

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of M/s Arrow Remedies Private Limited**  
**(Formerly known as Lex Pharma Private Limited)**

**Report on the Ind AS financial statements**

We have audited the accompanying Ind AS financial statements of M/s Arrow Remedies Private Limited (formerly known as Lex Pharma Private Limited) ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity 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 is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the relevant rules issued thereunder. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

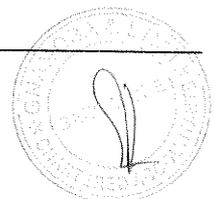
**Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS 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 Rules made thereunder.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the Ind AS financial statements. The procedures selected depend on the auditor's



judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give 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 Ind AS financial statements.

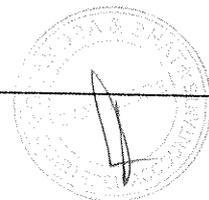
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at 31<sup>st</sup> March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity 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"), 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.
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, the Statement of Profit & Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the relevant rules issued thereunder;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;



- f. With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, we give a separate report in the **Annexure-B**; and
- 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.

Place: Bangalore  
Date : May 10, 2018

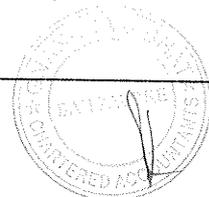


For GNANOBA & BHAT,  
Chartered Accountants,  
Firm Regn No. 000939S

**R. UMESH**  
Partner  
M. No. 27892

**ANNEXURE-A TO AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 OF OUR  
REPORT OF EVEN DATE**

- (i) The Company did not carry any fixed assets as at the end of the year and hence reporting under this clause is not applicable.
- (ii) The Company did not carry any inventories during the year and hence reporting under this clause is not applicable.
- (iii) The Company has not granted loans to any parties listed in the register maintained under section 189 of the Companies Act, 2013 and hence clause (iii) of the Order clause is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transactions which come under the purview of Section 185 and 186 of the Companies Act, 2013 and hence clause (iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in terms of Chapter-V the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014 and hence reporting under this clause is not applicable.
- (vi) According to the information given to us, the Central Government has not specified the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013.
- (vii) According to the information and explanations given to us and on the basis of examination of the books and records as produced before us, in respect of statutory dues and other dues :
  - a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Excise Duty, Custom Duty, Service Tax, Value Added Tax, Cess and other statutory dues with the appropriate authorities during the period wherever applicable. There were no undisputed amounts in respect of the above statutory dues, which were in arrears as at 31st March 2018, for a period more than six months from the date they became due.
  - b) There are no statutory dues which were not deposited on account of any dispute.
- (viii) The company has not borrowed any funds from any financial institution or bank or Government or issued any debentures and hence reporting under this clause is not applicable.
- (ix) The Company has not raised moneys by way of initial public offer, further public offer or any term loans during the year and hence reporting under this clause is not applicable.
- (x) To the best of our knowledge and belief, according to the information and explanations given to us by the Management and the records produced before us, no frauds were noticed or reported during the year.
- (xi) No managerial remuneration was paid by the Company during the year and hence reporting under this clause is not applicable.



- (xii) The Company is not a Nidhi Company and hence this clause is not applicable.
- (xiii) In our opinion and according to the information and explanation given to us and based on our verification of the records and relevant documents, all transactions with related parties entered into by the Company are in compliance with section 188 of the Companies Act where applicable and the details of the same have been disclosed in the Ind AS financial statements etc 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 and hence reporting under this clause is not applicable.
- (xv) According to the information and explanation given to us by the Management 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 and hence this clause is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Bangalore  
Date : May 10, 2018



For GNANOBA & BHAT,  
Chartered Accountants,  
Firm Regn No. 000939S

**R. UMESH**  
Partner  
M. No. 27892

**ANNEXURE-B TO AUDITOR'S REPORT REFERRED TO IN PARAGRAPH F OF OUR  
REPORT OF EVEN DATE**

**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 the financial reporting of M/s Arrow Remedies Private Limited (formerly known as Lex Pharma Private Limited) ("the Company"), as on 31<sup>st</sup> March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended 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 (ICAI).

