

**APRICA HEALTHCARE
PRIVATE LIMITED**

Annual Report : F.Y. 2016-17

REGISTERED OFFICE :

A/4, Fourth floor, Safal Profitaire,
Corporate road,
Pralhadnagar,
Satellite, Ahmedabad

BOARD OF DIRECTORS :

Maharshi Vyas – Managing Director
Maulik Pandya – Director

BANKERS :

Axis Bank



INDEPENDENT AUDITORS' REPORT

To The Members of
Aprica Healthcare Private Limited
Ahmedabad.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s. Aprica Healthcare Private Limited** ('the Company') which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 and the Order under Section 143(11) of the Act.

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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

This report include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2015, we give in the **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 appears from our examination of those books.
- c) The entity does not have any branch office either in India or outside India, hence the said clause is not applicable to the company.
- d) 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 accounts maintained for the purpose of preparation of these standalone financial statements.
- e) 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.

- f) During the course of audit we have not found any financial transactions or matters which have any adverse effect on the functioning of the company.
- g) On the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- h) There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
- i) 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**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- j) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses;
 - iii. The company was not required to transfer any amounts to the Investor Education and Protection Fund during the year.
 - iv. The company had provided requisite disclosures at **Note No 27** of financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For, Khandhar Mehta & Shah

Chartered Accountants
Firm No. 125512W

CA. Gautam Mehta

Partner
M. No. 112626

Place : Ahmedabad

Date : April 28, 2017

Annexure A to Report on Other Legal and Regulator Requirements

**Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report)
Order, 2016.**

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the order is not applicable.
- (ii) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was notified on physical verification of stocks by the management as compared to book records.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firm and parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3 (iii) [(a), (b) and (c)] of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any investment hence provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities is not applicable.
- (v) The company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) As per information and explanation given by the company, the central government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products manufactured by the company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and any other statutory dues with the appropriate authorities.

- (b) According to the information and explanations given to us, no disputed amounts payable in respect of Income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess and other material statutory dues were outstanding, at the year end.
- (viii) According to the information and explanations given to us and the records of the company examined by us, the company has not defaulted in repayment of dues to any financial institution or bank.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us and the records of the Company examined by us, the term loans were applied for the purpose for which the loans were obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have not come across any instance of material fraud on the Company by its officers/employees, noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with requisite approvals mandated by the provision of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The company is not Nidhi Company and hence the said clause shall not be applicable to the company.
- (xiii) According to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence the said clause shall not be applicable.
- (xv) According to the information and explanation given to us, the company has not entered any non cash transactions with Directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the said clause shall not be applicable.

Annexure B to Independent Auditors' Report

Report on the Internal Financial Controls Over Financial Reporting 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 **Aprica Healthcare Private Limited** ('the Company') as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as 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 (the 'Guidance Note'). 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 Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 controls 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, to the best of our information and according to the explanations given to us, 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, 2017, 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.

For, Khandhar Mehta & Shah

Chartered Accountants
Firm No. 125512W

CA. Gautam Mehta

Partner
M. No. 112626

Place : Ahmedabad

Date : April 28, 2017

Aprica Healthcare Private Limited
Balance Sheet as at 31st March, 2017

(₹ in Million)

	Notes	As at March 31, 2017
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	2	0.10
(b) Reserves and surplus	3	(41.85)
2 Non-current liabilities		
(a) Other long-term liabilities	4	0.47
(b) Long-term provisions	5	2.22
3 Current liabilities		
(a) Short-term borrowings	6	67.90
(b) Trade payables	7	
Due to micro and small enterprises		
Due to others		50.07
(c) Other current liabilities	8	3.57
(d) Short term provisions	9	0.51
Total		83.01
II. ASSETS		
1 Non-current assets		
(a) Fixed assets	10	
(i) Tangible assets		4.94
(ii) Work In progress		0.74
(b) Deferred tax assets (net)	11	18.70
(c) Long-term loans and advances	12	1.21
2 Current assets		
(a) Inventories	13	32.07
(b) Trade receivables	14	16.27
(c) Cash and cash equivalents	15	2.12
(d) Short-term loans and advances	16	6.96
Total		83.01

Accompanying notes forming part of Financial Statements

1 to 29

As per our report of even date.

