BAL RESEARCH FOUNDATION

CIN: U73100KA2014NPL076995

Regd. Office: # 61-B, BOMMASANDRA INDUSTRIAL AREA ANEKAL TALUK BANGALORE - 560099

NOTICE

NOTICE IS HEREBY GIVEN THAT, the 2nd Annual General Meeting of the members of **BAL RESEARCH FOUNDATION**, will be held at 12.00 p.m on Friday, 30th September, 2016 at the Registered office , 5# 61-B, BOMMASANDRA INDUSTRIAL AREA ANEKAL TALUK BANGALORE - 560099, to transact the following Business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account as on 31st March 2016 and the Reports of the Directors and the Auditors thereon;

2. To ratify the appointment of Messrs T D Jain and D I Sakaria, Charted Accountants, having ICAI Firm Registration No. 002491S as Statutory Auditors of the Company for the financial year 2016.2017.

By order of the Board,
For BAL RESEARCH FOUNDATION

Shailesh Siroya
Director
DIN: 00048109

Bangalore
20.08.2016

Notes:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF OR HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in presenting their Second Annual Report on the business and operations of the Company and accounts for the Financial year ended March 31st,2016.

1.Financial Summary or highlights /Performance of the Company

(Amount in Rs)

Particulars	F.Y-2014-15	F.Y 2015.16
1) Total Income from operations	-	-
2) Earnings before Interest , Tax , Depreciation & Amortization	-	(16,258)
Less : Depreciation & Amortization	-	-
Finance cost	115	1,736
Profit before taxation and prior period adjustments.	-	**(17,994)**
Less: 3) Current Tax.(Net)	-	-
4) Deferred Tax.	-	-
5) Extra Ordinary / Non Recurring items	-	-
6) Prior year Adjustments	-	-
7) Net Profit	-	**(17,994)**
Add:- 8). Profit & loss account balance at the beginning of the year.	-	-
9) Profit / (Loss) made available for appropriation.	-	
Less:- 09) Proposed Dividend on Equity Shares	-	-
10) Tax on dividend	-	-

11) Surplus Carried to Balance sheet	-	-

2.DIVIDEND :

As the Company needs to consolidate itself during its initial stage of operations, your directors has not recommended any divided for the financial year 2015.16.

3.SHARE CAPITAL:

The share capital of the company for the financial year 2015-16 stood at 10,00,000/-.

4.AUDITORS AND AUDITORS REPORT:

Statutory Auditors:T.D Jain and D I Sakaria, Chartered accountants will hold the office of the statutory auditors till the conclusion of ensuing annual general meeting of the Company and are eligible for reappointment. The Company has received a certificate under Section 141 of the Companies Act, 2013 from them that their appointment would be within the limits specified therein.

There are no qualifications or reservations or adverse remarks by the auditors in their report.

5.DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance to the provisions of Section 134(5) of the Companies Act, 2013, your Directors wish to confirm with reference to Statement of Accounts for the financial year ended on :31st March, 2016:

a) that in preparing the Annual Accounts, all the applicable Accounting Standards have been followed;

b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit & Loss of the Company for that period.

c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing/detecting fraud and other irregularities;

d) that the Directors have prepared the annual accounts on 'going concern basis.'

e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6.CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Dr. S Prasanna	- Director
Mr.Shailesh D Siroya	- Director
Mr.Ganugapati Sree Rama Subbarao	- Director
Mr.Ivaturi Ramakrishna	- Director

8.VIGIL MECHANISM:

The vigil mechanism of the Company, which also incorporates a whistle blower policy. It includes compliance task force comprising of senior executives of the Company.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND FOREIGN EXCHANGE OUTGO

There were no earnings or outgo of foreign exchange and other requirements pursuant to the Companies Act,2013.

10. PARTICULARS OF EMPLOYEES

Referring to Section 197 of the Companies Act, 2013 and rule 5 (2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, none of the employees draw remuneration in excess of Rs.60.00 Lakhs per year or Rs.5.00 Lakh per month, if employed for the part of the year.

11.PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:

Non Current:

Nil

Current:

Nil

12.EXTRACT OF ANNUAL RETURN

Extract of the Annual Return of the Company for F.Y 2015-16, in Form MGT-9 is annexed to this report.

13.DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There was no complaint lodged by any woman employee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, with the Company during the period under report.

14.NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the financial year 2015-16 Five (05), Board Meeting were held on 29-05-2015, 09-07-2015, 13-08-2015, 09-11-2015 and 10-02-2016.

15.HUMAN RESOURCES

Human Resource agenda of the company for the year to focus on building a talent pipeline, enhancing individual and organizational capabilities for future readiness, driving greater employee engagement, and strengthening employee relations though progressive people management.

16. INSURANCE COVERAGE

The Board of Directors reports that your Company has adequate and comprehensive insurance cover on all the movable and immovable assets of the Company.

