

BALANCE CLINICS LLP
Balance Sheet as at 31 March 2016

Particulars	Note no	31 March 2016 ₹	31 March 2015 ₹
EQUITY AND LIABILITIES			
Capital			
Partners' Contribution	3	10,00,000	10,00,000
Reserves and surplus	4	(78,47,426)	(36,20,860)
		(68,47,426)	(26,20,860)
Non- current liabilities			
Deferred tax liabilities (Net)	5	1,90,731	89,760
		1,90,731	89,760
Current liabilities			
Short- term borrowings	6	78,49,894	51,64,470
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	7	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	7	2,64,793	5,73,461
Other current liabilities	8	20,86,557	8,25,684
		1,02,01,244	65,63,615
Total		35,44,549	40,32,515

ASSETS

Non- current assets			
Fixed assets			
Tangible assets	9	25,32,579	28,31,968
Intangible assets	10	59,463	66,480
Long term loans and advances	11	2,32,500	2,32,500
		28,24,541	31,30,948
Current assets			
Inventories	12	5,03,733	4,50,722
Trade receivables	13	95,955	87,284
Cash and cash equivalents	14	64,244	2,73,990
Short-term loans and advances	11	56,076	89,572
		7,20,008	9,01,568
Total		35,44,549	40,32,515

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 Balance Clinics LLP

T D JAIN

Partner

Membership No. 012034

Dr S Prasanna

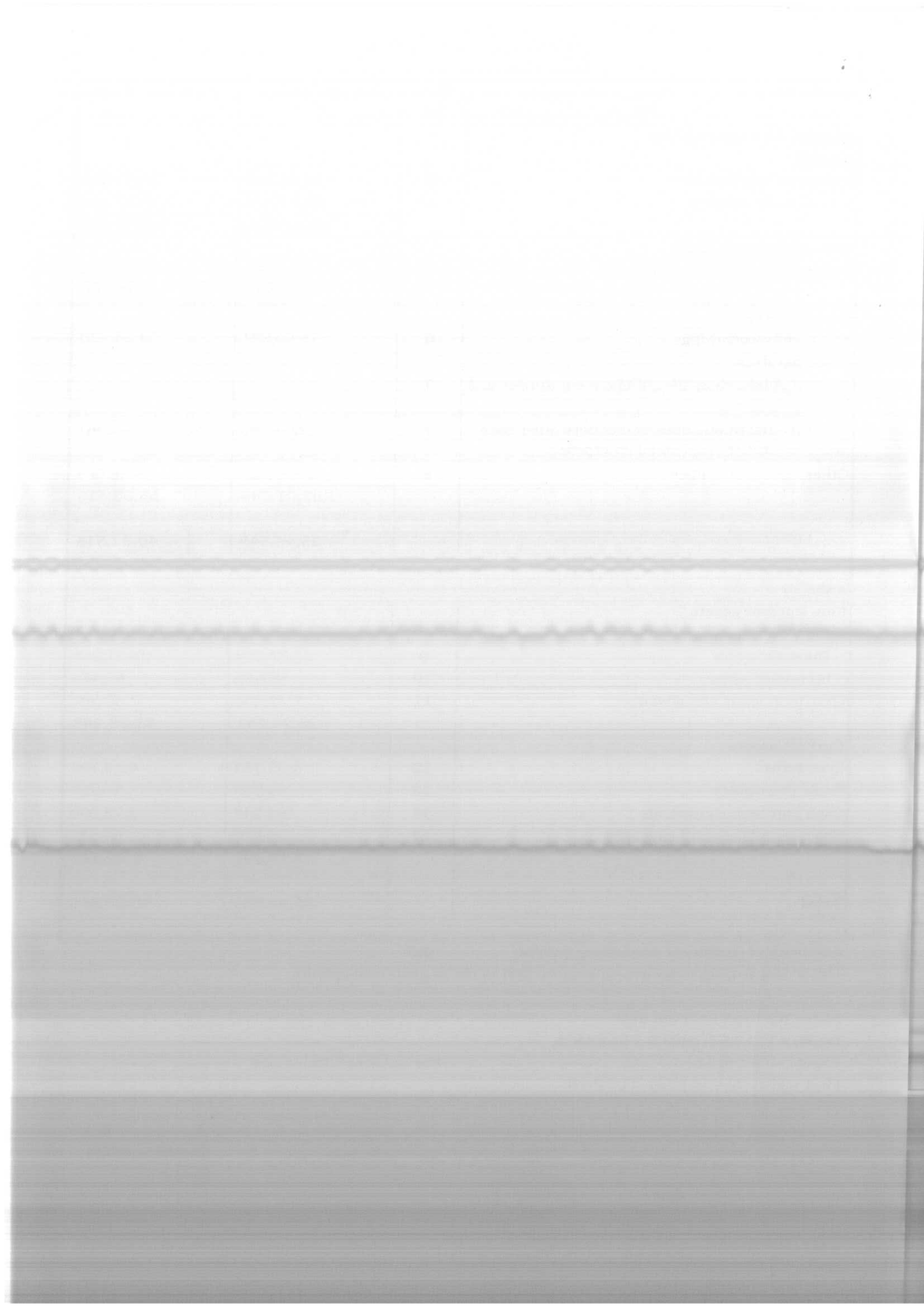
Partner

