

Arvee Laboratories India Ltd.
(Previously known as Arvee Laboratories India Pvt Ltd.)
Balance Sheet as at 30th September, 2017

Particulars	Note No	As at 30.09.2017	As at 30.06.2017	As at 31.03.2017
EQUITY AND LIABILITIES				
Shareholder's Funds				
Share Capital	2	405,00,000	405,00,000	405,00,000
Reserves and Surplus	3	46,94,504	28,59,389	15,38,846
Non-Current Liabilities				
Long Term borrowings	4	1687,61,117	1671,61,233	1656,53,729
Deferred tax liabilities (Net)		13,41,872	13,41,872	13,41,872
Current Liabilities				
Short-term borrowings	5	717,17,918	722,75,159	723,62,680
Trade Payables	6	889,43,934	706,80,472	584,07,725
Short-term provisions	7	31,74,156	34,02,186	36,03,562
Other current liabilities	8	129,33,481	125,00,658	134,37,129
Total		3920,66,983	3707,20,965	3568,45,542
ASSETS				
Non-current assets				
<i>Fixed assets</i>				
Tangible assets	9	1589,25,195	1634,23,668	1687,84,741
Capital work in progress	9	3,25,587	1,73,587	-
Long term loans and advances	10	17,58,794	15,11,294	15,11,294
Current assets				
Inventories	11	821,11,424	728,06,858	622,38,827
Trade receivables	12	874,84,740	848,16,171	821,56,272
Cash and cash equivalents	13	139,95,655	89,74,241	96,31,929
Short term loans and advances	14	474,65,588	390,15,147	325,22,478
Total		3920,66,983	3707,20,966	3568,45,542
Significant Accounting Policies	1			
The Note numbers 24 to 34 form integral part of the Financial Statements				

As per our separate report of even date attached herewith

For Bharatiya & Malkani
FRN :- 127222W
Chartered Accountants

Rajesh R. Bharatiya

Rajesh R. Bharatiya
Partner
Membership No. 115838



Place : Ahmedabad
Date : 30-12-2017

For Arvee Laboratories (India) Ltd.
For, Arvee Laboratories (India) Limited

Shalin Patel

Shalin Patel
Director
[DIN: 01779902]

Shalin Chokshi

Shalin Chokshi
Director
[DIN: 00191903]



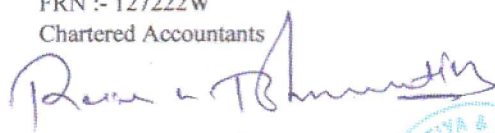
Place : Ahmedabad
Date : 30-12-2017

Arvee Laboratories India Ltd.
(Previously known as Arvee Laboratories India Pvt Ltd.)
Profit and Loss Account for the year ended on 30.09.2017

Particulars	Note No	As on 30.09.17	As on 30.06.17	2016-17
Revenue from operations	15	1095,71,233	868,44,737	3442,31,800
Other Income	16	10,99,854	4,82,976	51,37,875
Total Revenue		1106,71,087	873,27,713	3493,69,675
Expenses:				
Cost of Material Consumed	17	962,00,979	498,70,668	1986,44,725.91
Changes in Finished goods and work in progress	18	(200,64,003)	63,46,343	186,38,789
Employee benefit expense	19	65,72,000	60,68,462	254,38,862
Financial costs	20	84,32,561	81,55,233	347,76,460
Depreciation expense	9	54,05,517	54,01,073	206,88,196
Other expenses				
Administrative Expenses	21	25,86,842	14,06,530	53,42,056
Manufacturing Expenses	22	83,17,791	67,80,889	345,55,761
Selling and Distribution Expenses	23	9,52,286	16,67,109	26,82,079
Total Expenses		1084,03,972	856,96,307	3407,66,929
Profit before exceptional and extraordinary items and tax		22,67,114	16,31,407	86,02,746.00
Exceptional & Extraordinary Items				
Profit before tax		22,67,114	16,31,407	86,02,746
Tax expense:				16,39,253.38
Current tax		4,31,999	3,10,865	-
Excess Provision of Earlier years written back		-	-	(85,54,067)
Deferred tax		-	-	(69,14,813)
Net Tax expenses		4,31,999	3,10,865	
Profit for the period		18,35,116	13,20,542	155,17,560
Earning per equity share:				
(1) Basic		0.45	0.33	3.83
(2) Diluted		0.45	0.33	3.83
Significant Accounting Policies	1			
The Note numbers 24 to 34 form integral part of the Financial Statements				

