



T D JAIN AND D I SAKARIA

CHARTERED ACCOUNTANTS

CA T.D. JAIN B.Com., F.C.A.
CA DHANPAL I SAKARIA
B.Com., F.C.A.

34, Keshava Nivas, 3rd Floor
First Main, Gandhinagar
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Independent Auditor's Report

To the Partners of M/s. **BALANCE CLINIC LLP**

Report on the audit of **Financial Statements**

Opinion

We have audited the accompanying financial statements of **M/s. BALANCE CLINIC LLP** ("the LLP"), which comprise the balance sheet as at 31st March 2020, and the profit and losses statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its losses for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





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Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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 financial statements that give a true and fair view of the financial position, financial performance, in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless





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management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with the SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our





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conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

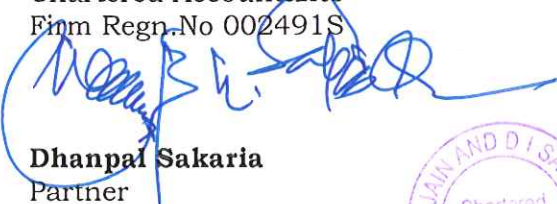
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For TD Jain and DI Sakaria

Chartered Accountants
Firm Regn.No 002491S


Dhanpal Sakaria
Partner
M. No. 213666



Date: 29th July 2020

Place: Bengaluru

BALANCE CLINICS LLP
BALANCE SHEET AS AT 31 MARCH 2020

Amount in ₹.

	Particulars	Notes	As at 31 March, 2020	As at 31 March, 2019
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	3	16,52,425	17,14,170
	(b) Capital work-in-progress		-	-
	(c) Intangible assets	4	31,471	38,469
	(d) Financial Assets			
	(i) Loans	5	2,32,500	2,32,500
	(e) Non current tax assets		-	-
	(f) Deferred tax assets (Net)		-	-
	(g) Other non-current assets		-	-
	Total Non - Current Assets		19,16,396	19,85,139
2	Current assets			
	(a) Inventories	6	8,02,930	7,22,240
	(b) Financial Assets			
	(i) Trade receivables	7	17,85,886	10,89,940
	(ii) Cash and cash equivalents	8	1,71,296	1,32,582
	(iii) Bank balances other than (ii) above		-	-
	(c) Other current assets	9	2,96,514	1,48,619
	Total Current Assets		30,56,626	20,93,381
	Total Assets (1+2)		49,73,022	40,78,520
B	PARTNER'S FUND & LIABILITIES			
1	Partner's Funds			
	(a) Partners Contribution	10	10,00,000	10,00,000
	(b) Partners Current Account	11	(1,63,26,262)	(1,47,13,557)
	Total Partner's fund		(1,53,26,262)	(1,37,13,557)
2	Non-current liabilities			
	(a) Financial Liabilities		-	-
	(b) Provisions		-	-
	(c) Deferred tax liabilities (Net)	12	1,33,170	98,255
	Total Non - Current Liabilities		1,33,170	98,255
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade payables	13	40,10,740	19,59,796
	(ii) Other financial liabilities	14	3,89,629	1,37,183
	(b) Provisions		-	-
	(c) Current tax liabilities (Net)		-	-
	(d) Other current liabilities	15	1,57,65,745	1,55,96,843
	Total Current Liabilities		2,01,66,114	1,76,93,822
	Total Liabilities (2+3)		2,02,99,284	1,77,92,077
	Partner's fund and Liabilities (1+2+3)		49,73,022	40,78,520

See accompanying notes to the Standalone Financial Statements

1&2

In terms of our report attached

For T D JAIN & D I SAKARIA

Chartered Accountants

Firm Registration No: 002491S


Dhanpal I Sakaria

Partner


Membership No: 213666

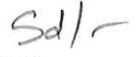
Place: Bengaluru

Date: 29.03.2020



On Behalf of Balance Clinics LLP


Shailesh Siroya
Designated Partner


S. Prasanna
Designated Partner

BALANCE CLINICS LLP
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2020

Amount in ₹.