Shailesh Siroya

Partner

Place: Bengaluru

Date : 25 May 2016



BALANCE CLINICS LLP

Statement of profit and loss for the year ended 31 March 2016

Particulars	Note no	31 March 2016 ₹	31 March 2015 ₹
Income			
Revenue from operations (net)	15	12,96,210	3,84,752
Total Income - (i)		12,96,210	3,84,752
Expenses			
Purchase of traded goods	16	7,31,689	5,91,480
(Increase)/decrease in inventories of finished goods and work-in-progress	17	(53,013)	(4,50,722)
Employees benefits expenses	18	25,36,826	21,87,053
Other expenses	19	7,90,110	11,84,204
Total Expense - (ii)		40,05,612	35,12,015
Earnings before interest, tax, depreciation and amortization - EBITDA - (i-ii)		(27,09,402)	(31,27,263)
Finance costs	20	11,01,214	2,06,203
Depreciation and amortization expenses	21	3,14,978	1,97,635
Profit/(loss) before tax - (iii)		(41,25,595)	(35,31,101)
Tax expenses			
Current tax		-	-
MAT credit (entitlement)/utilised		-	-
Net Current Tax		-	-
(Excess)/Short provision for tax of earlier years		-	-
Deferred Tax		1,00,971	89,760
Total tax expense - (iv)		1,00,971	89,760
Profit/(loss) for the year (iii-iv)		(42,26,566)	(36,20,861)
Earning per equity share: Nominal value per share: ₹10 (31 March 2015: ₹10)			
Basic		(0.33)	(0.28)
Diluted		(0.33)	(0.28)