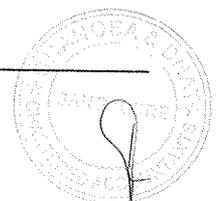
These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and 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 Companies Act, 2013.

**Auditor's 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 judgement, including the assessment of the risks of material misstatement of the Ind AS 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 receipt and expenditures of the company are being made only in accordance with authorisations of management and directors of the company.
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 2018, 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.

Place: Bangalore  
Date : May 10, 2018



For GNANOBA & BHAT,  
Chartered Accountants,  
Firm Regn No. 000939S

R. UMESH  
Partner  
M. No. 27892

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**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
**BALANCE SHEET AS AT MARCH 31, 2018**

	Note No.	31-Mar-18	Amount in INR 31-Mar-17
<b>A ASSETS</b>			
<b>I Non-current assets</b>			
(a) Other non-current assets	1	45,000	45,000
<b>Total non-current assets</b>		<u>45,000</u>	<u>45,000</u>
<b>II Current assets</b>			
(a) Financial assets			
(i) Trade receivables	2	3,53,830	-
(ii) Cash and cash equivalents	3	1,21,338	20,87,146
(b) Other current assets	4	18,360	3,79,720
<b>Total current assets</b>		<u>4,93,528</u>	<u>24,66,866</u>
<b>TOTAL ASSETS</b>		<u><u>5,38,528</u></u>	<u><u>25,11,866</u></u>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	5	1,00,000	1,00,000
(b) Other equity	6	(4,40,051)	(8,22,388)
<b>Total Equity</b>		<u>(3,40,051)</u>	<u>(7,22,388)</u>
<b>II Liabilities</b>			
<b>I Current liabilities</b>			
(a) Financials liabilities			
(i) Borrowings	7	-	7,93,600
(ii) Trade payables	8	1,23,990	2,94,595
(b) Other current liabilities	9	6,46,320	21,30,752
(c) Current tax liabilities (Net)	10	1,08,269	15,307
		<u>8,78,579</u>	<u>32,34,254</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>5,38,528</u></u>	<u><u>25,11,866</u></u>

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For and on behalf of Board of Directors

For **Gnanoba & Bhat**  
Chartered Accountants  
Firm Registration no. 000939S



**R Umesh**  
Partner  
Mem. No. 27892



**Sormistha Ghosh**  
Director  
DIN: 07669095



**Krishnan Tirucherai Parthasarathy**  
Director  
DIN: 08061680

Place : Bangalore  
Date : May 10, 2018





**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE PERIOD ENDED MARCH 31, 2018**

	Note No.	Amount in INR	
		31-Mar-18	31-Mar-17
1 Revenue from operations	11	11,00,057	1,13,21,179
2 Other income	12	46,569	32,500
<b>3 Total revenue (1+2)</b>		<b>11,46,626</b>	<b>1,13,53,679</b>
<b>4 Expenses</b>			
(a) Employee benefits expenses	13	-	47,21,080
(b) Finance costs	14	39,452	1,51,253
(c) Depreciation and amortisation expense		-	7,98,565
(d) Other expenses	15	5,55,451	61,37,290
<b>Total</b>		<b>5,94,903</b>	<b>1,18,08,188</b>
<b>5 Profit before exceptional items and tax (3-4)</b>		<b>5,51,723</b>	<b>(4,54,509)</b>
6 Exceptional items gain / (loss) (net)		-	-
<b>7 Profit before tax (5+6)</b>		<b>5,51,723</b>	<b>(4,54,509)</b>
8 Tax expense	16	1,69,386	3,55,682
<b>9 Profit for the period (7-8)</b>		<b>3,82,337</b>	<b>(8,10,191)</b>
<b>10 Other Comprehensive Income</b>			
A) (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B) (i) Items that may be reclassified to profit or loss		-	-
(ii) Income tax relating to items that may be reclassified to profit or loss		-	-
<b>Total Other comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>11 Total Comprehensive Income for the period (9+10)</b>		<b>3,82,337</b>	<b>(8,10,191)</b>
<b>12 Earnings per share (of Rs. 10/- each)</b>			
- Basic		38.23	(81.02)
- Diluted		38.23	(81.02)