17.MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBUNAL IMPACTING GOING CONCERN STATUS OF COMPANY:

Nil

18.CORPORATE SOCIAL RESPONSIBILITY:

NOT APPLICABLE

19.GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting etc.
3. Issue of shares (including sweat equity shares) to the employees of the Company under any scheme.
4. No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in the future.

20. APPRECIATION

Your Directors wish to express their sincere appreciation on significant contributions made by the employees through their dedication, hard work and commitment.

Place: Bangalore
Date : 20.08.2016

For and on behalf of the Board of Directors

Sd/-

Shailesh Siroya
Director
DIN: 00048109

Dr. S Prasanna
Director
DIN: 00084602

Annexure-1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2016.

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	**CIN**	U73100KA2014NPL076995
ii.	**Registration Date**	29/10/2014
iii.	**Name of the company**	BAL RESEARCH FOUNDATION
iv.	**Category/Sub Category of the Company**	Company limited by shares and Indian Non Government Company
v.	**Registered Office Address**	# 61-B, BOMMASANDRA INDUSTRIAL AREA ANEKAL TALUK BANGALORE - 560099
vi.	**City**	Bangalore.
Vii.	**Whether Listed Company**	No
Vii	**Name, Address and contact details of Registrar and Transfer Agent, If any**	-

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr.No	Name and description of main products/service	NIC code of the Product/service	% of the total turnover of the Company	
1.	-		-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr.No.	Name and Address of the Company	CIN	Holding/subsidiary/Associate	% of shares held	Applicable Section
I.	Bal Pharma Limited	L85110KA1987PLC008368	Holding	50%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding:

ii) Share holding of Promoters:

iii) Changing in Promoters Share holding : Nil

V. INDEBTEDNESS:

Particulars	Secured Loan excluding deposits	Unsecured Loan	Deposits	Total Indebtedness in Inr.
Indebtedness at beginning of the financial year				
i).Principal Amount	-	-	-	-
ii).Interest due but not paid	-	-	-	-
iii).interest accrued but not due				
Total(i+ii+iii)	-	-	-	-
	-	-	-	-
Change in the Indebtedness during the financial year				
-Addition	-	-	-	-
-Reduction	-	-	-	-
Net Change	-	-	-	-
	-	-	-	-
Indebtedness at the end				

of the financial year i).Principal Amount ii).Interest due but not paid iii).interest accrued but not due	- -	- -	- -	- -
Total(i+ii+iii)	- -	- -	- -	- -

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Director:

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross Salary (a) salary as per provisions contain in Section 17(1) of Income tax Act 1961. (b) Valuation of Prequisits u/s 17(2) of Income tax Act 1961. (c) profit in lieu of Salary U/s 17(3) of Income tax Act 1961.	-	-
2.	Stock Option	-	-
3.	Sweat equity	-	-
4.	Commission - as % of Profit -others,specify	-	-
5	others	-	-
6.	Total(A) Ceiling as per the Act	- -	- -

B. Remuneration to other directors:

Sl No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
	Independent Directors -Fee for attending the Board/Committees Meetings -Commission -Other Total (1)	-	-

	Other Non-Executive Directiors -Fee for attending the Board/Committees Meetings -Commission -Other	-	-
	Total (2)	-	-
	Total(B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act	-	-

C. Remuneration to Key Managerial Personnel other than MD/Mananger/WTD:

Sl.No.	Particular of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross Salary (a) salary as per provisons contain in Section 17(1) of Income tax Act 1961. (b) Valuation of Perquisits u/s 17(2) of Income tax Act 1961. (c) profit in lieu of Salary U/s 17(3) of Income tax Act 1961.	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat equity	-	-	-	-
4.	Commission - as % of Profit -others,specify	-	-	-	-
5	others	-	-	-	-
6.	Total	-	-	-	-

VII. COMPOUNDING/PENALTIES/PUNISHMENT OF OFFENCES:

Nil

Place: Bangalore
Date : 20.08.2016

For and on behalf of the Board of Directors

Sd/-
Shailesh Siroya
Director
DIN: 00048109

Sd/-
Dr. S Prasanna
Director
DIN: 00084602

BAL RESEARCH FOUNDATION

Balance Sheet as at 31 March 2016

Particulars	Note no	31 March 2016 ₹	31 March 2015 ₹
EQUITY AND LIABILITIES			
Shareholders' fund			
Share capital	3	10,00,000	-
Reserves and surplus	4	(17,994)	(115)
		9,82,006	**(115)**
Current liabilities			
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	5	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	5	2,400	-
Other current liabilities	6	16,376	10,000
		18,776	**10,000**
Total		**10,00,782**	**9,885**
ASSETS			
Current assets			
Cash and cash equivalents	7	10,00,667	9,885
		10,00,667	**9,885**
Total		**10,00,667**	**9,885**