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

Firm registration number- 002491S

Chartered Accountants

For Balance Clinics LLP

T D JAIN

Partner

Membership No. 012034

Dr S Prasanna

Partner

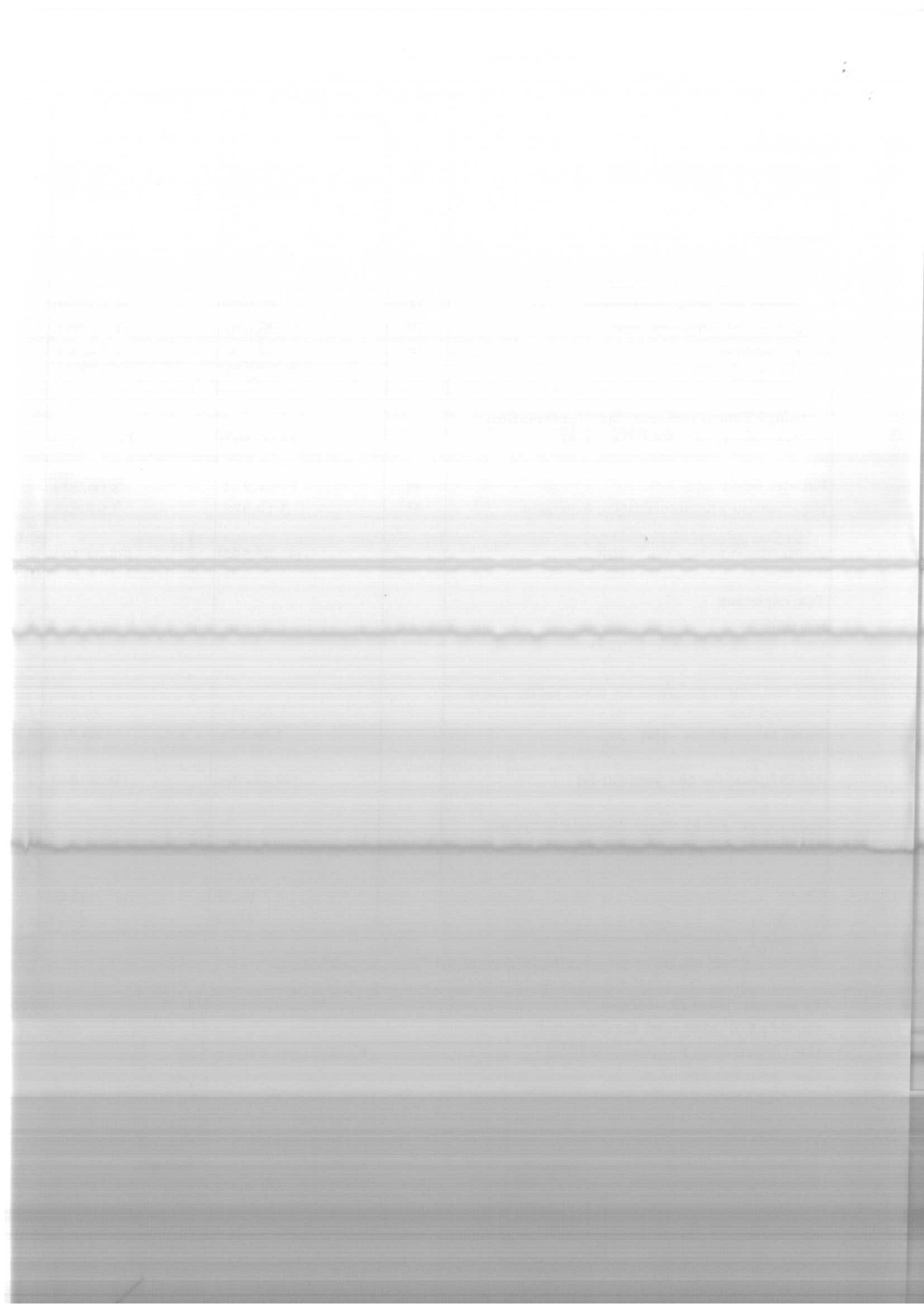
Shailesh Siroya

Partner

Place: Bengaluru

Date : 25 May 2016





BALANCE CLINICS LLP
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3 Capital Contribution

NAME OF THE PARTNER	31 March 2016	31 March 2015
	₹	₹
Bal Pharma Limited	8,00,000	8,00,000
Shailesh D Siroya	2,00,000	2,00,000
Total	10,00,000	10,00,000

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	(36,20,860)	-
Add: Profit/ (Loss) for the period	(42,26,566)	(36,20,860)
Surplus/ (Deficit) in the statement of profit and loss	(78,47,426)	(36,20,860)
Total	(78,47,426)	(36,20,860)

5 Deferred tax liability (net)

Deferred tax assets	31 March 2016	31 March 2015
	₹	₹
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Others	-	-
Gross deferred tax assets	-	-
Deferred tax liability	31 March 2016	31 March 2015
	₹	₹
Fixed assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	1,90,731	89,760
Others	-	-
Gross deferred tax liability	1,90,731	89,760
Net deferred tax liability	1,90,731	89,760

6 Short-term borrowings

Bal Pharma Limited (Unsecured)	31 March 2016	31 March 2015
	₹	₹
	78,49,894	51,64,470
Total	78,49,894	51,64,470
The above amount includes	31 March 2016	31 March 2015
	₹	₹
Secured borrowings	-	-
Unsecured borrowings	78,49,894	51,64,470

Loan from Bal Pharma Limited is repayable on demand and carries interest @ 14% p.a.