See accompanying notes forming part of the Financial Statements

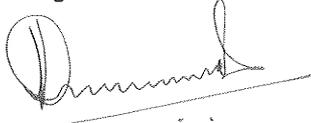
In terms of our report attached

For and on behalf of Board of Directors

For Gnanoba & Bhat

Chartered Accountants

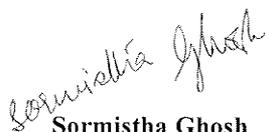
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**R Umesh**

Partner

Mem. No. 27892



**Sormistha Ghosh**

Director

DIN: 07669095



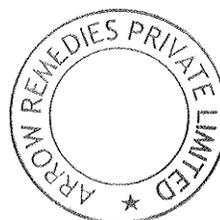
**Krishnan Tirucherai Parthasarathy**

Director

DIN: 08061680

Place :Bangalore

Date : May 10, 2018



**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED MARCH 31, 2018 AND MARCH 31, 2017**

**A) Equity share capital**

Particulars	Amount in INR
Balance as at March 31, 2017	1,00,000
Changes in equity share capital during the year	-
Balance as at March 31, 2018	1,00,000

**B) Other equity**

Particulars	Reserves and Surplus	Items of other comprehensive income	Total
	Retained earnings	Re -measurement of the defined benefit liabilities / (assets)	
Balance as at March 31, 2017	(8,22,388)	-	(8,22,388)
Profit / (Loss) for the year	3,82,337	-	3,82,337
Other comprehensive income for the year (net of tax)	-	-	-
<b>Total comprehensive income</b>	<b>(4,40,052)</b>	<b>-</b>	<b>(4,40,052)</b>
Balance as at March 31, 2018	(4,40,052)	-	(4,40,052)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For and on behalf of Board of Directors

For Gnanoba & Bhat

Chartered Accountants

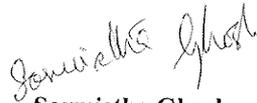
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**R Umesh**

Partner

Mem. No. 27892



**Sormistha Ghosh**

Director

DIN: 07669095



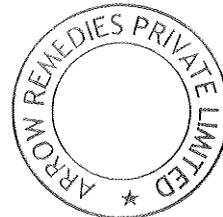
**Krishnan Tirucherai Parthasarathy**

Director

DIN: 08061680

Place : Bangalore

Date : May 10, 2018



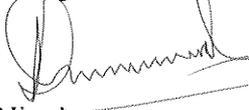
**ARROW REMEDIES PRIVATE LIMITED**  
(FORMERLY LEX PHARMA PRIVATE LIMITED)  
**STATEMENT OF CASH FLOWS**  
FOR THE PERIOD ENDED MARCH 31, 2018

