

30th May, 2017

The Dy. General Manager
Corporate Relations Dept
The Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring
Rotunda Bldg, P.J. Towers
Dalal Street, Mumbai- 400 001

Script Code: 500259

Subject: Merger Documents

Enclosed herewith documents of merger of Lyka Healthcare Limited wholly owned subsidiary with Lyka Labs Limited w.e.f 1st April, 2017 in terms of SEBI circular dated 10th March, 2017

1. Certified True Copy of Board Resolution approving merger of Lyka Healthcare Limited with Lyka Labs Limited.
2. Scheme of merger
3. Report of Board of Directors
4. Report from Audit Committee
5. Compliance Report
6. Certificate of Auditor
7. Audited financials of last 3 years of Lyka Healthcare Limited
8. Pre and post amalgamation shareholding pattern of Lyka Healthcare Limited

Thanking you,

Yours faithfully,


P. G. HINDIA
COMPANY SECRETARY



Encl: a/a

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS ("BOARD") OF LYKA LABS LIMITED ("COMPANY") HELD ON 29th MAY, 2017 AT 4:00 P.M. AT THE ADMINISTRATIVE OFFICE OF THE COMPANY AT 101, SHIV SHAKTI, INDUSTRIAL ESTATE, ANDHERI KURLA ROAD, ANDHERI EAST, MUMBAI 400059

The Chairman briefed the Board about the proposal for merger of company's wholly owned subsidiary viz: Lyka Healthcare Limited which is in the business of dealing in pharmaceutical products with LYKA LABS LIMITED with effect from 1st April, 2017 subject to approval of the respective shareholders and sanction by the National Company Law Tribunal at Mumbai and Ahmedabad respectively. The Chairman informed the Board that the Audit Committee had approved the Scheme of Amalgamation of Lyka Healthcare Limited (Transferor Company) with Lyka Labs Limited (Transferee Company) and recommended the same to the Board for its approval. The draft Scheme of Amalgamation was placed before the Board. The Chairman then briefed the Board about the main OBJECT AND RATIONALE OF THIS MERGER. He informed that both Lyka Labs Limited and Lyka Healthcare Limited are in pharmaceutical business and therefore merger will help in:

- Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.



- Greater access by the amalgamated company to different market segments in the conduct of its business.
- Cost savings are expected to flow from more focused operational efforts,
- rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- Achieving economies of scale

The Board approved the draft Scheme of Amalgamation and unanimously passed the following resolution:

"RESOLVED THAT pursuant to the provisions of section 230 to 232 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company and subject to the requisite approval of the members of the Company and sanction of the Hon'ble National Company Law Tribunal, Mumbai Bench and Ahmedabad Bench and such other competent authority(ies) as may be applicable, the consent of the Board of Directors be and is hereby accorded to the Scheme of Amalgamation of LYKA HEALTHCARE LIMITED, the Transferor Company being the wholly owned subsidiary of the Company with LYKA LABS LIMITED, the Transferee Company as per the terms and conditions mentioned in the Scheme of Amalgamation (the Scheme) which was placed before the Board and initialled by the Chairman of the meeting for the purposes of identification and that the said scheme be and is hereby approved with effect from 1st April, 2017, being the appointed date..

RESOLVED FURTHER THAT Shri Narendra I Gandhi, Managing Director and/or Shri Vinod S Shanbhag, Director and/or Shri Kunal N Gandhi, Chief Executive Officer and/or Shri Piyush Hindia, Company Secretary of the Company be and are hereby severally authorized to make and sign all applications, forms, affidavits, petition, undertakings and other documents as required to be filed before the concerned regulatory



authorities and National Company Law Tribunal at Mumbai and Ahmedabad and to take such steps as may be necessary and expedient to carry into effect the Scheme, on such terms and conditions as may be sanctioned by the National Company Law Tribunal.

RESOLVED FURTHER THAT Shri Narendra I Gandhi, Managing Director and/or Shri Vinod S Shanbhag, Director and/or Shri Kunal N Gandhi, Chief Executive Officer and/or Shri Piyush Hindia, Company Secretary of the Company be and are hereby severally authorized to make such alterations and changes in the aforesaid Scheme of Amalgamation as may be expedient or necessary for complying with the requirements or conditions as may be imposed by National Company Law Tribunal at Mumbai and/or Ahmedabad in this regard, provided that prior approval of the Board shall be obtained for making any material changes thereto.

RESOLVED FURTHER THAT Shri Narendra I Gandhi, Managing Director and/or Shri Vinod S Shanbhag, Director and/or Shri Kunal N Gandhi, Chief Executive Officer and/or Shri Piyush Hindia, Company Secretary of the Company be and are hereby severally authorized to take all steps necessary in connection with the following:

- a) Filing of applications with the National Company Law Tribunal at Mumbai and/or Ahmedabad or such other competent authority as may be necessary.
- b) Holding meetings of the shareholders / creditors of the Company as may be directed by National Company Law Tribunal to give effect to the Scheme;
- c) Filing of petitions for confirmation of the Scheme with the National Company Law Tribunal at Mumbai and/or Ahmedabad;
- d) Obtaining approval from relevant Authorities and entities including the shareholders and creditors etc. as may be necessary to give effect to the said Scheme of Amalgamation and to do all acts and things as may be considered necessary or expedient in relation thereto and for that purpose to engage any experts/consultants/Advocates/legal counsel/ practicing company secretary to represent the Company in this connection;



- e) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above resolution;
- f) To sign and execute the request letters for obtaining the necessary No -Objection / sanction letters for the dispensation of the meetings of the shareholders/ creditors of the company for approving the Scheme of Amalgamation;
- g) To produce all documents, matters or any other evidence in connection with the matters aforesaid and any other proceedings incidental thereto and arising there from;
- h) To take all procedural steps for having the Scheme of Amalgamation sanctioned by the National Company Law Tribunal at Mumbai and/or Ahmedabad including filing necessary applications, affidavits, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary;
- i) To accept services of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or persons concerned;
- j) To make any alterations / changes in the Scheme upon the recommendations / instructions of any of the authority(ies) including but not limited to the National Company Law Tribunal at Mumbai and/or Ahmedabad, as may be expedient or necessary which does not materially change the substance of the Scheme.;
- k) To sign, execute, certify all applications, petitions, vakalatnamas, forms, affidavits, undertakings, resolutions and any other papers or documents relating to the Scheme and to file, submit, furnish all or any of such documents as are mentioned hereinbefore with respective authorities including but not limited to the National Company Law Tribunal at Mumbai and/or Ahmedabad, The Registrar of Companies, The Regional Director, the Superintendent of Stamps, and generally to do and execute all acts, matters, things, deeds and documents as may be necessary and expedient for the purpose of giving effect to the Scheme.

RESOLVED FURTHER THAT M/s Jayesh Dadia & Associates LLP Chartered Accountants, Mumbai be and are hereby appointed as consultants and valuers in the



matter of proposed Scheme and they be instructed and authorized to do all acts, deeds and things in connection to the merger.

RESOLVED FURTHER THAT the director are severally, authorized to decide, alter, change, modify the professional fee to be paid to M/s Jayesh Dadia & Associates LLP Chartered Accountants, Mumbai.

RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to the appointment of Shri Hemant Sethi Advocates, for preparing the applications/Petitions before the National Company Law Tribunal Mumbai and/or Ahmedabad and/or any other Tribunal, representing the Company before Tribunal, inter-alia for obtaining the sanction of the said National Company Law Tribunals and for connected matters and to do the following acts:

- i) Appear before National Company Law Tribunal in the matter of the Petition and to endeavor to obtain exempts from holding Shareholders and /or creditors meetings
- ii) Make necessary petitions to National Company Law Tribunal complete in all respects
- iii) Obtain orders of the National Company Law Tribunal

RESOLVED FURTHER THAT a copy of this resolution certified to be true by any one of the Directors of the Company or Company Secretary be furnished to the concerned Authorities, wherever required.

RESOLVED FURTHER THAT in accordance with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated 10th March 2017 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including any statutory modifications, re-



enactment or amendments thereof, the aforesaid scheme shall be filed with the stock exchanges, where the shares of the Company are listed, for the limited purpose of disclosures only

For LYKA LABSLIMITED


P.G Hindia
Company Secretary



SCHEME OF AMALGAMATION

UNDER SECTIONS 230 TO 232 OF THE COMPANY ACT, 2013

OF

LYKA HEALTHCARE LIMITED (THE "TRANSFEROR COMPANY")

AND

LYKA LABS LIMITED (THE "TRANSFeree COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS

GENERAL

A. Description of Company and Background

- I. Lyka Healthcare Limited, Transferor Company (CIN: U85190MH2013PLC244062) is a unlisted public limited company incorporated under the Company Act, 1956 having its registered office at 101, Shiv Shakti Industrial Estate , Andheri Kurla road, Andheri (East), Mumbai 400 059 (hereinafter referred to as the "**Transferor Company**").
The Transferor Company is engaged in the business of pharmaceutical sector. The Transferor Company is 100% subsidiary of the Transferee Company.
- II. Lyka Labs Limited Transferee Company (CIN: L24230GJ1976PLC008738) is a listed public limited company incorporated under the Company Act, 1956 having its registered office at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar-393002 (hereinafter referred to as the "**Transferee Company**"). The Transferee Company is engaged in the business of wholesale and retail chemists and manufacturers and refiners of and dealers in all kinds of drugs , in pharmaceutical sector .
- III. The Transferor Company is a wholly owned subsidiary of the Transferee Company. The Transferee Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited.
- IV. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Company Act, 1956 and other applicable provisions of the Company Act, 2013.

B. Rationale for the Scheme

The Transferee Company is holding stake directly in the Transferor Company and as the Transferor Company and Transferee Company's business activities are similar and complement each other, and to achieve *inter-alia* economies of scale and efficiency, the merger of the Company is being undertaken. The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- (a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- (b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (c) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- (d) Greater access by the amalgamated company to different market segments in the conduct of its business.
- (e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- (f) Achieving economies of scale.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertaking and business of the Transferor Company with and into the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

C. Parts of the Scheme:

This Scheme of Amalgamation is divided into the following parts:

- (i) **Part I** deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company;
 - (ii) **Part II** deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Company to and in the Transferee Company;
 - (iii) **Part III** deals with the issue of new equity shares by the Transferee Company to the eligible shareholders of the Transferor Companies, as applicable;
 - (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends;
 - (v) **Part V** deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.
- D.** The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with the relevant provisions of the Income Tax Act, 1961 including but not limited to Section 2(1B) and Section 47 thereof.