7 Trade payables

Trade payables	31 March 2016	31 March 2015
	₹	₹
- Due to micro enterprises and small enterprises (Refer Note 23)	-	-
- Dues to creditors other than micro enterprises and small enterprises*	2,64,793	5,73,461
Total	2,64,793	5,73,461

* Refer note no 24 for details of dues to related parties

8 Other current liabilities

Statutory liabilities	31 March 2016	31 March 2015
	₹	₹
	7,211	31,095
Other payables	20,79,345	7,94,589
Total	20,86,556	8,25,684



BALANCE CLINICS LLP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

11 Loans and advances

	Long term		Short term	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	₹	₹	₹	₹
Security deposit				
Unsecured considered good	2,32,500	2,32,500	-	-
Advances recoverable in cash or kind				
Unsecured considered good	-	-	-	40,000
Other loans and advances				
Prepaid Expenses	-	-	6,774	-
Loans/advances to employees	-	-	-	5,000
Balance with statutory/government authorities	-	-	49,302	44,572
	-	-	56,076	49,572
Total	2,32,500	2,32,500	56,076	89,572

12 Inventories (valued at lower of cost and net realizable value)

	31 March 2016	31 March 2015
	₹	₹
Finished goods - Traded	5,03,735	4,50,722
Total	5,03,733	4,50,722

13 Trade receivables

	31 March 2016	31 March 2015
	₹	₹
Outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	-	-
Other receivables Unsecured, considered good	95,955	87,284
Total	95,955	87,284

14 Cash and cash equivalents

	31 March 2016	31 March 2015
	₹	₹
Cash on hand	36,041	33,517
Balance with bank On current Account	28,203	2,40,473
Total	64,244	2,73,990



BALANCE CLINICS LLP

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

15 Revenue from operations	31 March 2016	31 March 2015	
	₹	₹	
Sale of products			
-Traded goods	8,66,607	1,76,652	
Sale of services	4,29,603	2,08,100	
Total	12,96,210	3,84,752	
Details of products sold			
- Traded goods sold			
Medicines	8,66,607	1,76,652	
Details of services rendered			
- Clinical items - Treatment	4,29,603	2,08,100	
	12,96,210	3,84,752	
16 Purchase of traded goods	31 March 2016	31 March 2015	
	₹	₹	
Medicines	7,31,689	5,91,480	
Total	7,31,689	5,91,480	
17 (Increase)/decrease in Inventories of finished goods and work in progress	31 March 2016	31 March 2015	(Increase)/decrease
	₹	₹	₹
Inventories at the end of the Period			
Finished goods - Traded	5,03,735	-	4,50,722
	5,03,735	-	4,50,722
Inventories at the beginning of the Period			
Finished goods - Traded	4,50,722	-	
	4,50,722	-	
Total (increase)/decrease	(53,013)	-	(4,50,722)
18 Employee Benefit Expense	31 March 2016	31 March 2015	
	₹	₹	
Salaries, wages and bonus	24,85,573	21,49,949	
Contribution to provident and other fund	120	-	
Staff welfare expense	51,133	37,104	
Total	25,36,826	21,87,053	
19 Other Expenses	31 March 2016	31 March 2015	
	₹	₹	
Consumables for testing & treatment	5,697	11,834	
Clinical Items - Treatment	55,037	1,22,905	
Testing & Diagnostic Expenses	1,16,790	75,758	
Repairs & Maintenance:			
- Others	51,999	83,502	
Advertisement and selling Expenses	1,67,333	2,82,030	
Traveling and conveyance Expenses	11,422	10,767	
Communication Costs	31,717	14,627	
Legal & Professional charges	2,000	29,300	



BALANCE CLINICS LLP**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016**

	31 March 2016	31 March 2015
	₹	₹
Printing & Stationery	25,854	77,290
Rent	3,15,000	3,00,000
Inauguration Expenses	-	1,46,473
Others	7,260	29,719
Total	7,90,110	11,84,204

20 Finance costs

	31 March 2016	31 March 2015
	₹	₹
Bank charges	-	1,373
Interest		
-Banks	1,308	-
-Delayed payment of taxes	921	-
- Others	10,98,985	2,04,830
Total	11,01,214	2,06,203

21 Depreciation and amortization Expenses

	31 March 2016	31 March 2015
	₹	₹
Depreciation of tangible assets (refer note 9)	3,07,961	1,94,133
Amortization of intangible assets (refer note 10)	7,017	3,502
Total	3,14,978	1,97,635