For, Khandhar Mehta and Shah

Chartered Accountants
Firm Reg No 125512W

CA. Gautam Mehta

Partner
M.No. 112626

Place : Ahmedabad

Date : April 28, 2017

For and on behalf of the Board of Directors

Maharshi Vyas Maulik Pandya

Managing Director Director
DIN : 05290257 DIN : 06586338

Place : Ahmedabad

Date : April 28, 2017

Aprica Healthcare Private Limited
Statement of Profit and Loss for the year ended 31st March, 2017

(₹ in Million)

Particulars		Notes	From July 12, 2016 to March 31, 2017
I.	Revenue from operations	17	242.51 -
II.	Total revenue		242.51
III.	EXPENSES :		
	(a) Purchases of stock-in-trade		86.28
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(32.07)
	(c) Employee benefit expense	19	82.01
	(d) Other expenses	20	164.67
	Total Expenses		300.88
IV.	Earnings before exceptional items, tax, Interest depreciation and amortisation (EBITDA) (I - III)		(58.37)
	Finance cost	21	0.07
	Depreciation and amortization expenses	10	2.11
V.	Profit / (Loss) before tax		(60.54)
VI.	Tax expense :		
	(a) Current tax		-
	(b) Deferred tax		(18.70)
	Net tax expense		(18.70)
VII.	Profit / (Loss) after tax		(41.85)
VIII.	Earnings per equity share of ₹ 10 each		
	(a) Basic & Diluted (Rs.)	26	(5,829.63)

Accompanying notes forming part of Financial Statements

1 to 29

As per our report of even date.

For, Khandhar Mehta and Shah

Chartered Accountants
Firm Reg No 125512W

CA. Gautam Mehta

Partner
M.No. 112626

Place : Ahmedabad

Date : April 28, 2017

For and on behalf of the Board of Directors

Maharshi Vyas Maulik Pandya

Managing Director Director
DIN : 05290257 DIN : 06586338

Place : Ahmedabad

Date : April 28, 2017

Aprica Healthcare Private Limited
Cash Flow Statement for the period ended 31st March, 2017

(₹ in Million)

Particulars	From July 12, 2016 to March 31, 2017
A. Cash flow from Operating Activities :	
Profit / (Loss) before tax	(60.54)
Adjustments for :	
Depreciation and amortisation expense	2.11
Operating profit before working capital changes	(58.43)
Changes in working capital:	
Adjustments for (increase) / decrease in operating assets:	
Trade receivables	(16.27)
Inventories	(32.07)
Loans and advances	(8.17)
Adjustments for increase / (decrease) in operating liabilities:	
Trade payable, liabilities & provisions	56.85
Cash generated from operations	(58.10)
Net income tax paid	-
Net cash flow from Operating Activities (A)	(58.10)
B. Cash flow from Investing Activities :	
Purchase of fixed assets	(7.79)
Net cash flow from Investing Activities (B)	(7.79)
C. Cash flow from financing activities :	
Proceeds from share capital	0.10
Proceeds from borrowings	67.90
Net cash flow from Financing Activities (C)	68.00
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2.12
Opening balance of Cash and cash equivalents	-
Closing balance of Cash and cash equivalents (Refer Note 15)	2.12

Footnotes:

(i) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in AS 3 - Cash Flow Statements.

(ii) Cash and Cash Equivalents:

Cash on hand 0.14

Balance with banks in Current Account 1.97

Cash and Cash Equivalents as per Cash flow statement {Refer Note- 15} 2.12

As per our report of even date.