As per our separate report of even date attached herewith

For Bharatiya & Malkani
FRN :- 127222W
Chartered Accountants

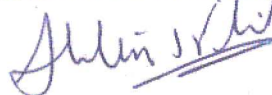


Rajesh R. Bharatiya
Partner
Membership No. 115838



For Arvee Laboratories (India) Pvt. Ltd.

For, Arvee Laboratories (India) Limited



Shalin Patel
Director
[DIN: 01779902]

Director



Shalin Chokshi
Director
[DIN: 00191903]

Place : Ahmedabad
Date : 30-12-2017

Place : Ahmedabad
Date : 30-12-2017

2. Share Capital

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Authorised						
40,50,000 (Previous year 40,50,000) Equity Shares of Rs. 10/- each		405,00,000		405,00,000		405,00,000
Issued, Subscribed and fully paid up						
40,50,000 (Previous year 40,50,000) Equity Shares of Rs. 10/- each		405,00,000		405,00,000		405,00,000
Total		405,00,000		405,00,000		405,00,000

a. The reconciliation of the number of Equity Shares outstanding as at 30.09.17, 30.06.17 and 31.03.2017 is set out below:

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Shares outstanding at the beginning of the year		40,50,000		40,50,000		40,50,000
Shares Issued during the year						
Shares bought back during the year						-
Shares outstanding at the end of the year		40,50,000		40,50,000		40,50,000

b. Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each 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 the approval of the shareholders in the ensuing annual general meeting.

During the period ended 30th September 2017, No dividend is declared by Board of Directors. (Previous year - Nil)

c. Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates: Not Applicable

d. Shares reserved for issue under options: NIL

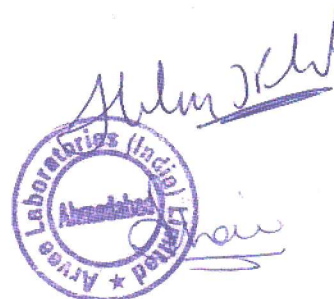
e. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date: NIL

f. Securities convertible into equity / preference shares issued along with the earliest date of conversion: NIL

g. Forfeited Shares : NIL

h. Details of Shareholders holding more than 5% shares in the company:

Name of Shareholder	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
					No. of Shares held	% of shares held
Bhartbhai R. Chokshi	6,85,000	16.91%	6,85,000	16.91%	6,85,000	16.91%
Saumilbhai B. Chokshi	6,69,000	16.52%	6,69,000	16.52%	6,69,000	16.52%
Shalinbhai B. Chokshi	6,69,000	16.52%	6,69,000	16.52%	6,69,000	16.52%
Shalinbhai S. Patel	16,90,000	41.73%	16,90,000	41.73%	16,90,000	41.73%
Sudhakarbhai C. Patel	3,31,000	8.17%	3,31,000	8.17%	3,31,000	8.17%
Total	40,44,000	99.85%	40,44,000	99.85%	40,44,000	99.85%



3. Reserves and Surplus

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Surplus						
Opening balance		28,59,389		15,38,847		(139,78,714)
(+) Net Profit for the current year		18,35,116		13,20,542		155,17,560
Closing Balance		46,94,504		28,59,389		15,38,846
Total		46,94,504		28,59,389		15,38,846

4. Long Term Borrowings

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Secured						
From bank		331,47,034		358,70,651		386,70,382
Unsecured						
Loans from Directors		954,35,927		923,95,456		1042,86,706
Loans from Related Parties		401,78,156		388,95,125		396,29,712
Total		1687,61,117		1671,61,233		1825,86,801