**PART I
DEFINITIONS AND SHARE CAPITAL**

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. "Act"** means the Company Act, 2013 , the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- 1.2. "Appointed Date"** For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means the open of business hours on 1st April 2017 ;

- 1.3** "Board of Directors" or "Board" means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof
- 1.4** "Effective Date" means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Company by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of "**coming into effect of this Scheme**" or "**effectiveness of this Scheme**" or "**Scheme taking effect**" shall mean the Effective Date;
- 1.5** "Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Securities and Exchange of India, Stock Exchanges, Registrar of Companies, competition Commission of India, National Company Law Tribunal (to be constituted under Company Act, 2013), and the NCLT ;
- 1.6** "NCLT " means the National Company Law Tribunal , Ahmedabad Bench having jurisdiction in relation to the Transferee Company and the National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferor as the context may admit ;
- 1.7** "Registrar of Companies" means the Registrar of Companies, Mumbai and/or Ahmedabad
- 1.8** "Scheme" means this Scheme of Amalgamation between the Transferor Company and the Transferee Company and their respective shareholders as submitted to the NCLT together with any modification(s) approved or directed by the NCLT Mumbai Bench and Ahmedabad Bench ;
- 1.9** "Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited where the shares of Transferee Company are listed;
- 1.10** "Transferor Company" means Lyka Healthcare Limited(CIN: U85190MH2013PLC244062) , a company incorporated under the Company Act, 1956 having its registered office at 101, Shiv Shakti Industrial Estate , Andheri Kurla road, Andheri (East), Mumbai 400059 ;
- 1.11** "Transferee Company" means Lyka Labs Limited (CIN: L24230GJ1976PLC008738) a company incorporated under the Company Act, 1956 having its registered office at 4801/B & 4802/A, G.I.D.C. Industrial Estate, Ankleshwar-393002;

1.12 "Undertaking" means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):

- I. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency),

sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised;

- III. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Company;
- IV. All records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business activities and operations of the Transferor Company;
- V. All permanent employees engaged by the Transferor Company as on the Effective Date.
- VI. all quotas, rights, entitlements, export/import incentives and benefits including advance licenses, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits privileges, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and all other interests in connection with or relating thereto;
- VII. all brand names, trademarks, trade names, patents and domain names, the intellectual property in relation to ANDAs (Abbreviated New Drug Application), Certificate of Pharmaceutical Products (CoPPs), registrations; applications and authorizations of pharmaceutical products with governmental authorities in any jurisdiction (in so far as such pharmaceutical products pertain to the Undertaking), filings, dossiers copyrights, industrial designs, trade secrets, know-how; data, formulations, technology, methodology, manufacturing procedures and

techniques, test procedures, product registrations, applications and authorizations and other intellectual property and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;

VIII. all intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Company;

IX. all benefits and privileges under letters of permission and letters, of approvals in respect of Special Economic Zones and Export Oriented Units and the benefits related thereto, all tax credits, including CENVAT credits, refunds; reimbursements, claims, exemptions, benefits under service tax laws, value added tax, purchase tax, sales tax or any other duty or tax or cess or imposts under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any and depreciation, deductions and benefits under the Income-tax Act, 1961, as well as any recognition of the In-house Research and Development unit with the Department of Scientific & Industrial Research or any Government Authority;

1.2. All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

2. SHARE CAPITAL

2.1. Transferor Company:

The Authorised, Issued , Subscribed and Paid-up share capital of the Transferor Company as on March 31, 2016 was as under:

Particulars	Rs.
Authorised Share Capital:	
80,00,000 Equity Shares of Rs. 10/- each	80,000,000
Issued, Subscribed and Paid up Share Capital:	
75,50,000 equity shares of Rs. 10/- each	75,500,000

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferor Company. Transferor Company is 100% subsidiary of Transferee Company. Entire Paid up share capital of the Transferor Company is held by the Transferee Company and its nominee.

2.2. Transferee Company:

The Authorised, Issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2016 was as under:

Particulars	Rs.
Authorised Share Capital:	
30,000,000 Equity Shares of Rs. 10/- each.	300,000,000
200,000 Redeemable Preference Shares of Rs. 100/- each	20,000,000
Issued,Subscribed and Paid up Share Capital:	
22,040,000 Equity Shares of Rs. 10/- each	220,400,000
108,570 - 10% Cumulative Redeemable Preference Shares of Rs 100/- each	10,857,000

Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferee Company. Transferor Company is 100% subsidiary of Transferee Company. Entire Paid up share capital of the Transferor Company is held by the Transferee Company and its nominee.

The equity shares of Transferee Company are, at present, listed on the National Stock Exchange of India Limited and the BSE Limited.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKING

4. TRANSFER OF UNDERTAKING

4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking(s) of the Transferor Company, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or Intangible assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, manufacturing facilities, laboratories receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, recognitions and registrations granted by the Department of Scientific & Industrial Research to the in-house research and development units established, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including Export Oriented Unit licences, Special Economic Zones registrations, marketing authorisations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements,

advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorisations for product registrations, and all other interests exclusively relating to the goods or services, GMP Certificates, ANDAs approved by the U.S. Food and Drug Administration, shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the orders of the NCLT, Mumbai Bench and Ahmedabad Bench sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.

4.3 Transfer of Assets:

4.3.1 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

4.3.1.1 All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

4.3.1.2 Without prejudice to the provisions of Clause 4.3.1.1 above, in respect of such of the assets and properties of the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.

4.3.1.3 In respect of movables other than those dealt with in Clause 4.3.1.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether

recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

4.3.1.4 All interests of the Transferor Company in their respective subsidiaries as on the Appointed Date will become the interests and subsidiaries of the Transferee Company.

4.3.1.5 All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.3.2 The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by NCLT, Mumbai Bench and Ahmedabad Bench under and in accordance with Sections 230 and 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished.

4.3.3 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been

transferred to and vested in the Transferee Company upon the coming into effect of this Scheme. Provided however that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.4 **Transfer of Liabilities:**

4.4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "**Liabilities**"), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

4.4.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

4.4.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or

satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.5 **Encumbrances**

4.5.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 4.1 and 4.3 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

4.5.2 All the existing securities, mortgages, charges, encumbrances or liens (the "**Encumbrances**"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.5.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.

4.5.4 Any reference in any security documents or arrangements (to which the Transferor Company are a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee

Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Company to give formal effect to the above provisions, if required.

4.5.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

4.5.6 It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.5.7 The provisions of this Clause 4.5 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.6 **Inter - se Transactions:**

Without prejudice to the provisions of Clauses 4.1 to 4.5, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

5. **CONTRACTS, DEEDS, ETC.**

5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company are a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.

5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of

adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

- 5.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

6. LEGAL PROCEEDINGS

- 6.1 On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not be made; If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

7. CONDUCT OF BUSINESS

- 7.1 With effect from the Appointed Date and up to and including the Effective Date:

- 7.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.
- 7.1.2 All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- 7.1.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- 7.2 With effect from the first of the date of filing of this Scheme with the High Courts and up to and including the Effective Date:
- 7.2.1 The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:
- 7.2.1.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- 7.2.1.2 if the same is permitted by this Scheme; or
- 7.2.1.3 if consent of the Board of Directors of the Transferee Company has been obtained.
- 7.2.2 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions already taken prior to

approval of the Scheme by the respective Board of Directors (ii) any agreement or transaction; and (iii) any new business, or discontinue any existing business or change the capacity of facilities.:(iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

7.2.2.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or

7.2.2.2 if the same is permitted by this Scheme; or

7.2.2.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.3 Treatment of Taxes

7.3.1 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956 , any other state Sales Tax / Value Added Tax laws, service tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.

7.3.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

7.3.3 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

7.3.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc., to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

8. STAFF WORKMEN AND EMPLOYEES

8.1 Upon the coming into effect of this Scheme:

8.1.1 All the permanent employees of the Transferor Company who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company). After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the employees of the Transferor Company on the same basis as it may do for the employees of the Transferee Company.

8.1.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Company or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Company (collectively referred to as the "**Funds**") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing

Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III

10. CANCELLATION OF SHARES

The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company along with its nominees. Upon the scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the Paid up share capital of the Transferor Company shall stand cancelled

10.1 Increase in authorized share capital of Transferee Company

10.1.1 Upon the Scheme coming into effect, the authorised share capital of the Transferor Company shall be added to that of the Transferee Company and in the Memorandum of Association and Articles of Association it shall be automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by an amount of Rs.8,00,00,000 (Rupees Eight Crores), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 14, 61, 64 of the Companies Act, 2013 or any other applicable provisions of the Company Act 2013 , would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such

combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

“The Authorised Share Capital of the Company is Rs.40,00,00,000 (Rupees Forty Crores Only) divided into 3,80,00,000 equity shares of Rs. 10 each and 2,00,000 Redeemable Preference shares of Rs.100 each with such rights, privileges and conditions as to security, redemption, conversion into equity shares, rate of dividend, right of accumulation of dividend etc., attaching thereto as are provided by the Articles of Association of the Company. The Company shall have power to increase or reduce, consolidate or sub-divide the Share Capital of the Company for the time being and from time to time divide the shares of the new Capital into several classes and denomination and to issue any shares of the original or further Share Capital of the Company for the time being with such preferential, qualified or special rights, privileges or conditions attached thereto respectively including rights to dividend in distribution of assets of the Company from time to time in accordance with the Articles of Association of the Company and subject to the provisions of the Company Act, 1956, for the time being in force.”

PART IV

ACCOUNTING TREATMENT AND DIVIDENDS

11. ACCOUNTING TREATMENT

- 11.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, for the purpose of accounting for and dealing with the value of the assets and liabilities in the books of the Transferee Company, **all assets and liabilities recorded in the books of the Transferor Company and transferred to and vested in the Transferee Company pursuant to this scheme shall be recorded by the Transferee Company at their Fair Value**
- 11.2 The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company prior to this Scheme becoming effective.
- 11.3 The balance in the Profit & Loss Account and the Free Reserves Account of the Transferor Company shall be carried as the balances in the accounts of the Transferee Company.
- 11.4 In case of any difference in accounting policy between the Transferor Company

and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard (AS) 5 'Net Profit or loss for the Period, Prior Period Items and Changes in Accounting Policies', in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

- 11.5 The difference between the value of respective investments carried in the books of the Transferee Company and the "Net Book Value" of the assets of the respective Transferor Company, shall be treated as goodwill or capital reserve as the case may be, in the books of the Transferee Company, and dealt with in accordance with the Accounting Standard AS-14 issued by the Institute of Chartered Accountants of India.
- 11.6 Subject to provisions of this Scheme, the Transferee Company shall abide by Accounting Standard AS-14 issued by the Institute of Chartered Accountants of India.
- 11.7 The amalgamation of Transferor Company with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- 11.8 Inter Company balances shall be cancelled;

12. DECLARATION OF DIVIDEND

- 12.1 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.
- 12.2 For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the Record Date for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared by the Transferee Company prior to the Effective Date.

13. POWER TO GIVE EFFECT TO THIS PART

- 13.1. The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor

Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

- 13.2.** Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch apply for transition of all licenses and statutory registrations of the Transferee Company including but not limited to product registrations (including applications and authorizations for product registrations), ANDAs, manufacturing licenses, product permissions, certificates, CoPPs, market authorizations, filings, dossiers (including experience and pre-qualification submissions), industrial licences, municipal permissions, approvals, consent, permits, quotas, registration with Food and Drug Administrations of various states, incentives and subsidies. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as “Transitory Period”.

During the Transition Period the Transferee Company, may procure or use or manufacture or sale, all materials and products under the respective country registrations including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Transferor Company under any license and/or statutory registration, if any, while conducting the business of the Undertaking, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply of the registered medicines for export purposes.

PART V

DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

14. DISSOLUTION OF TRANSFEROR COMPANY

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

15. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

16. MODIFICATION OF SCHEME

16.1 Subject to approval of Jurisdictional NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors or any director/executives or any committee authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which Jurisdictional NCLT or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by NCLT or any Governmental Authorities, which the Board of Directors of the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

16.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same

manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.