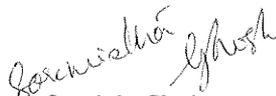
Particulars	Amount in INR	
	For the period ended 31-Mar-18	31-Mar-17
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) after tax	3,82,337	(8,10,191)
<b>Adjustments for:</b>		
-Provision for tax	1,69,386	3,55,682
-Depreciation and amortisation	-	7,98,565
-(Profit) / loss on sale / write off of assets	-	9,68,396
-Finance costs	25,645	1,16,479
-Provision for gratuity & Leave Encashment	-	(1,25,000)
-Net unrealised exchange (gain) / loss	(3,313)	-
	<u>1,91,718</u>	<u>21,14,122</u>
<b>Operating profit / (loss) before working capital changes</b>	<u>5,74,055</u>	<u>13,03,931</u>
<b>Changes in working capital:</b>		
(Increase)/decrease in trade and other receivables	(9,01,567)	(1,27,049)
Increase/(decrease) in trade and other payables	(4,00,136)	(19,45,299)
<b>Net Change in working capital</b>	<u>(13,01,703)</u>	<u>(20,72,348)</u>
<b>Cash generated from operations</b>	<u>(7,27,649)</u>	<u>(7,68,417)</u>
Tax paid	(76,425)	(3,96,975)
<b>Net cash flow from / (used in) operating activities (A)</b>	<u>(8,04,074)</u>	<u>(11,65,392)</u>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets including capital advance	-	(8,82,275)
Proceeds from sale of assets	-	25,55,097
<b>Net cash flow from / (used in) investing activities (B)</b>	<u>-</u>	<u>16,72,822</u>
<b>C. Cash flow from financing activities</b>		
Repayment of advances	(3,42,489)	-
Proceeds from short-term borrowings	-	7,93,600
Repayment of short-term borrowings	(7,93,600)	-
Finance cost	(25,645)	(1,16,479)
<b>Net cash flow from / (used in) financing activities (C)</b>	<u>(11,61,734)</u>	<u>6,77,121</u>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<u>(19,65,808)</u>	<u>11,84,551</u>
Cash and cash equivalents at the beginning of the year	20,87,146	9,02,595
<b>Cash and cash equivalents at the end of the year</b>	<u>1,21,338</u>	<u>20,87,146</u>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 3)	1,21,338	20,87,146
Less: Bank balances not considered as Cash and cash equivalents as defined in IndAS 7 Statement of <i>Cash Flow</i> .	-	-
<b>Net Cash and cash equivalents (as defined in IND AS 7 Statement of <i>Cash Flows</i>) included in Note 3</b>	<u>1,21,338</u>	<u>20,87,146</u>
Add: Current investments considered as part of Cash and cash equivalents (as defined in Ind AS 7 statement of cash flows)	-	-
<b>Cash and cash equivalents at the end of the year</b>	<u>1,21,338</u>	<u>20,87,146</u>
* Comprises:		
(a) Cash on hand	-	19
(b) Balances with banks - in current accounts	1,21,338	20,87,127
(c) Balances with banks - in fixed deposits	-	-

In terms of our report attached

For and on behalf of Board of Directors

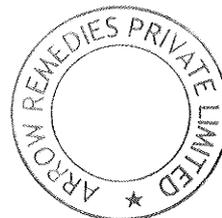
for **Gnanoba & Bhat**  
Chartered Accountants  
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**R Umesh**  
Partner  
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**Sormistha Ghosh**  
Director  
DIN: 07669095

  
**Krishnan Tirucherai Parthasarathy**  
Director  
DIN: 08061680

Place :Bangalore  
Date : May 10, 2018



**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
Notes Forming Part Of Financial Statements

Note  
No.

1 Other non current assets	Amount in INR	
Particulars	31-Mar-18	31-Mar-17
Unsecured, considered good		
- Security deposit	45,000	45,000
<b>Total</b>	<b>45,000</b>	<b>45,000</b>

2 Trade receivable	Amount in INR	
Particulars	31-Mar-18	31-Mar-17
Unsecured, considered good		
- Considered good	3,53,830	-
- Considered doubtful	-	-
	3,53,830	-
Less : Allowances for doubtful trade receivables	-	-
<b>Total</b>	<b>3,53,830</b>	<b>-</b>
<b>Note: Dues from related parties</b>	<b>1,89,454</b>	<b>-</b>

3 Cash and cash equivalents	Amount in INR	
Particulars	31-Mar-18	31-Mar-17
Cash on hand	-	19
Balance with banks in current account	1,21,338	20,87,127
<b>Total</b>	<b>1,21,338</b>	<b>20,87,146</b>

4 Other current assets	Amount in INR	
Particulars	31-Mar-18	31-Mar-17
Dues from related party	-	5,125
Other advances	-	1,50,348
Balances with government authorities:		
- Service tax credit receivable	-	2,24,247
- GST receivable	18,360	-
<b>Total</b>	<b>18,360</b>	<b>3,79,720</b>