The details of security of the long term borrowings are set out below :

Description of Security offered to Standard Chartered Bank by way of Exclusive first charge of the following property/assets:

1. Hypothecation of Plant and Machinery of the company.
2. Registered Mortgage over the company's 1. R.S. No. 316 paiki Plot No 1 area admeasuring about 7183 sq mtr with construction thereon mouje kardej Ta. & Dist Bhavnagar, 2. residential flat No 403, Kailash Apartment, Nr. Gogha Circle, Bhavnagar & residential flat No 103, Pruthvi Plaza, Nr Gogha Circle, Bhavnagar.
3. First charge on entire current assets of the company including Raw Materials, Stock in process, Finished goods, spares & Receivables (not more than 90 days) present and future.
4. Personal Guarantee of Directors.

Rate of Interest & Repayment terms of Loans:

1. Term Loans taken from Standard Chartered Bank bear MCLR+2.00 (BS) rate of interest per annum.
2. Term Loans taken from Standard Chartered Bank are repayable in 60 monthly installments.

Rate of Interest & Repayment terms of Unsecured loans taken from Directors:

1. Unsecured Loans taken from Directors bear 15% rate of interest per annum
2. Unsecured Loans taken from Directors are repayable after 5 years from the date of acceptance.

Rate of Interest & Repayment terms of Unsecured loans taken from Related parties:

1. Unsecured Loans taken from Related Parties bear 15% rate of interest per annum.
2. Unsecured Loans taken from Related Parties are repayable after 5 years from the date of acceptance.



5. Short Term Borrowings

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Secured						
From bank		717,17,918		722,75,159		713,12,680
Unsecured						
Loans from Directors		-		-		-
Loans from NBFCs		-		-		10,50,000
Inter Corporate Deposits		-		-		-
Total		717,17,918		722,75,159		723,62,680

The details of security of the Short term borrowings are set out below :

Description of Security offered to Standard Chartered Bank by way of Exclusive first charge of the following property/assets:

1. Hypothecation of Plant and Machinery of the company.
2. Registered Mortgage over the company's 1. R.S. No. 316 paiki Plot No 1 area admeasuring about 7183 sq mtr with construction thereon mouje kardej Ta. & Dist Bhavnagar, 2. residential flat No 403, Kailash Apartment, Nr. Gogha Circle, Bhavnagar & residential flat No 103, Pruthvi Plaza, Nr Gogha Circle, Bhavnagar.
3. First charge on entire current assets of the company including Raw Materials, Stock in process, Finished goods, spares & Receivables (not more than 90 days) present and future.
4. Personal Guarantee of Directors

Rate of Interest & Repayment terms of Loans:

1. Cash Credit Loans taken from Standard Chartered Bank bear MCLR+2.00 (BS) rate of interest per annum.
2. Short Term Loans taken from Standard Chartered Bank are repayable on demand.

6. Trade Payables

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Trade Payables		889,43,934		706,80,472		584,07,725
Total		889,43,934		706,80,472		584,07,725

7. Short Term Provisions

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Others						
Provision for employees benefits		-		-		21,21,115
Provision for Taxation (Net of Advance Tax and Tax deducted at sources)		31,74,156		34,02,186		(1,56,806)
Total		31,74,156		34,02,186		19,64,309

8. Other Current Liabilities

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Current maturity of Long Term Debt		118,84,697		118,84,697		118,84,697
Statutory Dues		10,48,784		6,15,961		15,22,432
Other Current Liabilities		-		-		30,000
Total		129,33,481		125,00,658		134,37,129



Arvee Laboratories India Ltd.

