,104 (1,38,162)	15,46,951	- (14,68,847)	- 2,22,291
Total	1,45,34,607	-	16,91,138	1,28,43,469	1,36,12,609	98,233	15,46,951	1,21,63,891	6,79,578
Previous year	(1,45,34,607)	-	-	(1,45,34,607)	(1,34,07,379)	(2,05,230)	-	(1,36,12,609)	(9,21,998)
									(11,27,228)

*Sanath*  
*Sanath*

**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

Note No.	Particulars	31-03-2017 ₹	31-03-2016 ₹
<b>8</b>	<b><u>Long Term Loans and Advances:</u></b> (Unsecured, considered good)		
	Capital Advances	6,29,229	0
	Security deposits	32,951	32,951
	Advance income tax [net]	3,10,239	3,16,470
	<b>Total</b>	<b>9,72,419</b>	<b>3,49,421</b>
<b>9</b>	<b><u>Trade Receivables:</u></b> [Unsecured, considered good]		
	Over six months	0	0
	Others	47,37,322	0
	<b>Total</b>	<b>47,37,322</b>	<b>0</b>
<b>10</b>	<b><u>Cash and Cash Equivalents:</u></b>		
	Cash on hand	11,675	960
	Balances with banks in current account	93,274	3,67,353
		<b>1,04,949</b>	<b>3,68,313</b>
	<u>Other bank balances:</u>		
	In deposit accounts [Original maturity more than 3 months]	75,000	6,56,171
		<b>75,000</b>	<b>6,56,171</b>
	<b>Total</b>	<b>1,79,949</b>	<b>10,24,484</b>
<b>11</b>	<b><u>Short Term Loans and Advances:</u></b> (Unsecured, considered good)		
	Prepaid expenses	55,108	6,950
	Balances with government authorities	72,846	4,835
	Other short term Loans & Advances	25	20,000
	<b>Total</b>	<b>1,27,979</b>	<b>31,785</b>

11/03/2017



**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

Note No.	Particulars	31-03-2017 ₹	31-03-2016 ₹
<b>12</b>	<b><u>Other Current Assets:</u></b>		
	Accrued interest on advances & deposits	2,531	27,228
	Maturity proceeds of current investment receivable	9,606	9,606
	<b>Total</b>	<b>12,137</b>	<b>36,834</b>
<b>13</b>	<b><u>Revenue from Operations:</u></b>		
	Sales	48,81,582	0
	<b>Total</b>	<b>48,81,582</b>	<b>0</b>
<b>13.1</b>	<b><u>Particulars of Sale of Products:</u></b>		
	Medicinal Products	48,81,582	0
	<b>Total</b>	<b>48,81,582</b>	<b>0</b>
<b>14</b>	<b><u>Other Income:</u></b>		
	Interest on Loans & Deposits	38,047	1,01,226
	Profit on Sale of Fixed Assets	1,20,130	0
	<b>Total</b>	<b>1,58,177</b>	<b>1,01,226</b>
<b>15</b>	<b><u>Cost of Material:</u></b>		
	Purchases of Stock in Trade	40,49,083	0
	<b>Total</b>	<b>40,49,083</b>	<b>0</b>
<b>15.1</b>	<b><u>Particulars of Purchases of Stock in Trade:</u></b>		
	Medicinal Products	40,49,083	0
	<b>Total</b>	<b>40,49,083</b>	<b>0</b>
<b>16</b>	<b><u>Employee Benefits Expenses:</u></b>		
	Salaries and wages	0	1,79,029
	Staff welfare expenses	0	6,347
	<b>Total</b>	<b>0</b>	<b>1,85,376</b>

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**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

Note No.	Particulars	31-03-2017 ₹	31-03-2016 ₹
17	<b><u>Finance Cost:</u></b>		
	Interest Payment	10,950	0
	<b>Total</b>	10,950	0
17.1	Interest Payment is on Short Term Borrowings from Holding Company		
18	<b><u>Other Expenses:</u></b>		
	Outside labour charges	1,36,541	1,74,712
	Repairs to others	9,412	12,268
	Licence fees	26,334	76,262
	Telephone charges	22,617	25,796
	Electricity charges	29,336	25,110
	Insurance charges	38,211	21,329
	Legal & professional charges	79,476	66,677
	Motorcar expenses	46,583	86,975
	Remuneration to auditors	58,650	57,304
	Rent & society maintenance	2,29,701	1,97,486
	Miscellaneous expenses	28,090	15,990
	<b>Total</b>	7,04,951	7,59,909
19	<b><u>Auditors' remuneration:</u></b>		
	(i) Statutory audit fees	23,000	22,472
	(ii) Taxation matter fees	35,650	34,832
	<b>Total</b>	58,650	57,304