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for M/s T D JAIN AND D I SAKARIA
Chartered Accountants
Firm registration number - 002491S

T D JAIN
Partner
Membership No. 012034

Place: Bengaluru
Date: 25 May 2016

For and on behalf of Board of Directors of Bal Research Foundation

Sd/-
Dr S Prasanna
Director

Shailesh Siroya
Director

BAL RESEARCH FOUNDATION

Statement of profit and loss for year ended 31 March 2016

Particulars	Note no	31 March 2016 ₹	31 March 2015 ₹
Income			
Revenue from operations (net)		-	-
Total Income - (i)		-	-
Expenses			
Other expenses	8	16,258	-
Total Expense - (ii)		**16,258**	-
Earnings before interest, tax, depreciation and amortization - EBITDA - (i-ii)		(16,258)	-
Finance costs	9	1,736	115
Profit/(loss) before tax - (iii)		**(17,994)**	-
Tax expenses			
Current tax		-	-
Deferred Tax		-	-
Total tax expense - (iv)		-	-
Profit/(loss) for the year (iii-iv)		**(17,994)**	-
Earning per equity share: Nominal value per share: ₹ 10 (31 March 2015: ₹ 10.)			
Basic		(0.18)	-
Diluted		(0.18)	-

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date
for M/s T D JAIN AND D I SAKARIA
Chartered Accountants
Firm registration number - 002491S

For and on behalf of Board of Directors of Bal Research Foundation

T D JAIN
Partner
Membership No. 012034

Sd/-
Dr S Prasanna
Director

Shailesh Siroya
Director

Place: Bengaluru
Date: 25 May 2016

T.D. JAIN AND DI.SAKARIA CHARTERED ACCOUNTANTS BANGALORE

BAL RESEARCH FOUNDATION
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3 Share Capital

	31 March 2016 ₹	31 March 2015 ₹
Authorized shares		
1,00,000 (31 March 2015: Nil) equity shares of ₹ 10 each	10,00,000	-
	10,00,000	-
Issued, subscribed and fully paid-up shares		
1,00,000 (31 March 2015: Nil) equity shares of ₹ 10 each	10,00,000	-
Total	10,00,000	-

a. Reconciliation of the equity shares outstanding at the beginning of the reporting period

	31 March 2016		31 March 2015	
	Nos	₹	Nos	₹
At the beginning of the period	-	-	-	-
Issued during the period	1,00,000	10,00,000	-	-
Outstanding at the end of the period	**1,00,000**	**10,00,000**	-	-

b. Terms/Rights attached to Equity shares

(a). The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

(b). In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting period : ₹Nil (31 March 2015 : ₹Nil)

d. Details of shareholders holding more than 5% shares in the company

Equity shares of ₹10 each fully paid	31 March 2016		31 March 2015	
	Nos	% holding in the class	Nos	% holding in the class
Shailesh D Siroya	80,000	80.00	-	-
Dr. S. Prasanna	20,000	20.00		

As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

4 Reserves and surplus

Surplus/(deficit) in the statement of profit and loss	31 March 2016 ₹	31 March 2015 ₹
Balance as at beginning of the reporting period	-	-
Add: Profit/ (Loss) for the year	(17,994)	-
Surplus/ (Deficit) in the statement of profit and loss	(17,994)	-

5 Trade payables

Trade payables	31 March 2016 ₹	31 March 2015 ₹
- Due to micro enterprises and small enterprises (Refer Note 11)	-	-
- Dues to creditors other than micro enterprises and small enterprises	2,400	-
Total	2,400	-

6 Other current liabilities

	31 March 2016 ₹	31 March 2015 ₹
Other Payables	16,376	10,000
Total	16,376	10,000

7 Cash and cash equivalents

	31 March 2016 ₹	31 March 2015 ₹
Cash on hand	-	-
Balance with bank		
On current Account	10,00,667	9,885
Total	10,00,667	9,885

BAL RESEARCH FOUNDATION

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

	31 March 2016	31 March 2015
	₹	₹
8 Other expenses		
Rates & Taxes	218	-
Email & Internet charges	2,317	-
Professional charges	4,900	-
Subscription & Membership	7,500	-
Telephone Expenses	1,323	-
	16,258	**-**

9 Finance costs		
Interest paid to others	1,736	-
Bank Charges	-	115
	1,736	**115**

1. **Corporate Information**

Bal Research Foundation (the company) is a not for profit Company registered under Section 8 of the Companies Act, 2013 domiciled in India and incorporated. The company is engaged in research and development of formulations and API and its incidental and ancillary activities.

2. **Basis of preparation**

The financial statements of the company have been prepared in accordance with Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention on the accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) which continue to apply as per Section 133 of the Companies Act, 2013 (the Act) read with rule 7 of the Companies (Accounts) rules, 2014, and other recognized accounting practices and policies generally accepted in India.