9. Fixed Assets

Name of Fixed Assets		Gross Block			Accumulated Depreciation		Net Block	
		Balance as at 1 July, 2017	Additions	(Disposals)	Balance as at 30 September, 2017	Balance as at 1 July, 2017	On disposals	Balance as at 30 September, 2017
Tangible Assets								
1	Land	20,00,000	-	-	20,00,000	-	-	20,00,000
2	Building	411,80,863	9,07,044	-	420,87,907	3,08,071	-	367,47,835
3	Plant & Machinery	1598,14,744	-	-	1598,14,744	47,19,097	-	1169,67,840
4	Laboratory Equipment	6,74,000	-	-	6,74,000	32,015	-	5,71,718
5	Electric Installation	59,51,390	-	-	59,51,390	1,92,688	-	42,09,927
6	Furniture & Fixtures	27,640	-	-	27,640	656	-	24,054
7	Office Equipments	9,44,719	-	-	9,44,719	38,467	-	6,81,272
8	Computer and Printers	7,14,761	-	-	7,14,761	24,784	-	2,29,269
9	Vehicles	23,65,318	-	-	23,65,318	89,739	-	19,91,753
		2136,73,435	9,07,044	-	2145,80,479	54,05,517	-	1634,23,668
Capital work in progress		1,73,587	1,52,000	-	3,25,587			1,73,587
	Total	2138,47,022	10,59,044	-	2149,06,066	54,05,517	-	1635,97,255
								1592,50,782

(Amount in Rs.)

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10. Long Term Loans and Advances

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Misc. Expenditure to the extent not W/off		3,37,500		1,00,000		1,00,000
Security Deposits						
Unsecured, considered good		14,21,294		14,11,294		14,11,294
Doubtful						
Total		17,58,794		15,11,294		15,11,294

11. Inventories

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Raw Material		258,63,848		366,23,285		197,08,911
Finished Goods		425,94,212		280,83,623		376,88,700
Work in progress		93,97,854		55,56,180		48,41,216
Packing Material and Stores and Spares		42,55,510		25,43,770		-
Total		821,11,424		728,06,858		622,38,827

12. Trade Receivables

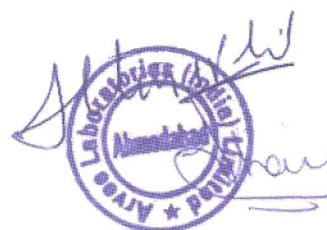
Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Debt outstanding for a period exceeding six months						
Unsecure considered good		3,40,979		3,97,597		2,42,038
Doubtful		-		-		-
Debt outstanding for a period not exceeding six months						
Unsecure considered good		871,43,761		844,18,574		819,14,234
Doubtful		-		-		-
		871,43,761		844,18,574		819,14,234
Total		874,84,740		848,16,171		821,56,272

13. Cash and cash Equivalents

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Cash on hand		11,48,876		10,76,313		8,93,911
Balances with banks - In Current Accounts		-		-		79,64,329
Balances with banks - In Fixed Deposits		128,46,779		78,97,927		7,73,689
Total		139,95,655		89,74,241		96,31,929

14. Short Term Loans and Advances

Particulars	As at 30 September 2017		As at 30 June 2017		As at 31 March, 2017	
Advance tax / Tax deducted at sources(Net of Provision for Tax)		-		-		-
Balance with government authorities		184,97,887		152,12,174		139,73,536
Advance to staff		1,65,692		1,60,061		2,42,431
Advance to Material Suppliers		-		-		-
Advance to Supplier of Capital Goods		2,58,576		2,58,576		21,41,033
Advance For Expenses		-		-		-
Other Loans and advances		285,43,433		233,84,336		160,92,563
Total		474,65,588		390,15,147		324,49,563



15. Revenue from operations

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Sales of Products	1049,26,953	831,93,713	3405,17,897
Other Operating Income	46,44,280	36,51,024	37,13,903
Total	1095,71,233	868,44,737	3442,31,800

16. Other Income

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Interest Income	10,99,854	4,68,736	51,12,630
Miscellaneous Income	-	14,240	25,246
Prior Period Income			
Total	10,99,854	4,82,976	51,37,875

17. Cost of Material Consumed

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Opening stock	366,23,285	197,08,911	94,97,880
Add : Purchases	854,41,542	667,85,042	2088,55,757
Closing Stock	258,63,848	366,23,285	197,08,911
Total	962,00,979	498,70,668	1986,44,726