11/3/17

**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

Notes forming the part of the Financial Statements

Note No.	Particulars	31-03-2017 ₹	31-03-2016 ₹																																																											
20	Disclosure as regards the details of Specified Bank Notes [SBN] held and transacted during the period 08/11/2016 to 30/12/2016.																																																													
	<table><tr><th></th><th>SBNs ₹</th><th>Other Denomination Notes ₹</th><th>Total ₹</th></tr><tr><td>Closing Cash in hand as on 08/11/2016</td><td>0</td><td>5,960</td><td>5,960</td></tr><tr><td>Add: Permitted Receipts</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Less: Permitted Payments</td><td>0</td><td>5,285</td><td>5,285</td></tr><tr><td>Less: Amount Deposited in Banks</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Closing Cash in hand as on 30/12/2016</td><td>0</td><td>675</td><td>675</td></tr></table>		SBNs ₹	Other Denomination Notes ₹	Total ₹	Closing Cash in hand as on 08/11/2016	0	5,960	5,960	Add: Permitted Receipts	0	0	0	Less: Permitted Payments	0	5,285	5,285	Less: Amount Deposited in Banks	0	0	0	Closing Cash in hand as on 30/12/2016	0	675	675																																					
	SBNs ₹	Other Denomination Notes ₹	Total ₹																																																											
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Less: Amount Deposited in Banks	0	0	0																																																											
Closing Cash in hand as on 30/12/2016	0	675	675																																																											
21	<p><b><u>Related Party Disclosures:</u></b></p> <p><b><u>(A) Name of Related Parties and Relationship:</u></b></p> <p><b><u>Name:</u></b> <b><u>Relationship:</u></b></p> <p><u>[i] Where Control Exists</u></p> <p>Foods &amp; Inns Limited. Holding Company</p> <p><u>[ii] Other Related Parties with whom Transactions have taken place during the _____ Year</u></p> <p>Muller &amp; Phipps India Limited Associates</p> <p>Shailesh P. Patel Key Management Personnel</p> <p><b><u>(B) Transactions (In Aggregate ) with Related Parties.</u></b></p> <table><tr><th rowspan="2">Particulars</th><th colspan="2">Transactions during</th><th colspan="2">Outstanding during</th></tr><tr><th>31-03-2017 ₹</th><th>31-03-2016 ₹</th><th>31-03-2017 ₹</th><th>31-03-2016 ₹</th></tr><tr><td><b><u>Rent Paid:</u></b></td><td></td><td></td><td></td><td></td></tr><tr><td>Foods &amp; Inns Limited</td><td>10,200</td><td>0</td><td>10,200</td><td>0</td></tr><tr><td><b><u>Interest Paid:</u></b></td><td></td><td></td><td></td><td></td></tr><tr><td>Foods &amp; Inns Limited</td><td>10,950</td><td>0</td><td>10,950</td><td>0</td></tr><tr><td><b><u>Loan Taken:</u></b></td><td></td><td></td><td></td><td></td></tr><tr><td>Foods &amp; Inns Limited</td><td>27,25,000</td><td>0</td><td>27,25,000</td><td>0</td></tr><tr><td><b><u>Sales:</u></b></td><td></td><td></td><td></td><td></td></tr><tr><td>Muller &amp; Phipps India Limited</td><td>48,81,582</td><td>0</td><td>47,37,322</td><td>0</td></tr><tr><td><b><u>Remuneration:</u></b></td><td></td><td></td><td></td><td></td></tr><tr><td>Shailesh P. Patel</td><td>0</td><td>1,79,029</td><td>0</td><td>12,287</td></tr></table> <p><b><u>Notes :</u></b></p> <p>Related parties relationship is as identified by the Company on the basis of information available with them and accepted by the Auditors.</p>	Particulars	Transactions during		Outstanding during		31-03-2017 ₹	31-03-2016 ₹	31-03-2017 ₹	31-03-2016 ₹	<b><u>Rent Paid:</u></b>					Foods & Inns Limited	10,200	0	10,200	0	<b><u>Interest Paid:</u></b>					Foods & Inns Limited	10,950	0	10,950	0	<b><u>Loan Taken:</u></b>					Foods & Inns Limited	27,25,000	0	27,25,000	0	<b><u>Sales:</u></b>					Muller & Phipps India Limited	48,81,582	0	47,37,322	0	<b><u>Remuneration:</u></b>					Shailesh P. Patel	0	1,79,029	0	12,287		
Particulars	Transactions during		Outstanding during																																																											
	31-03-2017 ₹	31-03-2016 ₹	31-03-2017 ₹	31-03-2016 ₹																																																										
<b><u>Rent Paid:</u></b>																																																														
Foods & Inns Limited	10,200	0	10,200	0																																																										
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**Pharmpak Private Limited.**  
**Notes forming the part of the Financial Statements**