17. FILING OF APPLICATIONS

The Transferor Company and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before the respective NCLT having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

18. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

19. SCHEME CONDITIONAL UPON SANCTIONS, ETC.

19.1 This Scheme is conditional upon and subject to:

19.1.1 The Scheme being agreed to by the requisite majority of the respective classes of members and/or creditors of the Transferor Company and of the Transferee Company as required under the Act and the requisite orders of the Jurisdictional NCLT being obtained; and

19.1.2 The certified copies of the orders of the Jurisdictional NCLT sanctioning this Scheme being filed with the Registrar of Companies, Ahmedabad and the Registrar of Companies, Maharashtra, Mumbai.

20. COSTS, CHARGES, EXPENSES AND STAMP DUTY

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of NCLT, if any and to the extent applicable and payable, shall be borne and paid by the Transferee Company.

Report adopted by the Board of Directors of Lyka Labs Limited on the Draft Scheme of Amalgamation (“Scheme”) of Lyka Healthcare Limited (“Transferor Company or LHL”) with Lyka Labs Limited (“Transferee Company or LLL”) and their respective shareholders pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.

1. Background:

- i. A meeting of the Board of Directors (‘Board’) of Lyka Labs Limited (‘the Transferee Company’ or ‘LLL’) was held on 29th May, 2017 to consider and recommend the proposed Scheme of Amalgamation of Lyka Healthcare Limited (‘the Transferor Company’ or ‘LHL’) with Lyka Labs Limited (‘the Transferee Company’ or ‘LLL’) and their respective shareholders (‘the Scheme’) to be implemented as per the terms specified in the scheme.
- ii. The provisions of Section 232(2)(c) of Companies Act, 2013 requires the Board of Directors to adopt a report explaining the effect of the Scheme of Amalgamation on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders and the same is required to be appended with the notice of the meeting of shareholders. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- iii. This report is made by the Board after perusing inter alia the following necessary documents (‘Documents’):
 - a) Draft Scheme of Amalgamation initiated by the Director for the purposes of identification,
 - b) Memorandum of Association and Articles of Association of the Transferor and Transferee Company,
 - c) Audited accounts of Companies as on 31st March, 2016,
 - d) Report from the Audit Committee recommending the draft scheme,

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2. BOARD REPORT

Based on review of the Draft Scheme of Amalgamation and the above mentioned documents, the Board was of the opinion that:

- i. Since LHL is a wholly owned subsidiary of LLL and the entire paid up share capital of the LHL is held by the LLL and its nominee, as a result of the proposed amalgamation, the shares of LHL held by LLL will stand cancelled and there shall be no issuance of shares or payment of any consideration by LLL to the shareholders of LHL.
- ii. As the entire undertaking of LHL shall stand transferred to LLL, the rights and interests of the shareholders and / or the creditors of LLL shall not be affected and the Scheme shall also not be prejudicial to the interest of the shareholders and / or creditors of LHL
- iii. The proposed amalgamation would inter alia have the following benefits:
 - a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
 - b) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
 - c) Improved organizational capability and leadership, arising from the pooling of human capital that has the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
 - d) Greater access by the amalgamated company to different market segments in the conduct of its business.
 - e) Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes,



and the elimination of duplication, and rationalization of administrative expenses.

- f) Achieving economies of scale
- iv. Since, the shareholders and the shareholding pattern of LLL remains the same, it is treated as no change in shareholding pattern
- v. Further as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the provisions of this circular shall not apply to schemes which solely provides for merger of a wholly owned subsidiary with the parent company. However the aforesaid circular requires that such draft schemes shall be filed with the Stock Exchanges for the purpose of disclosures and the Stock Exchanges shall disseminate the scheme documents on their websites. In view of the above, the Company shall file Draft Scheme of Amalgamation of LHL with LLL and their respective shareholders.
- vi. Further as per amendment to regulation 37, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, notified as on 15th February, 2017, nothing contained in the aforesaid regulation shall apply to draft schemes which solely provide for merger of a wholly owned subsidiary with its holding company and that such draft schemes shall be filed with the stock exchanges for the purpose of disclosures In view of the above , the Company shall file Draft Scheme of Amalgamation of LHL with LLL and their respective shareholders.
- vii. Since there shall be no payment of consideration or issuance of shares by LLL the proposed Scheme of Amalgamation does not entitle the Promoter/Promoter Group, related parties of the Promoter/Promoter Group, associates of the Promoter/Promoter Group, subsidiaries of the Promoter/Promoter Group of the Transferee Company to any additional shares or any special benefits.



- viii. The effect of the proposed Scheme of Amalgamation on the stakeholders of the Company would be as follows:

Effect of the Scheme on:	
(a) shareholders;	No impact
(b) key managerial personnel;	No impact
(c) directors;	No impact
(d) promoters;	No impact
(e) non-promoter members;	No impact
(f) depositors;	No impact
(g) creditors;	No impact
(h) debenture holders;	No impact
(i) deposit trustee and debenture trustee;	No impact
(j) employees of the Company	No impact

- ix. In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. It is for these reasons that the Board of Directors of LLL approved the Scheme at their meeting held on 29th May,2017

For and on behalf of the Board of Directors

Lyka Labs Limited



Narendra Ishwarlal Gandhi
Managing Director

Place: Mumbai

29th May,2017



REPORT OF THE AUDIT COMMITTEE MEETING OF LYKA LABS LIMITED, FOR RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF LYKA HEATHCARE LIMITED (THE TRANSFEROR COMPANY) WITH LYKA LABS LIMITED (THE TRANSFEREE COMPANY) AT ITS MEETING HELD ON 29TH MAY, 2017, MONDAY AT ADMINISTRATIVE OFFICE AT 101 SHIV SHAKTI, INDUSTRIAL ESTATE, ANDHERI KURLA ROAD, ANDHERI EAST, MUMBAI 400059

Members Present:

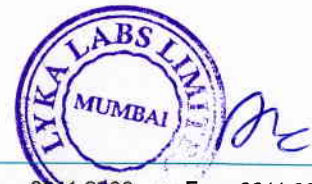
1. Mr. Ajit S Bagadia - Chairman
2. Mr. Vinod S Shanbhag
3. Mr. Yatin N Shah
4. Mr. Atit N Shukla
5. Mr. Narendra I Gandhi

In Attendance:

1. Mr Kunal N Gandhi CEO
2. Mr Yogesh B Shah CFO
3. Mr Piyush G Hindia Company Secretary

1. BACKGROUND

- i) The draft Scheme of Amalgamation of LYKA HEATHCARE LIMITED [LHL] (the Transferor Company) with LYKA LABS LIMITED [LLL] (the Transferee Company) and the respective shareholders (Scheme) was placed before the Audit Committee for its consideration and recommendation to the Board of Directors of the Company as required vide SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("Circular").
- ii) The following documents were placed before the Audit Committee for their perusal:
 - a) Draft Scheme of Amalgamation
 - b) Audited Financial Statements of LHL and LLL for the Financial Years 2013-14, 2014-15 and 2015-16.
 - c) Certificate issued by M/s. M A Parikh & Co., Chartered Accountants, Statutory Auditors of the Company as required under para I(A)(5)(a) of Annexure I of the Circular, to the effect that the accounting treatment contained in the Scheme is in compliance with all the Accounting Standards specified by the Central



Government under Section 133 of the Companies Act, 2013 read with the rules framed thereunder or the Accounting Standards issued by ICAI, as applicable, and other generally accepted accounting principles.

iii) The Audit Committee also took note of the fact that as per circular no CFD/DIL3/CIR/2017/21 of 10th March, 2017, issued by SEBI, the valuation report and consequently Merchant Bankers fairness opinion, in this case is not applicable since it involves the amalgamation of LHL, the wholly owned subsidiary of LLL with LLL and there are no shares to be issued on account of amalgamation under the scheme. The report of the Audit Committee is made in compliance with the said circular.

2. PROPOSED SCHEME OF AMALGAMATION

i) Salient Features of the Scheme:

The salient features of the Draft Scheme are as under:

- a) Scheme provides for the amalgamation of LHL (Transferor Company) the wholly owned subsidiary of LLL with LLL (Transferee Company) pursuant to Section 230 to 232 of the Companies Act 2013.
- b) The Transferor Company is a wholly owned subsidiary of the Transferee Company, thus pursuant to the Scheme no new shares shall be issued subsequent to sanction of the Scheme by National Company Law Tribunal, Mumbai/Ahmedabad Bench,
- c) Upon coming into effect of the Scheme, the Undertaking of the Transferor Company shall without any further act, instrument or deed be merged and transferred to and vested in or be deemed to have been transferred to and vested as a going concern in the Transferee Company pursuant to the applicable provisions of the Act on and from the Appointed Date.
- d) Upon the scheme being effective, the Authorized Share Capital of the Transferor Company shall be consolidated with the Authorized Share Capital of the Transferee Company as per the provisions of Companies Act 2013 and applicable rules for amalgamation.



ii) RATIONAL E AND BENEFITS:

The Audit Committee noted that LHL and LLL are dealing in Pharmaceutical Products and therefore they can be conveniently amalgamated and enhance the business value of amalgamated company. It also noted the rationale and benefits that may be derived from the said amalgamation which are summarized as below:

- Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximising overall shareholder value, and will improve the competitive position of the combined entity.
- Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- Greater access by the amalgamated company to different market segments in the conduct of its business.
- Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.
- Achieving economies of scale

Thus, as a whole, amalgamation of LHL with LLL in terms of the Scheme will be beneficial for both the companies, their shareholders, their creditors, employees, customers and all others concerned with the two companies.



3. RECOMMENDATION OF THE AUDIT COMMITTEE

Having considered the aforesaid documents, the Audit Committee found the Scheme to be in the best interest of all the stakeholders of the Company and do hereby recommend the Scheme, taking into consideration that there would be no issuance of shares, for favourable consideration by the Board of Directors of the Company, the National Stock Exchange of India Limited, the BSE (Bombay Stock Exchange) Limited, the Securities and Exchange Board of India and other appropriate authorities.

**For and on behalf of the Audit Committee
Lyka Labs Limited**

A. Bagadia



**Mr. Ajit Bagadia
Chairman**

Date: *29/5/2017*

Place: *Mumbai*

Compliance Report to be submitted along with the draft scheme

It is hereby certified that the draft scheme of arrangement involving Lyka Labs Limited and Lyka Healthcare Limited does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

Sl.	Reference	Particulars
1.	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2.	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting



Company Secretary



Managing Director

Certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving Lyka Labs Limited and Lyka Healthcare Limited are in compliance with all the Accounting Standards applicable to a listed entity.



Chief Financial Officer

Date: 29th May, 2017

Place: Mumbai



Managing Director

M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

To,
The Board of Directors of Lyka Labs Limited
4801/B & 4802/A G.I.D.C. Industrial Estate,
Ankleshwar – 393 002, Gujarat.

We, the statutory auditors of Lyka Labs Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in Clause 11 of the 'Draft Scheme of Amalgamation between Lyka Healthcare Limited and Lyka Labs Limited in terms of the provisions of section(s) 230-233 and other applicable provisions of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under section 133 of the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of statutory auditors of the financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid draft scheme is in compliance with all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.