18. Increase / decrease in inventories

Particulars	As on 30.09.17	As on 30.06.17	2016-17
<u>Inventories at the end of the year</u>			
Closing stock of finished goods	425,94,212	280,83,623	376,88,700
Closing stock of Spares & Consumable	93,97,854	25,43,770	
Closing stock of work in progress	42,55,510	55,56,180	48,41,216
	562,47,576	361,83,573	425,29,916
<u>Inventories at the beginning of the year</u>			
Opening stock of finished goods	280,83,623	376,88,700	6,77,955
Opening stock of Spares & Consumable	25,43,770	-	
Opening stock of work in progress	55,56,180	48,41,216	604,90,750
	361,83,573	425,29,916	611,68,705
Net Increase /(decrease)	(200,64,003)	63,46,343	186,38,789

19. Employee Benefits Expense

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Salaries and Wages	63,83,573	57,41,704	241,79,801
Contribution to Provident Fund and Other Funds	1,69,227	1,72,115	6,65,259
Staff Welfare Exps.	19,200	1,54,643	5,93,802
Total	65,72,000	60,68,462	254,38,862



20. Financial Expenses

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Interest Expenses			
- paid for Short Term Borrowings	17,59,571	16,05,108	69,18,486
- paid for Term Loans	12,42,241	14,19,855	75,40,118
- paid for Unsecured loans	48,03,891	48,20,853	191,33,407
- paid for Others	10,495	2,069	1,31,170
Bank charges	6,16,362	3,07,349	10,53,279
Total	84,32,561	81,55,233	347,76,460

21. Administrative Expenses

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Annual Fees	-	29,700	1,22,832
Books & Periodicals	-	37,375	73,265
Communication Expenses	52,712	43,399	2,05,729
Commission & Brokerage	-	-	15,000
Donation Exp.	-	1,502	3,551
Audit Fees	-	-	30,000
Guest House Exp.	-	-	-
Insurance Exp.	2,72,348	1,56,594	5,83,512
Professional & Consulting Fees	9,57,210	8,02,045	8,64,103
Membership Fees	77,081	5,170	1,09,932
Office & Genral Exp.	1,39,589	67,404	2,49,769
Petrol & Conveyance Exp	1,72,390	80,185	2,89,229
Postage & Courier Exp	18,534	23,390	1,10,167
Printing & Stationary Expenses [Bvn]	10,221	58,981	2,61,344
Rent Rates & Taxes	67,994	85,224	2,34,944
Prior Year Expense	-	-	-
Vehicle Repairing Exp [Bvn]	-	10,445	39,271
Sundry Amount Written Off	-	3	2,88,544
Security Exps	3,68,371	3,48,597	12,35,852
Preliminary Expenses written off	6,250	-	12,500
Loss on Sale of Fixed Assets	-	-	45,175
Interest On Late Payment	-	-	5,502
Miscellaneous Expenses	4,13,642	(3,49,484)	5,61,834
Repairs to Furniture (RCM)	30,500	-	-
Website Designing Expenses	-	6,000	-
Total	25,86,842	14,06,530	53,42,056

22. Manufacturing Expenses

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Stores & Consumables	47,59,662	40,28,812	106,82,873
Power and Fuel	27,56,966	18,50,491	106,01,243
R & D Expense	-	-	3,328
Job Work Charges	-	-	99,78,293
Freight & Transport Charges	6,71,102	4,16,059	27,98,126
Other Manufacturings Exps.	1,30,061	4,85,527	4,91,898
Total	83,17,791	67,80,889	345,55,761

23. Selling and Distribution Expenses

Particulars	As on 30.09.17	As on 30.06.17	2016-17
Advertisement Exp	-	-	3,249
Travelling Expenses	1,30,721	3,49,929	7,02,551
Business Promotion Expenses	-	-	-
ECGC Premium	49,881	77,128	3,25,604
Export Related Expenses	(7,98,456)	6,33,992	(25,95,828)
Export Sales Commission	15,70,140	6,06,060	44,76,448
Quantity Discount	-	-	(2,29,945)
Ocean Freight	-	-	-
Total	9,52,286	16,67,109	26,82,079