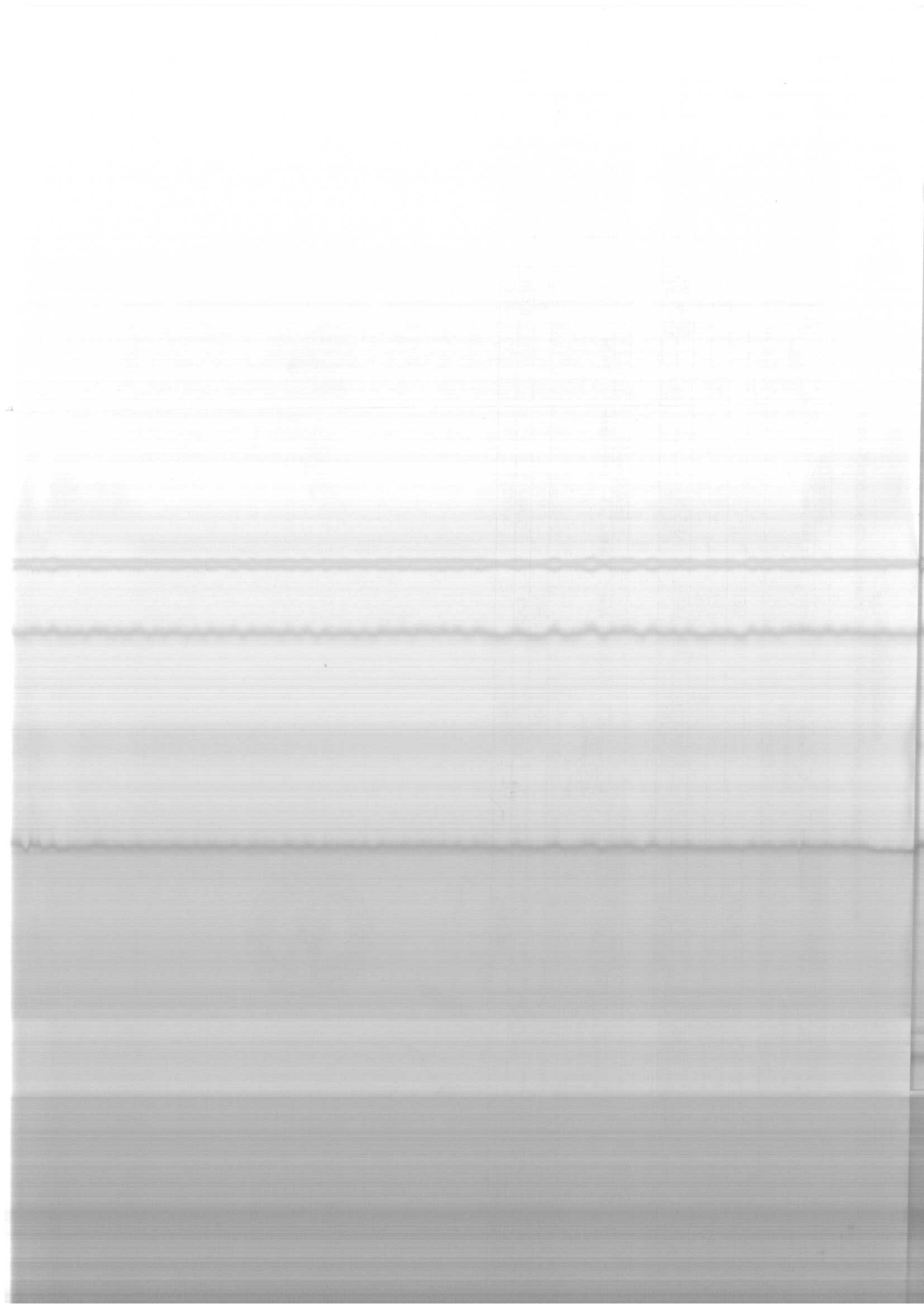


BALANCE CLINICS LLP
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Particulars	Gross carrying value			Depreciation			Amount in ₹	
	As at beginning of the reporting period	Additions	Disposals	As at end of the reporting period	Upto last year	For the year	Disposals	Total
Tangible Assets								
Medical Equipments	16,85,490	8,572	-	16,94,062	67,892	1,77,397	-	2,45,289
Office equipments	3,65,177	-	-	3,65,177	60,765	37,644	-	98,409
Furniture and Fixtures	9,75,434	-	-	9,75,434	65,476	92,920	-	1,58,396
Total	30,26,101	30,26,101	-	30,34,673	1,94,133	3,07,961	-	5,02,094
31 March 2015				30,26,101		1,94,133		28,31,968
								16,17,598
								3,04,412
								9,09,958
								28,31,968