This Certificate is issued at the request of the Lyka Labs Limited pursuant to compliance with the requirements of applicable Accounting Standards notified under section 133 of the Companies Act, 2013 and Other Generally Accepted Accounting Principles. This Certificate should not be used for any other purpose without our prior written consent.

For M. A. Parikh & Co
Chartered Accountants
Firm Reg. No. 107556W



Partner
Mukul M. Patel
Membership No. 032489



Date: 30th May, 2017

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7	Proxy form and attendance slip	

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101, Shiv Shankti Industrial Estate, Sir M.V. Road, Andheri Kurla Road, Andheri, Mumbai
400059

Email-cs@lykahealthcare.com, CIN- U85190MH2013PLC244062

BOARD OF DIRECTORS

Shri. Narendra I Gandhi – Director (DIN-00021530)

Smt. Nehal N Gandhi-- Director (DIN-00021580)

Mr. Kunal N Gandhi – Director (DIN-01516156)

Shri. Vinod S Shanbhag – Independent Director (DIN-00555709)

Shri. Dhaval Desai –Executive Director (DIN-06884145)

Shri. Manish Mehta – Director (DIN-02163208)

COMPANY SECRETARY

Mr. Mahesh S Huparikar

AUDITOR

Jayesh Dadia & Associates

BANKERS

Dena Bank

ICICI Bank

REGISTERED AND ADMINISTRATIVE OFFICE

101, Shiv Shakti Industrial Estate, Sir M. V. Road, Andheri Kurla Road, Andheri (E) Mumbai
400059

LYKA HEALTHCARE LTD

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NOTICE

NOTICE IS HEREBY GIVEN THAT, SECOND ANNUAL GENERAL MEETING OF M/S LYKA HEALTHCARE LIMITED WILL BE HELD AT REGISTERED OFFICE OF THE COMPANY AT 101, SHIV SHAKTI INDUSTRIAL ESTATE, SIR M. V. ROAD, ANDHERI-KURLA ROAD, ANDHERI (EAST), MUMBAI 400059 ON WEDNESDAY, 23rd SEPTEMBER, 2015, AT 11.00 AM TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Financial Statement of the Company for the year ended on 31st March, 2015 and the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kunal N Gandhi (DIN No-01516156), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re - appointment.
3. **To consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:**

“RESOLVED THAT Pursuant to the provision of Section 139 (1), 141 and 142 and any other applicable provisions, if any of the Companies act 2013 read with the Companies (Audit and Auditors Rules) 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. Jayesh Dadia & Associates, Chartered Accountants (Registration No. 121142W), as Statutory Auditors of the Company, which has been approved at the First Annual General Meeting (AGM) held on 29th September 2014 for a term of Five years i.e from the conclusion First Annual General Meeting till the conclusion of the Sixth Annual General Meeting be and is hereby ratified by the members on a remuneration as may be agreed by the Board of Directors.”

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass, with or without modification (s) the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provision of section 14 of the Companies Act 2013 (as amended or re-enacted from time to time), consent of the company be and is hereby accorded to the Board of Directors of the company to alter/revise/modify/substitute existing Articles of Association of the Company so as to be in line with the provision of Table ‘F’ of the Companies Act 2013 and any amendment or reenactment thereof, for the time being in force.

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RESOLVED FURTHER THAT the Board of Director of the Company be and is hereby authorized to do all acts, deeds and things and to delegate all or any of the powers to any Director(s) or Officer(s) of the company as may be required to give effect to the above resolution.”

NOTES:-

1. An Explanatory Statement setting out all material facts concerning the Special Business under the item no 4 as required under Section 102 (1) of the Companies Act, 2013 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL TO VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies if any, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
4. Corporate members are requested to send a duly certified true copy of the Board resolution authorizing their representative to attend & vote at the meeting .
5. Members are requested to bring their copy of annual report & attendance slip to the meeting duly filled & hand it over at the meeting at the entrance of the venue.

Place: Mumbai

Date : 1st September 2015

**By order of Board
For Lyka Healthcare Limited**

**Mahesh Huparikar
(Company Secretary)**

LYKA HEALTHCARE LTD

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no 4:-

The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are no longer in conformity with the provisions of the Companies Act, 2013 ('New Act'). In the view of this, Article of Association requires alteration. It is thus expedient to alter/revise/modify/substitute existing Articles of Association of the Company so as to be in line with the provision of Table 'F' of the Companies Act 2013. The proposed modification/alteration/substitution/revision of existing Articles of Association would require approval of the members by way of passing a Special Resolution in terms of section 14 of the Companies Act, 2013.

A Special Resolution is therefore proposed at Item No. 4 of the Notice for approval of the members.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested in the said resolution.

Place: Mumbai

Date : 1st September 2015

**By order of Board
For Lyka Healthcare Limited**

**Mahesh Huparikar
(Company Secretary)**

LYKA HEALTHCARE LTD

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REPORT OF THE BOARD OF DIRECTORS

To,

The Members

LYKA HEALTHCARE LIMITED

Your Directors have pleasure in presenting the **SECOND ANNUAL REPORT** of the Company together with the Audited Statement of Accounts and Auditors' Report of the Company for the financial year ended on 31st March, 2015.

1. FINANCIAL RESULTS:-

The Company's financial performance for the year under review alongwith previous year's figures are given hereunder :

Particulars	2014-15 (Rs. In Lakh)	2013-14 (Rs. In Lakh)
	12,59.80	76.87
Gross profit/ (loss) before interest and depreciation	(2,97.31)	(19.18)
Interest	8.72	0.67
Depreciation	3,48.61	28.85
Profit/(Loss)	(6,54.65)	(48.69)
Provision for tax	49.20	1,24.58
Profit/(Loss) after tax	(7,03.86)	(1,73.27)
Balance transferred to balance sheet	(7,03.86)	(1,73.27)
Earning per share (Basic)	(11.17)	(3,46.56)

Dividend:

Considering the losses incurred during the financial year 2014-15, your directors have not recommended any dividend.

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TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 are not applicable.

PERFORMANCE

Your Company has achieved a total income of Rs.1259.80 Lakhs during the financial year ended on 31st March, 2015.

FUTURE PROSPECTS

New therapy areas like gastrointestinal, Anesthesia & Dermatologicals will be introduced in the current year. Brand differentials will be added with Improved & increased coverage. Brand mix improvement is the key aspect in the coming year.

HOLDING COMPANY

Lyka Labs Limited is holding company and holds 100% of Issued Capital of the Company along with its nominees.

OPERATIONS:

Infusion of funds:

During the year, the Company has issued and allotted 75,00,000 equity shares of 10/- each at a premium of Rs.30/- per share to Lyka Labs Ltd In terms of slump sale agreement dated 28th March 2014.

Board Meetings:

The Board of directors met 9 times during the financial year ended 31st March 2015.

The dates of the Board Meeting held during the financial year under review are as under.

No. of Meetings	Date of Board Meeting	No. of Meetings	Date of Board Meeting
1 st	16/05/2014	6 th	30/06/2014
2 nd	26/05/2014	7 th	27/08/2014
3 rd	29/05/2014	8 th	13/11/2014
4 th	30/05/2014	9 th	25/01/2015
5 th	16/06/2014		

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Directors and Key managerial Personnel:

Shri. Dhaval Desai was appointed as Executive Director of the Company with effect from 26th May 2014.

Shri. Vinod Shanbhag was appointed as an Independent Director of the company with effect from 29th September, 2014.

Shri. Manish Mehta was appointed as Non Executive Director of the Company with effect from 30th June 2014.

Mr. Kunal N Gandhil retires by rotation at this AGM, being eligible offers himself for reappointment.

Mr. Mahesh Huparikar was appointed as Company Secretary as KMP in terms of Section 203 of the Companies Act, 2013.

Auditors:

At the Annual General Meeting held on 29th September, 2014, M/s Jayesh Dadia & Associates, Chartered Accountants (Registration No. 121142W), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 6th Annual General Meeting. In terms of the first proviso to Section 139 (1) of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting (AGM). Accordingly, the appointment of M/s Jayesh Dadia & Associates, as Statutory Auditors of the Company, will be placed for ratification of the shareholders at the ensuing AGM. The Company has received a certificate from the auditors to the effect that they fulfill the eligibility criteria of the provisions of Section 141 of the Companies Act, 2013.

Fixed Deposits:

Your Company has not accepted any deposits falling under Section 73 of the Companies Act, 2013 during the financial year under review.

Extract of Annual Return:

Pursuant to the provisions of section 134 (3) (a) of the Companies act 2013, extract of Annual Return for the financial year ended 31st March 2015 made under the provisions of Sec 92 (3) of the Companies Acts 2013 is Annexed to the Board Report as **Annexure – A** and forms part of this report.

Directors' Responsibility Statement:

In terms of Section 134 (5) of the Companies Act, 2013 in relation to the audited financial statements of the Company for the year ended 31st March 2015 the Board of Director hereby confirms that:

- I. In the preparation of annual accounts for the financial year ended 31st March, 2015 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- II. Such accounting policies have been selected and applied consistently to the directions 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 31st March, 2015 and of the profit and loss of the Company for that year;
- III. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. Annual accounts of the Company have been prepared on a 'going concern' basis; and
- V. Proper systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Constitution of Nomination and Remuneration Committee.

The provision of Constitution of Nomination and Remuneration Committee is not applicable.

Constitution of Audit Committee.

The Constitution of Audit Committee is not applicable as per the provisions of section of 177 (1) of the Companies Act 2013 and rules thereon.

Disclosure under the Sexual Harassment of Women at The Workplace (Prevention, Prohibition & Redressal) Act, 2013

"As required under Provisions of Sexual Harrassment for women at work place (Prevention, Prohibition and Redressal) Act, Internal Complaints Committee (ICC) has been set up by its holding Company to redress complaints received regarding sexual harassment. All employees (permanent, temporary, trainees) are covered under this policy.

Subsidiary companies

The Company does not have any Subsidiary.

Comments by the Board on Every Qualification, Reservation or Adverse Remark or Disclaimers

There are no qualifications, reservations or adverse remarks in the reports made by the Auditors.

Particulars of Loans, Guarantees or Investments under Section 186

The company has not made any loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

Particulars of Contracts, or Arrangements with Related Parties Referred To In Sub- Section (1) Of Section 188

The particulars of Contracts, or Arrangements made with related parties pursuant to Section 186 are furnished in **Annexure 'B'** attached to this report.

The amounts, if any, which it proposes to, carry to any reserves:

Nil

Material changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

Nil

Particulars of Conservation of energy, technology absorption and foreign exchange earnings outgo:

N.A.

Conservation of Energy – Not Applicable.

Technology Absorption – Not Applicable.

Foreign Exchange Earnings - Nil

Acknowledgements:

The Directors place on record their sincere appreciation for the co - operation received by the Company from our Bankers, Shareholders, government agencies, E

LYKA HEALTHCARE LTD

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Customers and is looking forward to their continued support. Your Directors take this opportunity to thank the Customers, Shareholders, Suppliers, Bankers, Business Partner, Associates, Financial Institution and various Ministries of Government of India for their consistent support and encouragement to the Company.