Note No.	Particulars	31-03-2017 ₹	31-03-2016 ₹
22	<p><b><u>Previous Year Figures:</u></b> Previous year figures have been regrouped, rearranged and reclassified, wherever necessary to correspond with the current year's classification / disclosure.</p>		

As per our attached report of even date

For B. S. Shah & Co.  
Chartered Accountants  
Firm Regn. No. 114661W

*Harish B. Shah*

Harish B. Shah  
Proprietor  
M. No. : 33716



MUMBAI 20 APR 2017

For and on behalf of the Board of Directors

*Chikhan Dalal*  
*Smah*  
Directors

LIVERMORE 17 APR 2017

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Re:M/s. Pharmpak Pvt. Ltd., Mumbai.

Balance Sheet Grouping for F. Y. ended 31st March 2017.

Trade Payable as on 31st March 2017.

Om Care Cosmetic Pvv. Ltd.	6,94,108	0	
Srushti Herbal Remedies [I]	<u>6,49,392</u>	<u>0</u>	
	13,43,500		0
	<u>13,43,500</u>		<u>0</u>

Statutory Liabilities as on 31st March 2017.

TDS Payable [Contract]	1,850	0	
TDS Payable [Professional Charges]	134		
TDS Payable [Interest]	<u>1,095</u>	<u>0</u>	
	3,079		0
	<u>3,079</u>		<u>0</u>

Advances from Customers as on 31st March 2017.

Sanosil Biotech Pvt. Ltd. [Deposit]	25,000	25,000	
Sanosil Pharma [C. Ex. Advance]	13,527	13,527	
Vardhman Exports	<u>5,572</u>	<u>5,572</u>	
	44,099		44,099
	<u>44,099</u>		<u>44,099</u>

Re:M/s. Pharmpak Pvt. Ltd., Mumbai.

Balance Sheet Grouping for F. Y. ended 31st March 2017.

Other Liabilities as on 31st March 2017.

A. B. Shah & Associates	26,000	26,000	
B. S. Shah & Co.	52,785	51,574	
Madhav Joshi & Associates	4,600	0	
Royal Ceromics	34,572	0	
Ex-Gratia Payable [Director]	0	12,287	
Ex-Gratia Payable [Others]	12,331	14,326	
Electricity Charges Payable	1,692	1,208	
Interest Payable	9,855	0	
Rent Payable [Foods & Inns]	10,200	0	
Rent Payable	5,940	0	
Society Maintenance Charges Payable	44,277	0	
Telephone Charges Payable	2,218	1,422	
ESIC Payable	<u>0</u>	<u>912</u>	
	2,04,470		1,07,729
	<u>2,04,470</u>		<u>1,07,729</u>

Re:M/s. Pharmpak Pvt. Ltd., Mumbai.

Balance Sheet Grouping for F. Y. ended 31st March 2017.

Sundry Deposits as on 31st March 2017.

BMC Deposit	14,826	14,826
C. Excise Deposit	1,025	1,025
HPCL for Gas	6,050	6,050
Tata Power Deposit	11,050	11,050
	32,951	32,951
	32,951	32,951

Advance Payment of Tax Less Provision as on 31st March 2017.