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. The Management evaluates and adopts all recently issued or revised accounting standards on an ongoing basis.

2.1. **Summary of significant accounting policies**

a) **Use of Estimates**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenditure for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) **Revenue Recognition**

Revenue from domestic sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers.

Service income is recognized as per the terms of contracts with customers when the related services are performed, or the agreed milestones are achieved.

Dividend income is recognized when the unconditional right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognised on the time proportionate method.

c) **Tangible Fixed assets**

Tangible fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of tangible fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use and all pre-operative expenses till the commencement of commercial production are capitalized.

Advances paid towards acquisition of tangible fixed assets outstanding at the end of the reporting period is shown under loans and advances and the cost of tangible fixed assets not ready for their intended use before such date are disclosed under capital work in progress.

d) **Intangible fixed assets**

Intangible fixed assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

e) **Depreciation**

The Company adopted depreciation on straight line basis. Pursuant to the enactment of Companies act 2013, the Company has applied the estimated useful lives as specified in Schedule II.

Intangible fixed assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Intangible assets are amortized.

f) **Valuation of Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The methods of determining cost of various categories of inventories are as follows:

Finished goods (traded)	Actual cost of purchase

g) **Investments**

Investments are either classified as current or long-term based on the management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

h) **Foreign currency transactions and balances**

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at year-end rates. The resultant exchange differences are recognized in the statement of profit and loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

i) **Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired on or after April 01, 2001 are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

j) **Income tax expense**

Income tax expense comprises current tax and deferred tax charge or credit.

- **Current tax**

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit Entitlement".

The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

- Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

k) **Earnings per share**

In determining earnings per share, the company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).

l) **Provisions and contingent liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

m) **Impairment of tangible and intangible assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be Impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previous assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical Cost.

T.D. JAIN AND DI.SAKARIA CHARTERED ACCOUNTANTS BANGALORE-09

10. Calculation of Earnings Per Share (EPS) – Basic and Diluted:

S.no	Particulars	31 March 2016	31 March 2015
1	Opening no. of shares	-	-
2	Additions during the year	1,00,000	-
3	Total shares outstanding	1,00,000	-
4	Weighted average number of shares	1,00,000	-
5	Net profit/(loss) attributable to equity share holders	(17,994)	-
6	Basic EPS	(0.18)	-
7	Diluted EPS	(0.18)	-

11. Based on the information available with the company, principal amount due to micro and small enterprises is ₹Nil (31 March 2015: ₹Nil). Further interest paid during the year and interest due at the end of the year to micro and small enterprises is ₹Nil (31 March 2015: ` ₹Nil).

12. Related party disclosures:

- **Name of related parties and related party relationship**

Related parties where control/significant interest exist or with whom transactions have taken place during the year:

Nature of relationship	Name of the related party
Holding Company	Bal Pharma Limited
Key Management Personnel	Shailesh D Siroya (Director) Dr. S Prasanna (Director)

- **Particulars of Related party transactions**

Amount in ₹

Particulars	31 March 2016	31 March 2015
Advances received from		
Holding Company		
- Bal Pharma Limited	18,776	10,000
Total	**18,776**	**10,000**
Interest Paid to		
- Bal Pharma Limited	1,736	-
Total	**1,736**	-

The Company has the following amounts due to related parties

Amount in ₹

Particulars	31 March 2016	31 March 2015
Bal Pharma Limited (Included in Other Current Liabilities)	16,376	10,000
Bal Pharma Limited (Included in Trade Payables)	2,400	-
Total	**18,776**	**10,000**

13. Contingent liabilities not provided for ₹.Nil (31 March 2015: ₹. Nil)

14. Value of imports calculated on CIF basis ₹. Nil (31 March 2015₹. Nil)

15. A) Expenditure in foreign currency ₹. Nil (31 March 2015₹. Nil)

B) Earnings in foreign currency ₹. Nil (31 March 2015₹. Nil)

16. Balances of sundry debtors, sundry creditors, loans and advances, receivables and payables are subject to confirmation/reconciliation, if any

17. In the opinion of the board of directors' adequate provision has been made in the accounts for all known liabilities and the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the value stated in the balance sheet.

18. The company has reclassified previous year figures to conform to current year's classification.

As per our report of even date

for M/s T D JAIN AND D I SAKARIA
Chartered Accountants
Firm registration no: 002491S

T D JAIN
Partner
M No: 012034

Place: Bengaluru
Date: 25 May 2016

T.D. JAIN AND DI.SAKARIA CHARTERED ACCOUNTANTS BANGALORE-09

for and on behalf of Board of Directors of Bal Research Foundation

Dr S Prasanna
Director

Shailesh Siroya
Director