For, Khandhar Mehta and Shah

Chartered Accountants

Firm Reg No 125512W

For and on behalf of the Board of Directors

CA. Gautam Mehta

Partner

M.No. 112626

Place : Ahmedabad

Date : April 28, 2017

Maharshi Vyas

Managing Director

DIN : 05290257

Place : Ahmedabad

Date : April 28, 2017

Maulik Pandya

Director

DIN : 06586338

Aprica Healthcare Private Limited

Notes forming part of Financial Statements for the period ended March 31, 2017

Corporate Information:

Aprica Healthcare Private Limited ("the Company") was incorporated on July 12, 2016. The company is engaged in the business of marketing and selling of pharma products.

Note 1: Significant accounting policies :

1.1 Basis of accounting and preparation of financial statements :

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Companies (Accounting Standards) Rules, 2006, and other relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

1.2 Use of estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

1.3 Operating cycle :

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.4 Revenue recognition :

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of goods have been transferred to the customer. Sales are shown net of discounts and sales returns.

Provision for sales returns are estimated on the basis of historical experience of management, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices, past experience of management and projected market conditions.

1.5 Fixed assets :

Fixed assets are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition of fixed assets till assets are put to use, are capitalized. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Capital work-in-progress comprises of the cost incurred for fixed assets that are not yet ready for their intended use as at the balance sheet date.

1.6 Depreciation and amortization :

Depreciation on fixed Assets (other than 'Land' where no depreciation is provided), is provided on the "Written Down Value Method" (WDV) based on the useful lives as prescribed under Schedule II of the Companies Act, 2013 taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation on additions/ disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets are put to use.

1.7 Impairment of assets :

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized to the extent the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss.

1.8 Inventories :

- a. Inventories are valued at the lower of cost and net realizable value. Cost includes all charges in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.
- b. Stock-in-trade is valued at the lower of cost and net realizable value.

1.9 Cash and cash equivalents :

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.10 Cash flow statement :

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing, and investing activities of the company are segregated based on the available information.

1.11 Earnings Per Share :

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is the same as basic earnings per share as the company is not having any dilutive potential equity shares outstanding during the year. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.

1.12 Employee Benefits :

Employee benefits include provident fund, employee state insurance scheme, gratuity fund.

(a) Long Term :

(A) Defined contribution plan :

The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) Defined benefit plan :

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The company has a policy of not to pay for unused entitlement that has accumulated at the reporting date.

(b) Short term :

Short term employee benefits are recognized as an expense in the statement of Profit and Loss at the undiscounted amount of the employee benefits paid during the year. These benefits include gratuity which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

1.13 Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability is disclosed for :

- a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or
- b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognized in the financial statements.

1.14 Taxes on Income :

The Company's income taxes include current tax on the Company's taxable profits, adjustments attributable to earlier periods and changes in deferred taxes. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing difference between estimated taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s) and is quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

1.15 Leases :

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.16 Foreign currency transactions and translation :

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.17 EBITDA :

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expenses, finance costs, tax expenses and exceptional items.

Aprica Healthcare Private Limited**Notes forming part of Financial Statements for the period ended March 31, 2017****Note 2. Share capital :***(₹ in Million)*

Particulars	As at March 31, 2017
Authorised:	
10,000 Equity Shares of ₹10 each	0.10
Total	0.10
Issued, Subscribed and Fully Paid-up :	
10,000 Equity Shares of ₹10 each fully paid up	0.10
Total	0.10

2.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the period :

Equity Shares	As at March 31, 2017	
	No. of equity shares	₹ in Million
Shares outstanding at the beginning of the year	-	-
Add : Share subscribed / allotted during the year	10,000	0.10
Shares outstanding at the end of the year	10,000	0.10

2.2 Details of shareholders holding more than 5 % equity shares in the company as at the end of the year :

Name of the shareholder	As at March 31, 2017	
	No. of equity shares held	% of Shareholding
Eris Lifesciences Ltd, The Holding Company	10,000	100

2.3 Terms / Rights attached to the equity shares :

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 3. Reserves and surplus :*(₹ in Million)*