5 Equity share capital	Amount in INR	
Particulars	31-Mar-18	31-Mar-17
<b>Authorised</b>		
10,000 Equity shares of Rs. 10/- each with voting rights (March 31,2017 10,000 Equity shares of Rs. 10/- each with voting rights)	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>
<b>Issued, subscribed and fully paid-up</b>		
10,000 Equity shares of Rs. 10/- each with voting rights (March 31,2017 10,000 Equity shares of Rs. 10/- each with voting rights)	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>

(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	31-Mar-18		31-Mar-17	
	No. of Shares	Amount in INR	No. of Shares	Amount in INR
Equity share of Rs. 10/- each				
Opening balance	10,000	1,00,000	10,000	1,00,000
Issued during the year	-	-	-	-
<b>Closing balance</b>	<b>10,000</b>	<b>1,00,000</b>	<b>10,000</b>	<b>1,00,000</b>



**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
**Notes Forming Part Of Financial Statements**

Note

No.

- (b) **Detail of rights, preferences & restrictions attaching to each class of shares outstanding Equity shares of Rs. 10/- each:**  
The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all other parties concerned. The distribution will be in proportion to number of equity shares held by the shareholders.

- (c) **Details of equity shares held by each shareholder holding more than 5% of shares:**

Particulars	31-Mar-18		31-Mar-17	
	No. of Shares	% Of shares	No. of Shares	% Of shares
Strides Shasun Limited - Holding Company	10,000	100%	-	-
Arrow Pharma Pte. Limited, Singapore	-	-	10,000	100%
<b>Total</b>	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

**6 Other equity**

Amount in INR

Particulars	31-Mar-18	31-Mar-17
<b>Surplus in statement of profit and loss</b>		
Opening balance	(8,22,388)	(12,197)
Add: Profit / (Loss) for the year	3,82,337	(8,10,191)
<b>Closing balance</b>	<b>(4,40,051)</b>	<b>(8,22,388)</b>
<b>Other comprehensive income</b>		
Opening balance	-	-
Add/(Less) : Other comprehensive income for the year	-	-
Add/(Less) : Tax impact on above	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>(4,40,051)</b>	<b>(8,22,388)</b>

**7 Short term borrowings**

Amount in INR

Particulars	31-Mar-18	31-Mar-17
Loan from related party	-	7,93,600
<b>Total</b>	<b>-</b>	<b>7,93,600</b>

Note: The above loan carries an interest of 9.00% p.a.

**8 Trade payables**

Amount in INR

Particulars	31-Mar-18	31-Mar-17
Trade payables:		
- Dues to related parties	35,400	-
- Other than acceptances	88,590	2,94,595
<b>Total</b>	<b>1,23,990</b>	<b>2,94,595</b>

**9 Other current liabilities**

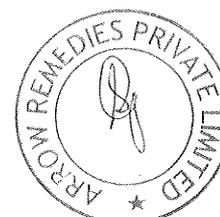
Amount in INR

Particulars	31-Mar-18	31-Mar-17
Other payables:		
- Dues to related parties	6,40,229	18,95,131
- Statutory remittances	6,091	2,35,621
<b>Total</b>	<b>6,46,320</b>	<b>21,30,752</b>

**10 Current tax liabilities**

Amount in INR

Particulars	31-Mar-18	31-Mar-17
Provision for tax (net of advance tax paid)	1,08,269	15,307
<b>Total</b>	<b>1,08,269</b>	<b>15,307</b>



**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
Notes Forming Part Of Financial Statements

Note

No.