Particulars	Gross carrying value			Amortization			Amount in ₹	
	As at beginning of the reporting period	Additions	Disposals	As at end of the reporting period	Upto last year	For the year	Disposals	Total
Intangible assets								
Software	69,982	-	-	69,982	3,502	7,017	-	10,519
Total	69,982	69,982	-	69,982	3,502	7,017	-	10,519
31 March 2015		69,982		69,982		3,502		3,502
								59,463
								59,463
								66,480
								66,480





1. Corporate Information

Balance Clinics LLP (the LLP) was incorporated 29 October 2014 domiciled in India and incorporated under provisions of the Limited Liability Partnership Act, 2008. The LLP 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 LLP have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the Provisions of the Limited Liability Partnership Act, 2008.

2.1. Summary of significant accounting policies**a) Use of Estimates**

The preparation of financial statements requires the management of the LLP 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 LLP adopted depreciation on straight line basis. The LLP 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 LLP 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 LLP.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The LLP recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the LLP 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 LLP 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 LLP reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the LLP 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 LLP 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 LLP 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 LLP assesses at each balance sheet date whether there is any indication that an asset may be Impaired. If any such indication exists, the LLP 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.



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

S.no	Particulars	31 March 2016	31 March 2015
1	Opening no. of shares	1,00,000	-
2	Additions during the year	-	1,00,000
3	Total shares outstanding	1,00,000	1,00,000
4	Weighted average number of shares	1,00,000	1,00,000
5	Net profit/(loss) attributable to equity share holders	(42,26,566)	(36,20,861)
6	Basic EPS	(0.33)	(0.28)
7	Diluted EPS	(0.33)	(0.28)

23. Based on the information available with the LLP, 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).

24. 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
Partner	Bal Pharma Limited Shailesh D Siroya
Designated Partners	Shailesh D Siroya (Director) Dr. S Prasanna (Director)
Subsidiary company of Partner (Bal Pharma Limited)	Lifezen Healthcare Private Limited

- Particulars of Related party transactions

Amount in ₹

Particulars	31 March 2016	31 March 2015
Purchases from		
- Bal Pharma Limited	56,970	-
- Lifezen Healthcare Private Limited	50,525	-
Total	1,07,495	-
Advances received from		
- Bal Pharma Limited	78,49,894	49,80,228
Total	78,49,894	49,80,228
Interest received from		
- Bal Pharma Limited	1,098,985	184,241
Total	1,098,985	184,241

The LLP has the following amounts due from / to related parties

Amount in ₹

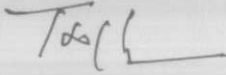
Particulars	31 March 2016	31 March 2015
Dues to Partner		
Bal Pharma Limited (Included under Short Term Borrowings)	7,849,894	4,980,228
Bal Pharma Limited (Included under Other Current Liabilities)	1,098,985	-
Total	8,949,879	4,980,228



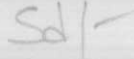
25. Contingent liabilities not provided for ₹. Nil (31 March 2015: ₹. Nil)
26. Value of imports calculated on CIF basis ₹. Nil (31 March 2015: ₹. Nil)
27. A) Expenditure in foreign currency ₹. Nil (31 March 2015: ₹. Nil)
B) Earnings in foreign currency ₹. Nil (31 March 2015: ₹. Nil)
28. Balances of sundry debtors, sundry creditors, loans and advances, receivables and payables are subject to confirmation/reconciliation, if any
29. 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.
30. The LLP 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

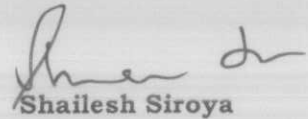
For Balance Clinics LLP



T D JAIN
Partner
M No: 012034



Dr S Prasanna
Partner



Shailesh Siroya
Partner

Place: Bengaluru
Date: 25 May 2016