Particulars	Notes	31st March 2020	31st March 2019
I Revenue from operations	16	37,30,356	14,56,222
II Other Income	17	3,90,600	4,14,909
III Total Income (I+II)		41,20,956	18,71,131
IV Expenses			
Purchase of Traded goods	18	30,87,821	16,19,343
Changes in inventories of finished goods, stock in trade and work in progress	19	(80,690)	(4,04,481)
Employee benefits expense	20	4,39,920	3,79,200
Finance costs	21	73,015	16,631
Depreciation and amortization expense	22	68,743	2,65,604
Other expenses	23	21,09,936	5,97,782
Total Expenses (IV)		56,98,746	24,74,078
V Profit/(loss) before exceptional items and tax (I-IV)		(15,77,790)	(6,02,947)
VI Exceptional items		-	-
VII Profit/(loss) before tax		(15,77,790)	(6,02,947)
VIII Tax expenses			
Current tax		-	-
Deferred tax		34,915	72,401
Total tax expenses		34,915	72,401
IX Profit / (loss) for the period		(16,12,705)	(6,75,348)

See accompanying notes to the Standalone Financial Statements 1&2
In terms of our report attached

For T D JAIN & D I SAKARIA

Chartered Accountants

Firm Registration No: 002491S

On Behalf of Balance Clinics LLP


Dhanpal I Sakaria


Partner

Membership No: 213666

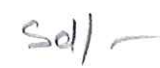
Place: Bengaluru

Date: 29.07.2020




Shailesh Siroya

Designated Partner


S. Prasanna

Designated Partner

BALANCE CLINICS LLP

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

5	Loans	31 March, 2020	31 March, 2019
	Security Deposits	2,32,500	2,32,500
	Total	2,32,500	2,32,500
6	Inventories	31 March, 2020	31 March, 2019
	Finished goods	8,02,930	7,22,240
	Total	8,02,930	7,22,240
7	Trade receivables	31 March, 2020	31 March, 2019
	Debtors	17,85,886	10,89,940
	Total	17,85,886	10,89,940
8	Cash and cash equivalents	31 March, 2020	31 March, 2019
	Cash on hand	65,021	67,089
	Balance at Bank	1,06,275	65,493
	Total	1,71,296	67,089
9	Other current asset	31 March, 2020	31 March, 2019
	Advance tax (Net of taxes)	35,755	32,010
	Balances with statutory & Govt authorities	2,60,759	1,16,609
		2,96,514	1,48,619
10	Partner's Contribution	31 March, 2020	31 March, 2019
	Partner's Capital	10,00,000	10,00,000
		10,00,000	10,00,000

* The LLP does not have any authorised, issued and subscribed equity shares. Accordingly, disclosures relating to share capital are not applicable.

Capital Contribution per Partner

Particulars	31 March 2020		31 March 2019	
	%	Rs	%	Rs
Bal Pharma Ltd	80.0%	8,00,000	80.0%	8,00,000
Shailesh Siroya	20.0%	2,00,000	20.0%	2,00,000
Total		10,00,000		10,00,000



Signature

11 Partners Current Account	31 March, 2020	31 March, 2019
Opening balance	(1,47,13,557)	(1,40,38,209)
Add: Current Year P&L Loss	(16,12,705)	(6,75,348)
Total	(1,63,26,262)	(1,47,13,557)

12 Deferred tax liabilities (Net)	31 March, 2020	31 March, 2019
Deferred tax Liability		
Origination and reversal of temporary differences	1,33,170	98,255
	1,33,170	98,255

13 Trade payables	31 March, 2020	31 March, 2019
Trade payables	40,10,740	19,59,796
	40,10,740	19,59,796

14 Other financial liabilities	31 March, 2020	31 March, 2019
Creditor for expenses	3,89,629	137,183
	3,89,629	1,37,183

15 Other current liabilities	31 March, 2020	31 March, 2019
Statutory liabilities	49,988	41,493
Advance payable in cash or kind		
- Bal Pharma Ltd	1,49,84,617	1,48,57,210
Others	7,31,140	6,98,140
	1,57,65,745	1,55,96,843



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BALANCE CLINICS LLP

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

16	Revenue from operations	31 March, 2020	31 March, 2019
	Sale of Products	37,30,356	14,56,222
	Other operating income	-	-
	Total	37,30,356	14,56,222
17	Other Income	31 March, 2020	31 March, 2019
	Rent received	3,90,600	3,74,480
	Sundry Balances Written off	-	40,429
	Total	3,90,600	4,14,909
18	Cost of material consumed	31 March, 2020	31 March, 2019
	Purchase of Traded Goods	30,87,821	16,19,343
	Total	30,87,821	16,19,343