**For and on behalf of the Board of
LYKA HEALTHCARE LIMITED**

**N. I. GANDHI
DIRECTOR
(DIN-00021530)**

**K.N. GANDHI
DIRECTOR
(DIN-01516156)**

**DHAVAL DESAI
EXECUTIVE DIRECTOR
(DIN-06884145)**

Place: MUMBAI

Date: 1st September, 2015

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ANNEXURE – A FORMNO.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH
2014

[PURSUANT TO SECTION 92(3) OF THE COMPANIES ACT , 2013 AND RULE 12(1) OF THE
COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014]

I.REGISTRATIONANDOTHERDETAILS:

i.	CIN	U85190MH2013PLC244062
ii.	Registration Date	05/06/2013
iii.	Name of the Company	LYKA HEALTHCARE LTD
iv.	Category/Sub-CategoryoftheCompany	Company Limited By Shares/ Indian Non-Government Company
v.	Address of the Registered office and contact details	101, Shiv Shakti Industrial Estate, Sir M V Road , Andheri (E) - 400059
vi.	Whether listed company	Yes/No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

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II. PRINCIPAL BUSINESS ACTIVITIES 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/ services	NIC Code of the Product/	% to total turnover of the company
1	Marketing and Wholesale trade of all kinds of pharmaceutical products, medicinal preparation.	99611730	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of share s held	Applicable Section
1.	Lyka Labs Ltd	L24230GJ1976P LC008738	Holding	100 %	Sec 2 (46)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during The year
	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	
A. Promoter							
1) Indian							

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a) Individual/ HUF	6	6	0.02%	6	6	0.01%	0
b) Bodies Corp	49994	49994	99.98%	7549994	7549994	99.99%	0
Sub-total(A)(1):-	50000	50000	100%	7550000	7550000	100%	0
2) Foreign	0	0	0	0	0	0	0
c) Any Other....	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0
B. Public Shareholding							
GrandTotal (A+B+C)	50000	50000	100%	7550000	7550000	100%	0

ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share holding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1.	Lyka Labs Ltd	49994	99.98%	7549994	99.99%	0
2.	Narendra I Gandhi -(nominee)	1	0.002	1	0.00001	0
3.	Nehal N Gandhi – (nominee)	1	0.002	1	0.00001	0
4.	Kunal N Gandhi --(nominee)	1	0.002	1	0.00001	0
5.	Vinod Shanbhag -(nominee)	1	0.002	1	0.00001	0
6.	Yogesh B Shah –(nominee)	1	0.002	1	0.00001	0
7.	Rajendra Powar –(nominee)	1	0.002	1	0.00001	0
	Total	50000	100%	7550000	100%	

iii.Change in Promoters' Shareholding (please specify, if there is no change)

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Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	49994	99.98%	7549994	99.99 %
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for the increase / Decrease (e.g. Allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	49994	99.98%	7549994	99.99%

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LYKA HEALTHCARE LTD

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IV. INDEBTEDNESS

The indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year			-	-
i) Principal Amount				
ii) Interest due but not paid	5,99,068	NIL		
iii) Interest accrued but not	-			
	4612			
Total(i+ii+iii)	6,03,680	-	-	-
Change in Indebtedness during the financial year	-	-	-	--
- Addition		7,47,754		
- Reduction	(2,26,948)	(4,12,158)		
Net Change	(2,26,948)	3,35,569	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount				
ii) Interest due but notpaid iii) Interest accrued but not due	3,72,120	3,35,596		
	2,924	3,553		
Total (i+ii+iii)	3,75,044	3,39,149	-	-

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V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Mr. Dhaval Desai (Executive Director)	4500000			4500000
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total(A)	-	45,00,000	-	-	45,00,0000
	Ceiling as per the Act	-	NA	-	-	NA

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C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961 (c)rofits in lieu of salary under section 17(3)Income-tax Act,1961	NA	350000	NA	350000
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
5.	Others,please specify				
6.	Total	NA	350000	NA	350000

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VI. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	-	-	-	-	-
-Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B.Directors					
Penalty					
Punishment					
Compounding					
C.OtherOfficersInDefault					
Penalty					
Punishment					
Compounding					

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ANNEXURE B

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lyka Labs Limited Parent/ Holding Company
b)	Nature of contracts/arrangements/transaction	a. Contract for Purchasing Pharmaceutical Drugs on Principal to Principal basis b. Rental Agreement for Office Space Sharing
c)	Duration of the contracts/arrangements/transaction	05 th June 2013 onwards
d)	Salient terms of the contracts or arrangements or transaction, including the value, if any	Nil
e)	Date of approval by the Board	Since the contract was entered into in the ordinary course of business and on an arm's length basis.
f)	Amount paid as advances, if any	Nil

2. Details of contracts or arrangements or transactions on Arm's length basis.

Lyka Healthcare Ltd has not entered into any contract or arrangement or transaction with its related parties which is not at arms length during financial year 2014-15.

Place: Mumbai.

Date : 1st September 2015

For and on behalf of the Board of
LYKA HEALTHCARE LIMITED

Independent Auditor's Report

To the Members of

Lyka Healthcare Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Lyka Healthcare Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

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- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations; as such the question of commenting its impact on its financial position and on the its financial statements does not arise;
 - ii. the Company did not have any long term contracts; as such the question of commenting any material foreseeable losses thereon does not arise
 - iii. There has not been an occasion in case of the company during the year to transfer any sums to the Investor Education and Protection Fund. Therefore question of delay in transferring such sums does not arise.

For Jayesh Dadia & Associates,

Chartered Accountants

Firm Reg. No.: 121142 W

Jayesh Dadia

Partner

Membership No. 033973

Mumbai Dated: 3rd June, 2015

Annexure to the Independent Auditors' Report:

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b) All the assets have been physically verified by the Management during the year at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on verification. In our opinion, the frequency of verification was reasonable;
- (ii) a) As explained to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b) In our opinion, the procedures of verification of inventory, as explained to us which are followed by the management are reasonable and adequate in relation to the size of the company and the nature of business.
- c) In our opinion and according to information and explanation given to us, the company has maintained proper records of inventory. The discrepancies noticed on verification between the physical verification of inventory and records maintained were not material.
- (iii) The Company has not granted any loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly provisions of clause (iii) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business. As explained to us there are no continuing failures to correct major weakness in internal control system.

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- (v) The Company has not accepted any deposits from the public.

- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

- (vii) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it.

(b) According to the information and explanations given to us, there is no disputed statutory dues including Provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it.

(c) There has not been an occasion in case of the company during the year report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

- (viii) In our opinion, the company does not have accumulated losses at the end of the financial year, which is more than 50% of its net worth. However, the Company has incurred cash losses during the financial year covered by our audit as well as in the immediately preceding financial year.

- (ix) The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

- (x) In our opinion & as per explanation given to us, the Company has not given any guarantee for loans taken by others from Bank or financial institutions.

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- (xi) In our opinion and according to information and explanation given to us, the Company has applied loan for the purpose for which it was obtained.
- (xii) In our opinion and according to information & explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

For Jayesh Dadia & Associates,

Chartered Accountants

Firm Reg. No.: 121142 W

Jayesh Dadia

Partner

Membership No. 033973

Mumbai Dated: 3rd June, 2015

LYKA HEALTHCARE LTD

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LYKA HEALTHCARE LIMITED				
Balance Sheet as at 31st March,2015				
Particulars		Note No.	31.03.2015	31.03.2014
A	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital	1	75,500,000	500,000
	(b) Reserves and Surplus	2	137,286,581	-17,327,787
2	Non-Current Liabilities			
	(a) Long-Term Borrowings	3	117,447	373,941
	(b) Other Long-Term Liabilities	4	7,150,000	7,150,000
	(c) Long-Term Provisions	5	2,105,811	1,287,602
	(d) Deferred Tax Liability		17,378,673	12,458,450
3	Current Liabilities			
	(a) Trade Payables	6	63,953,699	23,946,105
	(b) Other Current Liabilities	7	76,039,210	374,208,897
	TOTAL		379,531,421	402,597,208
B	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	8	2,272,432	1,089,433
	(ii) Intangible Assets	8	308,047,243	342,125,000
2	Current Assets			
	(a) Inventories	9	15,271,421	23,494,828
	(b) Trade Receivables	10	51,913,713	35,139,920
	(c) Cash and Cash Equivalents	11	615,933	30,327
	(d) Short-Term Loans and Advances	12	1,410,678	717,700
	TOTAL		379,531,421	402,597,208
	See accompanying notes forming part of the financial statements	20		
As per our report of even date attached		For and on behalf of the Board		
For Jayesh Dadia & Associates Chartered Accountants FRN :- 121142W				
Jayesh Dadia Partner Membership No. 033973 Place : Mumbai Date : 03rd June 2015	Director	Director		
		Company Secretary		

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LYKA HEALTHCARE LIMITED			
Statement of Profit and Loss for the Year ended 31st March, 2015			
Particulars	Note No.	31.03.2015	31.03.2014
REVENUE			
Revenue from Operations	13	125,979,816	7,687,391
Total Revenue		125,979,816	7,687,391
EXPENSES			
(a) Purchases of Stock-in-Trade	14	74,582,600	27,961,058
(b) Changes in Inventories	15	8,223,407	(23,494,828)
(c) Employee Benefits Expense	16	38,016,216	3,075,758
(d) Finance Costs	17	872,927	66,689
(e) Depreciation and Amortization Expense	8	34,861,229	2,884,637
(f) Other Expenses	18	34,888,846	2,063,414
Total Expenses		191,445,225	12,556,728
(Loss) before Exceptional items and Taxes		(65,465,409)	(4,869,337)
Add/ (Less) : Exceptional items			
(Loss) before Taxes		(65,465,409)	(4,869,337)
Tax Expense:			
Provision for Deferred Tax		4,920,223	12,458,450
(Loss) for the year / Period		(70,385,632)	(17,327,787)
Earnings per share (of Rs. 10 /- each):			
Basic / Diluted	19	(11.17)	(346.56)
See accompanying notes forming part of the financial	20		
As per our report of even date attached	For and on behalf of the Board		
For Jayesh Dadia & Associates Chartered Accountants FRN :- 121142W			
Jayesh Dadia Partner Membership No. 033973 Place : Mumbai Date : 03rd June 2015	Director		Director
		Company Secretary	