11 Revenue from operations		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
Support service charges	11,00,057	1,13,21,179	
<b>Total</b>	<b>11,00,057</b>	<b>1,13,21,179</b>	

12 Other income		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
Rent income	-	32,500	
Sundry balances written back	32,871	-	
Foreign exchange gain	13,698	-	
<b>Total</b>	<b>46,569</b>	<b>32,500</b>	

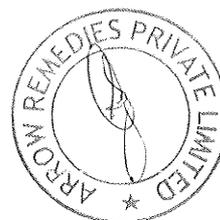
13 Employee benefit expenses		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
Salaries and wages	-	44,17,977	
Contributions to provident and other funds	-	1,89,122	
Staff welfare	-	1,13,981	
<b>Total</b>	<b>-</b>	<b>47,21,080</b>	

14 Finance cost		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
Interest expense on:			
- Borrowings	25,645	1,16,479	
Other finance cost	13,807	34,774	
<b>Total</b>	<b>39,452</b>	<b>1,51,253</b>	

15 Other expenses		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
Subcontracting	26,346	3,03,050	
Power and fuel	-	1,38,490	
Rent	60,075	9,44,582	
Rates & taxes	2,67,052	12,34,383	
Repairs & maintenance	-	3,22,010	
Printing & stationery	39,887	2,19,410	
Conveyance & travelling	-	4,61,240	
Communication expenses	29,799	5,79,308	
Professional fees	73,236	4,31,596	
Payment to auditors (See Note Below)	58,000	1,00,375	
Loss on sale of fixed assets	-	9,68,396	
Insurance	1,038	-	
Other expense	18	4,34,450	
<b>Total</b>	<b>5,55,451</b>	<b>61,37,290</b>	

(i) Payments to the statutory auditors of the company comprises (net of GST/ST) for :		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
- For Statutory Audit	28,000	1,00,375	
- For Tax Audit	30,000	-	
<b>Total</b>	<b>58,000</b>	<b>1,00,375</b>	

16 Tax expense		Amount in INR	
Particulars	31-Mar-18	31-Mar-17	
Current tax	1,69,386	3,34,670	
Prior year tax	-	77,612	
Deferred tax	-	(56,600)	
<b>Total</b>	<b>1,69,386</b>	<b>3,55,682</b>	



**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
Notes Forming Part Of Financial Statements

**Note - 17**

**Defined Contribution Plans**

**a. Gratuity and Leave Encashment**

During the year, a sum of INR NIL/- (INR NIL/-) and INR NIL/- (INR 23,763/-) have been recognised towards gratuity and leave encashment respectively in the statement of profit and loss for the year.

**b. Employers' Contribution to Provident Fund**

During the year, the Company has recognized the following amount in the Statement of Profit and Loss

Particulars	Amount in INR	
	31-Mar-18	31-Mar-17
Employers' Contribution to Provident Fund	-	1,89,122

**Note - 18**

**Earnings per share**

Particulars	Amount in INR	
	31-Mar-18	31-Mar-17
Net Profit after Tax	3,82,337	(8,10,191)
Weighted average number of equity shares (No.s)	10,000	10,000
Earnings/(Loss) per share	38.23	(81.02)
Nominal Value of Equity Shares	10.00	10.00

**Note - 19**

**Leases**

The Company had taken premises on lease basis as detailed below:

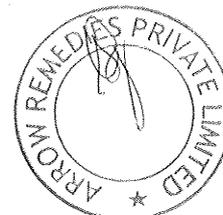
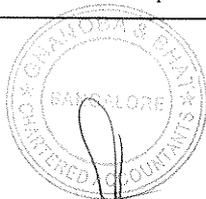
Details of leasing arrangements	Amount in INR	
	31-Mar-18	31-Mar-17
Minimum lease payments debited to Rent account	60,075	9,44,582
Future Minimum lease Payments;		
- Not later than one year	-	-
- Later than one year and not later than 5 years	-	-
- Later than five years	-	-

**Note - 20**

**Related Party Disclosure**

Party where the Control Exists	Name of Related Party
Ultimate Holding Company	Strides Shasun Ltd (upto October 29th,2017)
Holding Company	Strides Shasun Ltd (w.e.f. October 30th,2017)
Holding Company	Arrow Pharma Pte Ltd., Singapore (upto October 29th,2017)
Fellow Subsidiary	Arrow Pharma Pte Ltd., Singapore (w.e.f. October 30th,2017)
Fellow Subsidiary	Fagris Medica Pvt Ltd