Particulars	As at March 31, 2017
Surplus in the Statement of Profit and Loss	
Opening balance	-
Add: Profit for the year	(41.85)
Closing balance	(41.85)
Total	(41.85)

Aprica Healthcare Private Limited**Notes forming part of Financial Statements for the period ended March 31, 2017****Note 4. Other long term liabilities :***(₹ in Million)*

Particulars	As at March 31, 2017
Other long term liabilities	0.47
Total	0.47

Note 5. Long-term provisions :*(₹ in Million)*

Particulars	As at March 31, 2017
Provision for employee benefits	
Gratuity	0.18
Provision for sales return <i>(Refer note-28)</i>	2.05
Total	2.22

Note 6. Short-term borrowings :*(₹ in Million)*

Particulars	As at March 31, 2017
Loans and advances from related party (unsecured, considered good)	67.90
Total	67.90

Note 7. Trade payables :*(₹ in Million)*

Particulars	As at March 31, 2017
Trade payables	
Other than acceptances	
Due to micro and small enterprises <i>(Refer note-25)</i>	-
Due to others	50.07
Total	50.07

Aprica Healthcare Private Limited**Notes forming part of Financial Statements for the period ended March 31, 2017**

Note 8. Other current liabilities :*(₹ in Million)*

Particulars	As at March 31, 2017
Other payables:	
Statutory liabilities	2.61
Advances from customers	0.96
Total	3.57

Note 9. Short term Provisions :*(₹ in Million)*

Particulars	As at March 31, 2017
Provision for sales return (Refer note-28)	0.51
Total	0.51

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Aprica Healthcare Private Limited
Notes forming part of Financial Statements for the period ended March 31, 2017

Note 10. Fixed Assets :

(₹ in Million)

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at July 12, 2016	Additions during the Period	Deductions during the period	Balance as at March 31, 2017	Balance as at July 12, 2016	Additions during the Period	Deductions during the period	Balance as at March 31, 2017	Balance as at March 31, 2017	Balance as at July 12, 2016
Tangible Assets										
Equipment	-	7.05	-	7.05	-	2.11	-	2.11	4.94	-
Work In Progerss										
Furniture and Fixtures	-	0.74	-	0.74	-	-	-	-	0.74	-
Total	-	7.79	-	7.79	-	2.11	-	2.11	5.68	-

Aprica Healthcare Private Limited

Notes forming part of Financial Statements for the period ended March 31, 2017

Note 11. Deferred tax assets (net) :

(₹ in Million)

Particulars	As at March 31, 2017
Deferred tax assets	
Carry forward of business loss	18.79
Retirement benefit	0.06
Lease rent equilisation	0.15
Other	0.01
Deferred tax liability	
On difference between book balance and tax balance of fixed assets	(0.30)
Total	18.70

Note 12. Long-term loans and advances :

(₹ in Million)

Particulars	As at March 31, 2017
Unsecured, considered good	
Security deposits	1.21
Total	1.21

Note 13. Inventories :

(At lower of cost and net realisable value)

(₹ in Million)

Particulars	As at March 31, 2017
Stock-in-trade (Including goods-in-transit Rs. 0.36 Mn)	32.07
Total	32.07

Note 14. Trade receivables :

(₹ in Million)

Particulars	As at March 31, 2017
Unsecured, considered good	
Outstanding for a period exceeding six months from the date they were due for payment	-
Others	16.27
Total	16.27

Aprica Healthcare Private Limited**Notes forming part of Financial Statements for the period ended March 31, 2017****Note 15. Cash and cash equivalents :***(₹ in Million)*

Particulars	As at March 31, 2017
Cash on hand	0.14
Balances with banks in current accounts	1.97
Total	2.12

Note 16. Short-term loans and advances :*(₹ in Million)*

Particulars	As at March 31, 2017
Unsecured, considered good	
Loans and advances to employees	0.43
Prepaid expenses	0.60
Advance recoverable in cash or kind or for value to be received	0.96
Advances to creditors	4.97
Total	6.96