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LYKA HEALTHCARE LIMITED				
Cash Flow Statement for the Year Ending 31st March,2015				
Particulars		Note No.	31.03.2015 Amount (Rs)	31.03.2014 Amount (Rs)
A	CASH FLOWS FROM OPERATING ACTIVITIES:			
1	Net Profit as per Profit & Loss Statement		-70,385,632	-17,327,787
	Add: Adjustments to Profit & Loss Statement on accrual basis			
	Depreciation & Amortisation Expense		34,861,229	2,884,637
	Provisions for Deferred Tax Liability		4,920,223	12,458,450
	Provision for Gratuity, Leave Encashment and Superannuation		818,209	1,287,602
2	Adjusted Profit before changes in Working Capital		-29,785,971	-697,098
	Add/Less: Adjustments in Working Capital			
	Increase in Trade Payables		40,007,594	23,946,105
	Increase in Deferred Tax Liability		4,920,223	12,458,450
	(Decrease)/ Increase in Other Current Liabilities		-303,089,910	-3,249,553
	Decrease/ (Increase) in Inventories		8,223,407	-23,494,828
	(Increase) in Short Term Loans & Advances		-692,978	-717,700
	(Increase) in Trade Receivables		-16,773,793	-35,139,920
3	Cash Generated from Operations		-297,191,429	-26,894,544
4	Less: Taxes Paid		-	-
5	CASH FLOWS FROM OPERATING ACTIVITIES:	A	-297,191,429	-26,894,544
B	CASH FLOWS FROM INVESTING ACTIVITIES:			
1	Investment in Fixed Assets		-1,966,471	-346,099,070
2	CASH FLOWS FROM INVESTING ACTIVITIES:	B	-1,966,471	-346,099,070
C	CASH FLOWS FROM FINANCING ACTIVITIES:			
1	Proceeds from Share Issues		300,000,000	500,000
2	Security Deposits Issued		-	7,150,000
3	Slump Sale Consideration Payable		-	365,000,000
4	Repayment of Long Term Loan		-256,494	-
5	Car Loan Finance Availed		-	373,941
3	CASH FLOWS FROM FINANCING ACTIVITIES:	C	299,743,506	373,023,941
D	TOTAL CASH FLOWS FROM OPERATIONS	A+B+C	585,606	30,327
E	Add: Opening Balance of Cash & Cash Equivalents		30,327	-
F	Closing Balance of Cash & Cash Equivalents		615,933	30,327

As per our report of even date attached

For and on behalf of the Board

For Jayesh Dadia & Associates
Chartered Accountants
FRN :- 121142W

Jayesh Dadia
Partner
Membership No. 033973
Place : Mumbai
Date : 03rd June 2015

Director

Director

Company S

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LYKA HEALTHCARE LIMITED				
Notes on Financial Statements for the Year ended 31st March 2015				
NOTE NO.	Particulars	As at 31.03.2015	As at	31.03.2014
1	Share Capital			
	Authorised			
	80,00,000 Equity Shares of Rs 10 each	80,000,000		80,000,000
		80,000,000		80,000,000
	Issued , Subscribed & Paid-Up			
	Equity Share Capital			
	75,50,000 Equity Share of Rs 10/- each (50,000 Equity Share of Rs 10/- each)	75,500,000		500,000
	TOTAL	75,500,000		500,000

1.2 Rights, Preferences and restrictions attached to Equity shares

The company has one class of equity shares having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

1.3 Reconciliation of the share outstanding at the beginning and at the end of the reporting period

	31.03.2015	
	No. of shares	Amount (Rs)
At the beginning of the period	50,000	500,000
Issued during the period	7,500,000	75,000,000
Outstanding at the end of the period	7,550,000	75,500,000
	31.03.2014	
	No. of shares	Amount (Rs)
At the beginning of the period	-	-
Issued during the period	50,000	500,000
Outstanding at the end of the period	50,000	500,000

1.4 Details of shareholder holding more than 5% shares

	31.03.2015	
	No. of shares	% holding in the
Equity Shares of Rs 10/- each fully paid		
Name of Shareholders		
Lyka Labs Limited	7,550,000	100.00%
	31.03.2014	
	No. of shares	% holding in the
Equity Shares of Rs 10/- each fully paid		
Name of Shareholders		
Lyka Labs Limited		

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2 Reserves & Surplus

Surplus in the Statement of Profit & Loss		
-Balance as per Last Financial Statement	(17,327,787)	-
-Profit/(Loss) for the year	(70,385,632)	(17,327,787)
Net Balance in the Statement of Profit & Loss	(87,713,419)	(17,327,787)
Share Premium Account	225,000,000	0
TOTAL	137,286,581	(17,327,787)

3 Long term Borrowings

Secured

Car Loan (Secured against Vehicle)	117,447	373,941
TOTAL	117,447	373,941

4 Other Long Term Liabilities

Security Deposits	7,150,000	7,150,000
TOTAL	7,150,000	7,150,000

5 Long Term Provisions

Provisions for Employee Benefits :

Provision for Gratuity	538,745	407,000
Provision for Leave Encashment	1,307,066	860,602
Provision for Superannuation	260,000	20,000
	2,105,811	1,287,602

6 Trade Payables

Due to Other than SMEs for Expenses	63,953,699	23,946,105
TOTAL	63,953,699	23,946,105

6.1 Micro, Small & Medium Enterprises disclosure

The company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 and hence disclosure requirement in this regards as per revised Schedule VI of Companies Act,1956

7 Other Current liabilities

Acceptances	1,186,763	-
Unsecured Short Term Borrowings	339,149	-
Current maturities of Long Term Debt	257,597	229,739
Interest Accrued and due on Borrowings	1,506,422	488,566
Other Payables (Related Party)	-	621,731
Slum Sale Consideration Payable to Lyka Labs Ltd	65,000,000	365,000,000
Statutory remittances	745,710	2,841,971
Other Provisions	7,003,568	5,026,890
TOTAL	76,039,210	374,208,897

LYKA HEALTHCARE LTD

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9 Inventories		
Closing Stock of Consumables	15,271,421	23,494,828
TOTAL	15,271,421	23,494,828
10 Trade Receivables		
(Unsecured and considered good)		
1.Over Six Months	13,167,003	-
2. Others	38,746,710	35,139,920
TOTAL	51,913,713	35,139,920
11 Cash and Cash equivalents		
Cash in Hand	1,448	-
Balances with bank	474,485	30,327
Term Deposits with bank	140,000	-
TOTAL	615,933	30,327
12 Short term loans and advances		
Advance to Employees	428,453	230,200
Advance to Associates	460,000	460,000
Other Advances	522,225	27,500
TOTAL	1,410,678	717,700

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LYKA HEALTHCARE LIMITED

Notes on Financial Statements for the Year ended 31st March 2015

NOTE NO.	Particulars	As at	As at
		31.03.2015	31.03.2014
13	Revenue from operations		
	Sale of Products	125,979,816	7,687,391
	Oral Solids	4,517,695	-
	Injectables	121,462,121	7,687,391
	TOTAL	125,979,816	7,687,391
14	Purchase of Stock in trade		
	Finished Goods	74,582,600	27,961,058
	Oral Solids	1,651,597	-
	Injectables	72,931,003	27,961,058
	TOTAL	74,582,600	27,961,058
15	Change in inventories of Finished Goods		
	Opening stock	23,494,828	-
	Oral Solids	-	-
	Injectables	23,494,828	-
	(Taken as valued, verified & certified by management)		
	Closing Stock	15,271,421	23,494,828
	Oral Solids	298,278	-
	Injectables	14,973,143	23,494,828
	TOTAL	8,223,407	(23,494,828)
16	Employee benefits expense		
	Salary & Incentives	37,065,277	1,625,006
	Gratuity	299,289	416,844
	Leave Encashment	651,650	1,033,908
	TOTAL	38,016,216	3,075,758
17	Finance Costs		
	Interest on Secured Loans	58,667	5,958
	Interest on Unsecured Loans	66,885	-
	Interest on Security Deposit	747,375	60,731
	TOTAL	872,927	66,689

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18	Other Expenses		
	Payment to Auditors		
	Statutory Audit Fees	228,000	28,090
	Others		
	Rent including lease rentals	973,858	101,124
	Commision and brokerage	6,052,880	340,750
	Conference and seminar	1,125,150	50,907
	Travelling and Conveyance	9,922,470	953,574
	Printing and Stationery	1,676,606	7,662
	Advertisement and Sales Promotion	5,011,881	340,526
	Legal and Professional Charges	2,209,152	196,809
	Freight Expenses - Inwards and Outwards	2,972,493	-
	Communication Expenses	1,155,497	-
	Insurance	88,069	-
	Bad Debts	1,721,910	-
	Miscellaneous Expenses	1,750,879	43,972
	TOTAL	34,888,846	2,063,414
19	Earning Per Share		
	Net Profit/(Loss) as per Profit & Loss A/C (A)	(70,385,632)	(17,327,787)
	Weighted average number of Equitiy Share used in Computing basic/diluted earning per share (B)	6,300,000	50,000
	Earning per Share (₹) Basic/Diluted- (A/B)	(11.17)	(346.56)

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Notes on Financial Statements for the Year ended 31st March 2015

Note:- 8 Fixed Assets

Name of the Asset	Depn Rate	Gross Block			Depreciation			
		As on 1/4/14	Additions during the year	Deletions during the year	As on 31/3/15	As on 1/4/14	Additions during the year	Deletions during the year
TANGIBLE ASSETS :								
VEHICLES	11.88%	931,667	-	-	931,667	7,376	110,682	-
OFFICE EQUIPMENTS	19.00%	-	475,046	-	475,046	-	69,781	-
FURNITURE & FIXTURES	9.50%	-	744,190	-	744,190	-	43,590	-
COMPUTERS	31.67%	167,403	275,985	-	443,388	2,261	88,169	-
TOTAL TANGIBLE ASSETS		1,099,070	1,495,221	-	2,594,291	9,637	312,222	-
INTANGIBLE ASSETS :								
COMPUTER SOFTWARE	15.83%	-	471,250	-	471,250	-	49,007	-
BRANDS	10.00%	345,000,000	-	-	345,000,000	2,875,000	34,500,000	-
TOTAL INTANGIBLE ASSETS		345,000,000	471,250	-	345,471,250	2,875,000	34,549,007	-
TOTAL TANGIBLE & INTANGIBLE		346,099,070	1,966,471	-	348,065,541	2,884,637	34,861,229	-
TOTAL PREVIOUS YEAR		-	346,099,070	-	346,099,070	-	2,884,637	-

As on 31/3/15	As on 31/3/15	As on 31/3/14
118,058	813,609	924,291
69,781	405,265	-
43,590	700,600	-
90,430	352,958	165,142
321,859	2,272,432	1,089,433
49,007	422,243	-
37,375,000	307,625,000	342,125,000
37,424,007	308,047,243	342,125,000
37,745,866	310,319,675	343,214,433
2,884,637	343,214,433	-

LYKA HEALTHCARE LTD

ANNUAL REPORT 2014-15

LYKA HEALTHCARE LIMITED

Registered office: 101, Shivshakti Industrial Estate, Andheri- Kurla Rd, Andheri (E), Mumbai - 400059
Tel: 66112345 Fax: 66112346; CIN: U85190MH2013PLC244062

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	E-mail Id:
Folio No/ Client Id:	DP ID:
Registered address:	

I/We, being the member (s) ofshares of the above named company, hereby appoint

1. Name:.....E-mail Id:.....

Address:Signature:.....

or failing him

2. Name:.....E-mail Id:.....

Address:Signature:.....

or failing him

3. Name:.....E-mail Id:.....

Address:Signature:.....

or failing him

As my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Second Annual General Meeting of the Company, to be held on Wednesday, 23rd of September, 2015 at 11.00 a.m. at "101, Shivshakti Industrial Estate, Andheri- Kurla Rd, Andheri (E), Mumbai-400059 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To adopt Accounts for the year ended 31st March, 2015.
2. To appoint a Director in place of Mr. Kunal N Gandhi (DIN:01516156) who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s Jayesh Dadia & associates, Chartered Accountants as Statutory Auditors of the Company.

Signed this day of, 2015

Signature of Shareholder.....Signature of Proxy holder(s).....

Affix Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hour before the commencement of the Meeting.