Related party transactions during the year ended March 31st, 2018					Amount in INR	
Sl No	Nature of Transaction		Holding Company	Fellow Subsidiary	Ultimate Holding Company	
1	Advance against service charges	2018	-	-	-	
		2017	9,12,413	-	-	
2	Support Service Income	2018	10,88,170	-	-	
		2017	1,13,21,179	-	-	
3	Rent - Income	2018	-	-	-	
		2017	-	32,500	-	
4	Loans & Advances - Taken	2018	6,39,728	-	-	
		2017	-	-	24,02,000	
5	Loans & Advances - Repaid	2018	6,39,728	-	1,76,952	
		2017	-	-	17,13,231	
6	Interest paid on Loan	2018	-	-	25,645	
		2017	-	-	1,16,479	
7	Rent Expense	2018	30,000	-	30,000	
		2017	-	-	60,000	
8	Sale of assets	2018	-	-	-	
		2017	26,415	-	13,13,231	
9	Reimbursement for Expenses incurred by	2018	97,700	-	2,08,182	
		2017	-	-	9,98,023	



**ARROW REMEDIES PRIVATE LIMITED**  
**(FORMERLY LEX PHARMA PRIVATE LIMITED)**  
**Notes Forming Part Of Financial Statements**

Related party balances as at March 31st, 2018

Amount in INR

1	- Payable - Loan	2018	-	-	-
		2017	-	-	7,93,600
	- Payable - Advances	2018	6,38,964	-	-
		2017	9,12,413	-	9,81,453
	- Trade Payable	2018	35,400	-	-
		2017	-	-	-
2	- Receivable	2018	-	1,88,189	-
		2017	-	5,125	-

Note - 21

Earnings in foreign currency

Amount in INR

Particulars	31-Mar-18	31-Mar-17
Export of Services	10,88,170	1,13,21,179
<b>Total</b>	<b>10,88,170</b>	<b>1,13,21,179</b>

Note - 22

Foreign currency exposure

Foreign currency exposure that have not been hedged by a derivative instrument or otherwise:

Particulars	31-Mar-18		31-Mar-17	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Receivables	2,908	1,88,189	-	-
Payables	-	-	14,092	9,12,413
<b>Total</b>	<b>2,908</b>	<b>1,88,189</b>	<b>14,092</b>	<b>9,12,413</b>

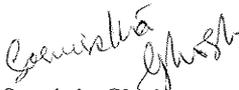
Note - 23

Based on the information available with the company, there are no suppliers who are registered as micro, small or medium enterprises under The Micro, Small and Medium Enterprises Act, 2006 as at 31st March 2018.

Note - 24

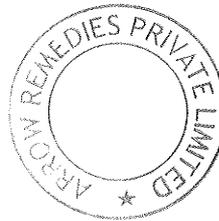
Previous year figures have been regrouped and reclassified where necessary to conform to current year figures.

By Order of the Board of Directors  
for Arrow Remedies Private Limited

  
Sormistha Ghosh  
Director  
DIN: 07669095

  
Krishnan Tirucherai Parthasarathy  
Director  
DIN: 08061680

Place :Bangalore  
Date : May 10, 2018





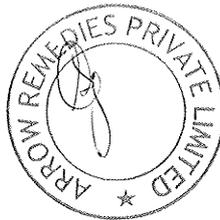
**ARROW REMEDIES PRIVATE LIMITED**  
(Formerly known as Lex Pharma Private Limited)  
Notes Forming Part Of Financial Statements

Particulars	Amount in INR	
	As at 31-Mar-18	As at 31-Mar-17
Deferred tax assets	-	-
Deferred tax liabilities	-	-
	-	-