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19	Changes in inventories of finished goods, stock in trade and work in progress	31 March, 2020	31 March, 2019
		Inventories at the end of the year	Inventories at the beginning of the year
	Finished goods	8,02,930	7,22,240
		8,02,930	7,22,240
	Finished goods	7,22,240	3,17,759
		7,22,240	3,17,759
	Total	(80,690)	4,04,481

20	Employee benefits expense	31 March, 2020	31 March, 2019
		Salaries, wages and bonus	
		4,39,920	3,79,200
	Total	4,39,920	3,79,200

21	Finance costs	31 March, 2020	31 March, 2019
		Interest on delayed payment of taxes	
		57,222	642
	Bank charges	15,793	15,989
	Total	73,015	16,631

22	Depreciation and amortization expense	31 March, 2020	31 March, 2019
		Depreciation of property, plant and equipment	
		61,745	2,58,606
	Amortisation of intangible assets	6,998	6,998
	Total	68,743	2,65,604

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23 Other expenses		31 March, 2020	31 March, 2019
Repairs & Maintenance:			
- Others R&M	4,800	1,140	
Advertisement and selling Expenses	13,06,073	-	
Traveling and conveyance Expenses	2,740	-	
Communication Costs	2,034	6,526	
Rates and taxes	13,532		
Legal & Professional charges	-	62,800	
Printing & Stationery	14,357	1,380	
Rent	3,82,894	3,64,656	
Freight outward	3,81,161	-	
Other Expenses	2,343	1,61,280	
Total	21,09,936	5,97,782	

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BALANCE CLINICS LLP
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

3 Property, Plant and Equipment

Amount in ₹

Particulars	Plant & Machinery	Furniture & Fixtures	Office Equipments	Tangible Total
Cost/ Deemed Cost				
Gross Carrying value As at 31 st March 2019	14,48,773	8,17,038	2,66,768	25,32,579
Additions	-	-	-	-
Deductions	-	-	-	-
Other Adjustments	-	-	-	-
Gross Carrying value As at 31 st March 2020	14,48,773	8,17,038	2,66,768	25,32,579
Accumulated depreciation value As at 31 st March 2019	3,75,404	2,47,079	1,95,926	8,18,409
Depreciation Expense	61,745	-	-	61,745
Deductions	-	-	-	-
Accumulated depreciation value As at 31 st March 2020	4,37,149	2,47,079	1,95,926	8,80,154
Net Book Value				
As at 31 st March 2020	10,11,624	5,69,959	70,842	16,52,425
As at 31 st March 2019	10,73,369	5,69,959	70,842	17,14,170

4 Intangible Assets

Particulars	Computer Software	Intangibles Total
Cost/ Deemed Cost		
As at 31 st March 2019	59,463	59,463
Additions	-	-
Deductions	-	-
As at 31 st March 2020	59,463	59,463
Accumulated Amortization and Impairment		
As at 31 st March 2019	20,994	20,994
Depreciation Expense	6,998	6,998
Deductions	-	-
As at 31 st March 2020	27,992	27,992
Net Book Value as at 31 st March 2020	31,471	31,471
Net Book Value as at 31 st March 2019	38,469	38,469



(Signature)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

RELATED PARTY DISCLOSURES

PARTICULARS	NAME
Parent Company	BAL PHARMA LIMITED

Enterprise over which the Managing Director of the Company exercises joint control with other directors

LIFEZEN HEALTHCARE PRIVATE LIMITED

Amount in ₹

Particulars	Category	As at 31 March 2020	As at 31 March 2019
i) Particulars of Related party transactions			
Purchase from			
Lifezen Healthcare Private Limited	B	28,18,675	15,35,639
Bal Pharma Limited	A	2,52,807	1,11,156
Total		30,71,482	16,46,795

ii) Amount outstanding as at the balance sheet date

Particulars	Category	As at 31 March 2020	As at 31 March 2019
Trade Receivables			
Bal Pharma Limited	A	9,52,657	7,29,254
Lifezen Healthcare Private Limited	B	-	-
		9,52,657	7,29,254
Trade Payables			
Bal Pharma Limited	A	6,07,750	3,29,209
Lifezen Healthcare Private Limited	B	33,83,660	22,72,861
		39,91,409	26,02,070
Advances payable in Cash or Kind			
Bal Pharma Limited	A	1,49,84,617	1,48,57,210
		1,49,84,617	1,48,57,210



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