LYKA HEALTHCARE LIMITED

Registered office: 101, Shivshakti Industrial Estate, Andheri- Kurla Rd, Andheri (E), Mumbai - 400059
Tel: 66112345 Fax: 66112346; CIN: U85190MH2013PLC244062

ATTENDANCE SLIP

I hereby record my presence at the Second Annual General Meeting of the Company at the Registered office address at 101, Shiv Shakti Industrial estate, Andheri- Kurla Road, Andheri (East), Mumbai- 400059, on Wednesday, 23rd of September, 2015 at 11.00 a.m.

Full Name of the Member / Proxy:

Registered Folio No/DP ID No./Client ID No:.....No of Shares held:.....

*strike out whatever is not applicable.

Membr

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LYKA HEALTHCARE LTD

ANNUAL REPORT 2014-15

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HEALTHCARE

A Subsidiary of Lyka Labs Ltd.

3rd

ANNUAL REPORT

2015-2016

Lyka Healthcare Limited

(Subsidiary of Lyka Labs Limited)

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BOARD OF DIRECTORS

Shri. Narendra I Gandhi – Director (DIN-00021530)

Mr. Kunal N Gandhi – Director (DIN-01516156)

Shri. Vinod S Shanbhag – Independent Director (DIN-00555709)

Shri. Dhaval Desai –Executive Director (DIN-06884145)

Shri. Manish Mehta – Director (DIN-02163208)

COMPANY SECRETARY

Mr. Mahesh S Huparikar

(Membership No. 35969)

AUDITOR

Jayesh Dadia & Associates

BANKERS

Dena Bank

ICICI Bank

REGISTERED AND ADMINISTRATIVE OFFICE

101, Shiv Shakti Industrial Estate, Sir M. V. Road, Andheri Kurla Road, Andheri (E) Mumbai
400059

Lyka Healthcare Limited

(CIN NO: U85190MH2013PLC244062)

Regi off: 101, Shiv Shakti Industrial Estate,

Sir M.V. Road, Andheri Kurla Road, Andheri, Mumbai 400059

Tel No: 02266112218, Fax: 02266112249, Email-cs@lykahealthcare.com,

Website: www.lykalabs.com

NOTICE

Notice is hereby given that, “**Third**” Annual General Meeting of **M/s Lyka Healthcare Limited** will be held at registered office of the Company at 101, Shiv Shakti Industrial Estate, Sir M. V. Road, Andheri-Kurla Road, Andheri (East), Mumbai 400059 on Thursday, 29th September, 2016, at 3.30 pm to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited financial statement of the Company for the financial year ended 31st March 2016 together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Narendra I Gandhi (DIN No-**00021530**), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re - appointment.
3. **To consider and if thought fit, to pass, with or without modification (s) the following resolution as an Ordinary Resolution:**

“RESOLVED THAT Pursuant to the provision of Section 139 (1), 141 and 142 and any other applicable provisions, if any of the Companies act 2013 read with the Companies (Audit and Auditors Rules) 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. Jayesh Dadia & Associates, Chartered Accountants (Registration No. 121142W), as Statutory Auditors of the Company, which has been approved at the First Annual General Meeting (AGM) held on 29th September 2014 for a term of Five years i.e from the conclusion First Annual General Meeting till the conclusion of the Sixth Annual General Meeting be and is hereby ratified by the members on a remuneration as may be agreed by the Board of Directors.”

Special business

4. **To consider and if thought fit, to pass, with or without modification (s) the following resolution as a Special Resolution:**

RESOLVED THAT Provision of section 188 and other applicable provisions, if any of the Companies Act,2013 (including any statutory modification or reenactment thereof for the time being in force) , the consent of the members of the company by means of a special resolution be an is hereby accorded to the Board of Directors for entering in to contracts with related parties for sale, purchase or supply of any goods or materials (directly or through appointment of agents) and to avail or render any service of whatsoever nature(directly or through appointment of agents) subject to such limits as mentioned in the explanatory statement to this notice.

RESOLVED FURTHER THAT Shri N I Gandhi, Chairman, Mr. Kunal Gandhi , Director and Mr. Dhaval Desai , Executive Director be and are hereby severally Authorised to perform all such acts, deeds and to sign all such documents and writings as may be necessary and incidental thereto to give effect to this resolution.

Place: Mumbai

Date: 07th September 2016

**By order of Board
For Lyka Healthcare Limited**

**Sd/-
Mahesh Huparikar
(Company Secretary)**

NOTES: -

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll to vote instead of himself / herself and such proxy need not be a member of the company.
2. Proxies if any, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Corporate members are requested to send a duly certified true copy of the Board resolution authorizing their representative to attend & vote at the meeting.
4. Members are requested to bring their copy of annual report & attendance slip to the meeting duly filled & hand it over at the meeting at the entrance of the venue.
5. As required by the secretarial standard -2 brief information of Shri Narendra I Gandhi retiring director in connection with her re-appointment as director at the ensuing Annual General Meeting is given below:

Name of Director	Shri Narendra Ishwarlal Gandhi
Date of Birth	06 th March 1950
Date of appointment	05 th July 2013
Qualification	B Com D.B.M.
Experience	Narendra Ishwarlal Gandhi, joined Lyka Labs (a partnership firm) as a Partner in 1977. Lyka Labs (a partnership firm) was converted as Lyka Labs Pvt. Ltd. He was then appointed as Jt. Managing Director in 1979. In 1985 Lyka Labs Pvt. Ltd. was converted into Public Limited as Lyka Labs Ltd. It was listed on NSE and BSE and he continued as Jt. Managing Director till 1992-93. From 1993-94 Mr. Narendra I. Gandhi was appointed as Vice Chairman & Managing Director till 1995-96. From 1996-97 he was designated as Chairman & Managing Director of the company. He was reappointed as

	Chairman & Managing Director of the Company w.e.f.1 st April 2014. In 1988 he was elected as President of Indian Drug Manufacturers Association. He has won many accolades within the Pharma Industry.
Directorship held in other companies	Hiralaxmi Business Finance Private Limited Lyka BDR International Limited Enai Trading and Investment Private Limited Tenzing & Tenzing India Pvt Ltd Lyka Exports Limited Lyka Lifesciences Private Limited Lyka Lifecare Limited Lyka Labs Limited
Memberships /chairmanships of committees of other companies	Lyka Labs Ltd Risk Management Committee- Chairman Audit Committee – Member Nomination and Remuneration Committee-Member Stakeholder Relationships Committee- Member
Number of shares held in the Company	01
Disclosure of relationship between directors interest	Mr. Kunal N Gandhi , Director (Son) Smt. Nehal N Gandhi, Director (Wife)
Remuneration	Nil
Term and condition	Non-Executive director retiring by rotation
No of meetings attended	9/9

Place: Mumbai

Date: 07th September 2016

**By order of Board
For Lyka Healthcare Limited**

**Sd/-
Mahesh Huparikar
(Company Secretary)**

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT 2013 IN RESPECT OF ITEM NO 4 ABOVE

Item No 4

Section 188 of the Companies Act 2013 the Board of Directors has approved the proposed transaction along with the limits that the Company may enter into with its Related parties with effect from 1st April 2016

MAXIMUM VALUE OF CONTRACT / TRANSACTION (PER ANNUM) W.E.F 1ST APRIL 2016

	Transaction defined u/s 188 (1) of the Companies Act 2013	
Nature of transaction	sale, purchase or supply of any goods or materials and appointment of any agent for purchase or sales of goods materials or property.	availing or rendering of any service of and appointment of any agents for sale of services or property and leasing of property (ies)
Name of Related Parties	Amount in Rs.	Amount in Rs.
1. Lyka labs Ltd 2. Lyka BDR International Ltd 3. Lyka export Ltd	5 crores	5 crores
Directors / KMPs / Relatives of Directors and KMPs/ Firms and Companies in which Directors have interest as per the provisions of section 2(76) of the Companies Act 2013 & Nature of relationships: Shri N I Gandhi, Chairman Mr. Kunal N Gandhi , Director (Son) Smt. Nehal N Gandhi, Director (Wife) Mr Dhaval Desai , Executive Director	2.5 crores	2.5 crores

Particulars of the proposed transactions for the purpose of approval under section 188 of the Companies Act 2013 :

The prescribed disclosures as required under the provisions of the Companies Act 2013 and the Companies (Meeting of board and its power) rules 2014 are given hereunder

1. Name of Related Parties: As provided in the table above
2. Name of directors or key managerial person who are related if any : As provided in the table above
3. Nature of Relationships: As provided in the table above
4. Nature, material terms, monetary value and particulars of the contract or arrangement: to be provided in the Contract to be entered in to for the purpose mentioned in above table
5. Any other relevant Information: Nil

The board of Directors has approved the above proposal in their meeting and recommends the resolution set out in the item no 4 of the notice for approval of the members.

The Directors of the company are deemed to be concerned or interested in the above resolution. No key Managerial Personnel's or their relatives are in any way concerned or interested in the Resolution.

DIRECTORS' REPORT

The Directors take pleasure in presenting the **THIRD ANNUAL REPORT** of the Company together with the Audited Statement of Accounts and Auditors' Report for the financial year ended on 31st March, 2016.

Financial Summary /Performance of the Company

The Company's financial performance for the year under review along with previous year's figures are given hereunder :

Particulars	Year ended 31 st March 2016	Year ended 31 st March 2015
Revenue	14,17.32	12,59.80
Gross profit/ (loss) before interest and depreciation	(1,29.62)	(2,97.31)
Interest	13.72	9.47
Depreciation	3,50.18	3,48.61
Profit/(Loss)	(4,93.53)	(6,54.65)
Provision for tax	(2,85.02)	49.20
Profit/(Loss) after tax	(2,08.50)	(7,03.86)
Balance transferred to balance sheet	(2,08.50)	(7,03.86)
Earning per share (Basic)	(2.76)	(11.17)

Dividend

Considering the losses incurred during the financial year 2015-16, your directors have not recommended any dividend.

Transfer of unclaimed Dividend to Investor Education and Protection Fund

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year

Performance

Your Company has achieved a total income of Rs.1417.32 Lakhs during the financial year ended on 31st March, 2016.

Holding Company

Lyka Labs Limited is holding Company and holds 100% of Issued Capital of the Company along with its nominees.

Operations

During the year under review, the total revenue earned by the Company was Rs.1417.3 Lacs as against total revenue of previous year of Rs. 1259.8 Lacs on an annualised basis. The Company has reported Net loss of Rs 208.50 Lacs as against net loss of Rs. 703.86 Lacs of previous financial year. Improvements in Gross margin and optimization from brand mix has helped reduce the loss. Complete execution of business software, Introduction of more oral solids and Improvising

productivity parameters will remain the focus in the coming time from Lyka Healthcare domestic marketing. Divisionalization to optimize on therapy approach will help enhance performance.

Future Prospects

Divisionalization based on therapy areas will be the course ahead. Lyka strength of Dermatology to be leveraged for unique formulations through CERABELLE. Improvement in the distribution network to enhance reach. Entering in newer and allied therapeutic areas like Anaesthetia and surgical care.

Material changes and commitment if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

Fixed Deposits

Your Company has not accepted any deposits falling under Section 73 of the Companies Act, 2013 during the financial year under review.