**Unrecognised deductible temporary differences, unused tax losses and unused tax credits**

Particulars	Amount in INR	
	As at 31-Mar-18	As at 31-Mar-17
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
-tax losses (revenue in nature)	-	-
-tax losses (capital in nature)	3,87,428	4,64,913
-unused tax credits (refer note below)	-	-
-deductible temporary differences - u/s 43B	-	-
	<b>3,87,428</b>	<b>4,64,913</b>

**Note:** Deferred tax asset has not been recognised on the grounds of prudence



**ARROW REMEDIES PRIVATE LIMITED**  
**(Formerly known as Lex Pharma Private Limited)**

**NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2018**

**NOTE – 25**

**COMPANY INFORMATION**

Arrow Remedies Private Limited is a Company which is headquartered in Bangalore, India. The Company is primarily a service provider providing support services to entities engaged in the marketing/ distribution of pharmaceutical products which inter alia includes trading/ marketing of pharmaceutical products in India or overseas and any other allied activities in relation to it.

**NOTE – 26**

**SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

The Company is a wholly owned subsidiary of Strides Shasun Limited, a listed company which is required to prepare its financial statements in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accordingly, these financial statements are also prepared in accordance with Ind AS under the historical cost convention on the accrual basis with revenues recognized and expenses accounted on their accrual, including provisions / adjustments for committed obligations and amounts determined as payable or receivable during the year.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**B. GOING CONCERN**

The Company had restructured its business during the previous year. Presently, the management continues to explore new lines of business activities that can be gainfully carried on by the Company, though the net worth of the Company has been eroded in entirety, all principles applicable to a Going Concern have been applied in the preparation of these financial statements.

**C. CASH FLOW STATEMENTS**

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

**D. REVENUE RECOGNITION**

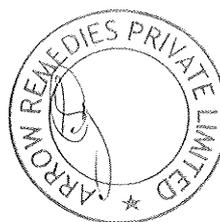
Revenue from support services is recognized and accrual based on the terms of the agreements.

**E. TAXATION**

The current charge for income tax (if any) is calculated in accordance with the relevant tax regulations applicable to the Company.

Minimum alternate tax (if any) paid in accordance with the tax laws, which gives future economic benefits in the nature of adjustments to the future income tax liability is considered an asset if there is convincing evidence that the Company will pay normal tax in future.

Deferred tax assets and liabilities (if any) are recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per financial statements. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet Date.



**F. FOREIGN CURRENCY TRANSACTIONS:**

Transactions denominated in Foreign Currencies are recorded using the exchange rates prevailing on the date of transaction. The difference if any, on actual payment/ realization is charged off to revenue. Amount receivable / payable as at the close of the year is accounted at the prevailing rates and the difference if any, on receipt / while making actual payment due to fluctuation in the rate of exchange is charged to revenue in that year.

**G. PROVISIONS:**

A provision is recognized when the enterprise has a present obligation as a result of past event(s) which may result in a probable outflow of resources to settle the obligation and in respect of which a reasonable estimate can be made. Provisions are not discounted to their present value and are determined on the basis of the best estimate of the resources required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

**H. IMPAIRMENT OF ASSETS**

An asset is treated as impaired if the current carrying cost of the same exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in the prior accounting periods is reversed if there is any change in the estimate of recoverable amount. The recoverable amount is the greater of the net selling price or the value in use.

**I. CONTINGENCIES**

Contingent liabilities are not recognized and are shown by way of notes to the financial statements.

**J. EARNINGS PER SHARE**

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 computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving the basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share and are deemed to be converted at the beginning of the period, unless they have been issued at a later date.

**K. EMPLOYEE BENEFITS**

In view of the termination of all employment contracts effective February 2017 and the consequent sale of assets and liabilities, the Company has ascertained that there is no requirement to make any provision in these accounts towards gratuity and leave encashment.

For and on behalf of the Board

Place : Bangalore  
Date : May 10, 2018

  
**Sormistha Ghosh**  
Director  
DIN: 07669095

  
**Krishnan Tirucherai Parthasarathy**  
Director  
DIN: 08061680