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Note 17. Revenue from operations :*(₹ in Million)*

Particulars	From July 12, 2016 to March 31, 2017
Sale of products ^(17.1)	242.51
Less: Excise duty	-
Revenue from operations (net)	242.51
Total	242.51

(17.1) **Details of Products sold**

Tablets and Capsules	234.61
Others	7.90
Total	242.51

Note 18. Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade :*(₹ in Million)*

Particulars	From July 12, 2016 to March 31, 2017
Opening stock	
Stock-in-trade	-
	-
Less: Closing stock	
Stock-in-trade	(32.07)
	(32.07)
Net (Increase) / decrease in stocks	32.07

Note 19. Employee benefits expenses :*(₹ in Million)*

Particulars	From July 12, 2016 to March 31, 2017
Salaries, wages and bonus	70.10
Contribution to provident and other funds	2.07
Staff welfare expense	9.84
Total	82.01

Aprica Healthcare Private Limited

Notes forming part of Financial Statements for the period ended March 31, 2017

Note 19.1. As per AS 15 (Revised) "Employee Benefits", the disclosures as defined are given below :

Defined Contribution Plans :

(₹ in Million)

	Particulars	From July 12, 2016 to March 31, 2017
	Employer's Contribution to Provident Fund	1.84

Defined Benefit Plans - Gratuity Benefit (Unfunded) :

(₹ in Million)

	Particulars	From July 12, 2016 to March 31, 2017
i)	Amount recognized in the Balance Sheet	
	Present Value of Funded Obligation	-
	Fair Value of Plan Assets	-
	Present Value of Unfunded Obligation	0.18
	Unrecognized past service cost	-
	Net Liability/(Asset)	0.18
ii)	Expenses recognized in Profit & Loss Account for the year ended.	
	Current service cost	0.18
	Interest cost	-
	Expected return on plan assets	-
	Net actuarial losses / (gain)	-
	Past service cost	-
	Total included in "Employee Benefit Expenses"	0.18
iii)	Reconciliation of the Defined Benefit Obligation	
	Opening defined benefit obligation	-
	Service cost	0.18
	Interest cost	-
	Actuarial losses (gains)	-
	Past service cost	-
	Losses (gains) on curtailments	-
	Liabilities extinguished on settlements	-
	Benefits paid	-
	Benefits payable	-
	Closing defined benefit obligation	0.18
iv)	Reconciliation of Opening and Closing balances of changes in fair value of plan assets	NIL
v)	Experience Adjustment	
	Opening defined benefit obligation	0.18
	Plan asset	-
	Surplus/(deficit)	0.18
vi)	Principal Actuarial Assumptions used	
	Discount rate (p.a.)	6.70%
	Expected return on plan assets	NA
	Annual increase in salary costs	7.00%
	Withdrawal rate	35% at younger age reducing to 5% at older ages

Note 20. Other expenses*(₹ in Million)*

Particulars	From July 12, 2016 to March 31, 2017
Power and fuel	0.31
Rent	2.92
Commission	6.08
Advertising, publicity and awareness	15.03
Repairs and maintenance	7.42
Selling and distribution	25.18
Travelling and conveyance	68.22
Communication	0.64
Legal and professional	25.98
Rates and taxes	5.25
Insurance	0.20
Testing charges	0.15
Miscellaneous	1.21
Bank charges	0.03
Courier & Transport Expenses	3.40
Royalty	2.45
Payment to Auditors	0.20
Total	164.67

20.1 Payment to Auditors :*(₹ in Million)*

Particulars	From July 12, 2016 to March 31, 2017
For Statutory Audit	0.20
Total	0.20

Note 21. Finance Cost :*(₹ in Million)*

Particulars	From July 12, 2016 to March 31, 2017
Interest expense	0.07
Total	0.07

Note 22. Related Party Disclosures :

List of Related Parties and description of their relationship are as follows:

Sr. No	Name of the entity	Relationship
1	Eris Lifesciences Limited	Holding Company
2	Maharshi Vyas	Key Managerial Person
3	Maulik Pandya	