**Advance Payment of Tax:**

A. Y. 2006-2007	90,721	90,721
A. Y. 2007-2008	85,780	85,780
A. Y. 2009-2010	1,29,968	1,29,968
A. Y. 2016-2017	0	10,001
A. Y. 2017-2018	3,770	0
	3,10,239	3,16,470
	3,10,239	3,16,470

Prepaid Expenses as on 31st March 2017.

Licence Fees	55,108	6,950
	55,108	6,950
	55,108	6,950

Balance with Government Authority as on 31st March 2017.

C. Excise Duty PLA	3,035	3,035
Sales Tax	69,811	1,800
	72,846	4,835
	72,846	4,835

Other Short Term Loans & Advances as on 31st March 2017.

Design Space	25	0
	25	0
	25	0

Re:M/s. Pharmpak Pvt. Ltd., Mumbai.

Balance Sheet Grouping for F. Y. ended 31st March 2017.

Sundry Debtors as on 31st March 2017.

Muller & Phipps [I] Ltd. [Chandigarh]	1,34,188
Muller & Phipps [I] Ltd. [Orissa]	61,349
Muller & Phipps [I] Ltd. [Delhi]	7,44,783
Muller & Phipps [I] Ltd. [Ernakulam]	1,66,027
Muller & Phipps [I] Ltd. [Indore]	1,56,030
Muller & Phipps [I] Ltd. [Kolkatta]	12,49,225
Muller & Phipps [I] Ltd. [Mumbai]	10,11,220
Muller & Phipps [I] Ltd. [Patna]	11,40,615
Muller & Phipps [I] Ltd. [Raipur]	73,885
	<u>47,37,322</u>

Capital Advances as on 31st March 2017.

Hiraram Sutar	1,00,000
Mantlal Bind	15,000
Rohit Prasad Yadav	20,100
Taiyab Ali Shaikh	40,000
Office Renovation	4,54,129
	<u>6,29,229</u>



Re:M/s. Pharmpak Pvt. Ltd., Mumbai.

Profit & Loss Grouping for F. Y. ended 31st March 2017.

Grouping of Interest received on Loans & Advances for F. Y. ended 31st March 2017.

On Income Tax	349		1,220
F/d with Bank of India	<u>37,698</u>	<u>1,00,006</u>	
		<u>38,047</u>	<u>1,01,226</u>
		<u>38,047</u>	<u>1,01,226</u>

Salaries, Wages & Bonus for F. Y. ended 31st March 2017.

Allowance & Perquisite to Directors:

Medical Expenses	0	14,432	
Electricity Charges	<u>0</u>	<u>4,810</u>	
	<u>0</u>	<u>19,242</u>	
Ex-Gratia to Shailesh Patel	0	12,287	
Directors Remuneration	<u>0</u>	<u>1,47,500</u>	
	<u>0</u>	<u>1,59,787</u>	
		0	1,79,029
		0	<u>1,79,029</u>

Grouping of Staff Welfare Expenses for F. Y. ended 31st March 2017.

Staff Welfare Expenses	4,448	2,087	
Tea Service Expenses	<u>0</u>	<u>4,260</u>	
		<u>4,448</u>	<u>6,347</u>
		<u>4,448</u>	<u>6,347</u>

Re:M/s. Pharmpak Pvt. Ltd., Mumbai.

Profit & Loss Grouping for F. Y. ended 31st March 2017.

Grouping of Miscellaneous Expense for F. Y. ended 31st March 2017.

Factory Cleaning Expense	0	65
Computer Expenses	0	1,420
Professional Tax Cos. Contribution	2,500	2,500
Postage & Courier	40	200
Filing Fees	1,530	0
Conveyance Charges	908	1,413
ESIC Expense	8,643	521
Stamps	0	160
Stationery & Printing	195	174
Stores Consumed	0	8,775
Staff Welfare Expenses	4,448	0
Bank Charges & Commission	8,826	973
L. W. Fund Employers Contribution	0	200
Miscellaneous Expenses	1,000	0
Miscellaneous Income	0	-410
Balance Sheet Rounding Off	0	-1
	<u>28,090</u>	<u>15,990</u>
	<u>28,090</u>	<u>15,990</u>