Transactions with related parties in ordinary course of business are as follows : (₹ in Million)

Sr. No	Particulars	Relationship	From July 12, 2016 to March 31, 2017
1	Eris Lifesciences Limited	Holding Company	
	Short term Borrowings		102.90
	Repayment of Short term borrowings		35.00
	Royalty		2.45
2	Remuneration - Maharshi Vyas	Key Managerial Person	1.85
3	Remuneration - Maulik Pandya	Key Managerial Person	2.34

Balances with related parties as at March 31, 2017 : (₹ in Million)

Sr. No	Particulars	Relationship	From July 12, 2016 to March 31, 2017
1	Eris Lifesciences Limited	Holding Company	
	Borrowings		67.90
	Trade Payable		2.55

Note 23. Segement reporting :

The primary and secondary reportable segments considered are business segments and geographical segments respectively. The company operates in a solitary business segment i.e. pharmaceuticals. Accordingly, no further disclosures for business segments has been given. Since the company has its present operations in India only, disclosures relating to geogrpahical segments have also not been presented separately. Hence, the financial statements are reflective of the information required by Accounting Standard 17 specified under Section 133 of the Companies Act, 2013.

Note 24. Details of leasing agreements :

(A) Terms Of Lease

The company has entered into operating lease agrrements for office premises and godown for which significant terms and conditions are as under :

- The company has entered into operating lease agrrements for office premises and godown for the period of 9 years.
- The Lease rent shall be ehnanace by 5% after every year in case of office premises and after 11 months in case of godown. There will be lock in period of 3 years in both the lease.

(B) The total future minimum lease payments under non-cancellable leases are as below:

Particulars		(₹ in Million)
Not later than one year		4.29
Later than one year and not later than 5 years		16.28
Later than five years		10.72
(c)	Rent expenses recognised and charged to the Statement of Profit and Loss in current year	2.92

Aprica Healthcare Private Limited**Notes forming part of Financial Statements for the period ended March 31, 2017****Note 25. Micro Small & Medium Enterprises :**

Based on the information available with the Company, there are no enterprises covered under the definition of Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). This has been relied upon by the Auditors.

Note 26. Earnings per share :

Sr. No.	Particulars	March 31, 2017
1	Net profit after tax for the year (₹. in Million)	(41.85)
2	Weighted average number of equity shares outstanding	7,178
3	Basic and diluted earnings per share (in ₹)	(5,829.63)
4	Face value per equity share (in ₹)	10.00

Note 27. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided.

(₹ in Million)

Particulars	SBNs	Other Denomination Notes	Total
Cash in hand as on 08.11.2016	0.02	0.01	0.02
(+) Permitted receipts	-	0.22	0.22
(-) Permitted Payments	-	0.16	0.16
(-) Amounts deposited in Banks	0.02	-	0.02
Closing cash in hand as on 30.12.2016	-	0.07	0.07

Note 28. Provision for sales return :

(₹ in Million)

Particulars	Year ended March 31, 2017
Opening Provision	-
Add : Provision during the year	2.56
Less : Utilisation during the year	-
Closing Provision	2.56

Aprica Healthcare Private Limited

Notes forming part of Financial Statements for the period ended March 31, 2017

Note 29. Others :

- a. This is the first financial statement of the company, prepared for the period July 12, 2016 to March 31, 2017. Further, figures are rounded off in Millions.
- b. In the opinion of the Directors, Current Assets, Loans and Advances have value on realization in the ordinary course of business equal to the amount at which they are stated in the balance sheet.

For, Khandhar Mehta and Shah

Chartered Accountants
Firm Reg No 125512W

CA. Gautam Mehta

Partner
M.No. 112626

Place : Ahmedabad
Date : April 28,2017

For and on behalf of the Board of Directors

Maharshi Vyas

Managing Director
DIN : 05290257

Place : Ahmedabad
Date : April 28,2017

Maulik Pandya

Director
DIN : 06586338