Particulars of Conservation of energy, Technology absorption and Foreign exchange earnings outgo

Conservation of Energy, Technology absorption, Foreign exchange Earnings and outgo as required under section 134 (3) (m) of the companies act 2013 is not applicable to the Company.

Statement concerning development and implementation of risk management policy of the Company

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence is very minimal.

Details of policy developed and implemented by the Company on its Corporate Social Responsibility initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

Board Meetings

The Board of directors met 9 times during the financial year ended 31st March 2016.

The dates of the Board Meeting held during the financial year under review are as under.

No. of Meetings	Date of Board Meeting	No. of Meetings	Date of Board Meeting
1 st	07 th April 2015	6 th	05 th January 2016
2 nd	05 th June 2015	7 th	26 th February 2016
3 rd	03 rd August 2015	8 th	11 th March 2016
4 th	01 st September 2015	9 th	30 th March 2016
5 th	05 th November 2015		

Extract of Annual Return

Pursuant to the provisions of section 134 (3) (a) of the Companies Act 2013, extract of Annual Return for the financial year ended 31st March 2016 made under the provisions of Sec 92 (3) of the Companies Act 2013 is Annexed to the Board Report as **Annexure – A** and forms part of this report.

Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013 in relation to the audited financial statements of the Company for the year ended 31st March 2016 the Board of Director hereby confirms that:

- I. In the preparation of annual accounts for the financial year ended 31st March, 2015 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- II. Such accounting policies have been selected and applied consistently to the directions 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 31st March, 2015 and of the profit and loss of the Company for that year;
- III. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. Annual accounts of the Company have been prepared on a 'going concern' basis; and
- V. Proper systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

Directors and Key Managerial Personnel

In accordance with the provision of Section 152(6) of the Companies Act 2013, Shri. Narendra Ishwarlal Gandhi, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Smt. Nehal Narendra Gandhi, Director has resigned with effect from 30th March 2016 due to her preoccupations.

Declaration of Independent Director

Mr. Vinod Shanbhag, an Independent Director has submitted his declaration to the board that he fulfills all the requirements as stipulated in section 149(6) of the Companies Act 2013 so as to qualify himself to be appointed as independent director under the provisions of the Companies Act 2013 and the relevant rules.

Auditors

At the Annual General Meeting held on 29th September, 2014, M/s Jayesh Dadia & Associates, Chartered Accountants (Registration No. 121142W), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 6th Annual General Meeting. In terms of the first proviso to Section 139 (1) of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting (AGM). Accordingly, the appointment of M/s Jayesh Dadia & Associates, as Statutory Auditors of the Company, will be placed for ratification of the shareholders at the ensuing AGM. The Company has received a certificate from the auditors to the effect that they fulfill the eligibility criteria of the provisions of Section 141 of the Companies Act, 2013.

Constitution of Nomination and Remuneration Committee

The provision of Constitution of Nomination and Remuneration Committee is not applicable as per the provisions of section of 178 of the Companies Act 2013 and rules thereon.

Constitution of Audit Committee

The Constitution of Audit Committee is not applicable as per the provisions of section of 177 (1) of the Companies Act 2013 and rules thereon.

Significant and material orders passed by the regulators or court

There are no significant and material orders passed by the courts during the year under report.

Disclosure under the Sexual Harassment of Women at The Workplace (Prevention, Prohibition & Redressal) Act, 2013

“As required under Provisions of Sexual Harassment for women at work place (Prevention, Prohibition and Redressal) Act, Internal Complaints Committee (ICC) has been set up by its holding Company to redress complaints received regarding sexual harassment. All employees (permanent, temporary, trainees) are covered under this policy.

Subsidiary companies

The Company does not have any Subsidiary.

Comments by the Board on Every Qualification, Reservation or Adverse Remark or Disclaimers

There are no qualifications, reservations or adverse remarks in the reports made by the Auditors.

Particulars of Loans, Guarantees or Investments under Section 186

The company has not made any loans, guarantees or investments under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable. Company has taken a loan from Lyka Exports Ltd of a sum not exceeding Rs1500000/- (Rupees Fifteen Lakh only) for a period up to 31st March, 2016 which has been extended for further period of one year i.e. on or before 31st March, 2017.

Particulars of Contracts, or Arrangements with Related Parties Referred to In Sub- Section (1) Of Section 188

The particulars of Contracts, or Arrangements made with related parties pursuant to Section 186 are furnished in **Annexure ‘B’** attached to this report.

The amounts, if any, which it proposes to, carry to any reserves

Nil

Acknowledgements

Your Directors place on record their sincere appreciation for the co - operation received by the Company from our Bankers, Shareholders, government agencies, Business Associates and Customers and is looking forward to their continued support. Your Directors take this opportunity to thank the Customers, Shareholders, Suppliers, Bankers, Business Partner, Associates, Financial Institution and various Ministries of Government of India for their consistent support and encouragement to the Company.

**For and on behalf of the Board of
LYKA HEALTHCARE LIMITED**

Sd /-

**Narendra I. Gandhi
Director
(Din-00021530)**

Sd /-

**Kunal N. Gandhi
Director
(Din-01516156)**

Sd /-

**Dhaval M. Desai
Executive director
(Din-06884145)**

Place: MUMBAI**Date: 7th September 2016**

ANNEXURE – A
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	U85190MH2013PLC244062
ii. Registration Date	05/06/2013
iii. Name of the Company	LYKA HEALTHCARE LIMITED
iv. Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v. Address of the Registered office and contact details	101, Shiv Shakti Industrial Estate, Sir M V Road , Andheri (E) - 400059
vi. Whether listed company	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II.PRINCIPAL BUSINESS ACTIVITIES 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/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Marketing and Wholesale trade of all kinds of pharmaceutical products, medicinal preparation.	99611730	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	Lyka Labs Ltd	L24230GJ1976PLC008738	Holding	100 %	Sec 2 (46)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the end of the year	% Change during The year
--------------------------	---	---	--------------------------

	Physical	Total	% of Total Shares	Physical	Total	% of Total Shares	
A. Promoter							
1) Indian							
a) Individual/ HUF	6	6	0.02%	6	6	0.01%	0
b) Bodies Corp	49994	49994	99.98%	7549994	7549994	99.99%	0
Sub-total(A)(1):	50000	50000	100%	7550000	7550000	100%	0
2) Foreign	0	0	0	0	0	0	0
c) Any Other	0	0	0	0	0	0	0
Sub-total(A)(2):	0	0	0	0	0	0	0
B. Public Shareholding							
Grand Total (A+B+C)	50000	50000	100%	7550000	7550000	100%	0

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1.	Lyka Labs Ltd	49994	99.98%	7549994	99.99%	0
2.	Narendra I Gandhi -(Nominee)	1	0.002	1	0.00001	0
3.	Nehal N Gandhi – (Nominee)	1	0.002	1	0.00001	0
4.	Kunal N Gandhi --(Nominee)	1	0.002	1	0.00001	0
5.	Vinod Shanbhag -(Nominee)	1	0.002	1	0.00001	0
6.	Yogesh B Shah –(Nominee)	1	0.002	1	0.00001	0
7.	Rajendra Powar –(Nominee)	1	0.002	1	0.00001	0
	Total	50000	100%	7550000	100%	0

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	49994	99.98 %	7549994	99.99 %
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for the increase	0	0	0	0

/ Decrease (e.g. Allotment / transfer / bonus/ sweat equity etc.)				
At the End of the year	49994	99.98 %	7549994	99.99 %

IV. INDEBTEDNESS

The Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year			-	
i) Principal Amount	3,72,120	3,35,596		7,07,716
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not paid	2,924	3,553		6,477
Total(i+ii+iii)	3,75,044	3,39,149	-	7,14,193
Change in Indebtedness during the financial year	-	-	-	
- Addition		10,90,000		10,90,000
- Reduction	(2,57,597)	(3,39,149)		(5,96,746)
Net Change	(2,57,597)	7,50,851	-	4,93,254
Indebtedness at the end of the financial year	-	-	-	
i) Principal Amount	1,17,446	10,90,000		12,07,446
ii) Interest due but not paid		-		-
iii) Interest accrued but not due	1,332	79,279		80,611
Total (i+ii+iii)	3,75,044	11,69,279	-	12,88,057

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount			
1.	Gross salary (a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17 (2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) Income- tax Act, 1961	Mr. Dhaval Desai (Executive Director)	45,00,000			45,00,000
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total(A)	-	45,00,000	-	-	45,00,000

Ceiling as per the Act	-	NA	-	-	NA
------------------------	---	----	---	---	----

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) profit in lieu of salary under Section 17(3) Income-tax Act, 1961	NA	5,40,000	NA	5,40,000
2.	Stock Option				
3.	Sweat Equity				
4.	Commission				
5.	Others, please specify				
6.	Total	NA	5,40,000	NA	5,40,000

VI. PENALTIES /PUNISHMENT /COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

ANNEXURE - B**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain Arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Lyka Labs Limited Parent/ Holding Company
b)	Nature of contracts/arrangements/transaction	a. Contract for Purchasing Pharmaceutical Drugs on Principal to Principal basis b. Rental Agreement for Office Space Sharing
c)	Duration of the contracts/arrangements/transaction	05 th June 2013 onwards
d)	Salient terms of the contracts or arrangements or transaction, including the value, if any	Nil
e)	Date of approval by the Board	Since the contract was entered into in the ordinary course of business and on an arm's length basis.
f)	Amount paid as advances, if any	Nil

2. Details of contracts or arrangements or transactions on Arm's length basis.

Lyka Healthcare Ltd has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2015-16.

Place: Mumbai.

Date : 7th September 2016

**For and on behalf of the Board of
LYKA HEALTHCARE LIMITED**

Independent Auditor's Report

**To the Members of
LYKA HEALTHCARE LTD.,**

Report on the Financial Statements

We have audited the accompanying financial statements of **Lyka Healthcare Ltd** ('the Company'), which comprise the balance sheet as at 31st March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements

are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt

with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does on arise;
 - iii. There has not been any occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Reg. No.: 121142W

Sd /-

Nishit Dave
Partner
M.No.: 120073
Mumbai,
Date : 18/05/2016

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed of Assets;
 - b) All the Assets have been physically verified by the Management during the year at reasonable intervals. No material discrepancies were noticed on verification and the same have been properly dealt with in the Books of Accounts.
 - c) The Company does not have any immovable property. Accordingly, the provisions of clause 1 (c) of the Order are not applicable to the Company and hence not commented upon;
- ii.
 - a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business
 - c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon;
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 & 186 of the Act, with respect to the loans and investments made;
- v. The Company has not accepted any deposits from the public;

- vi. The Central Government has not prescribed maintenance of Cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company;
- vii. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed applicable statutory dues, including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable;
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute;
- viii. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, the provisions of clause 3 (viii) of the Order are not applicable to the Company
- ix. The Company has not raised any money by way of initial public offer or further public offer (including Debt instrument) and term loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable;
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year;
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable;
- xiii. Based upon the audit procedures performed and the information and explanations

given by the management, the transactions with Related Parties are in compliance with Sections 177 & 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards;

- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable;
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Reg. No.: 121142W

Sd /-

Nishit Dave
Partner
M.No.: 120073
Mumbai,
Date - 18/05/2016

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Pioneer Wealth Management Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Lyka Healthcare Limited** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any

evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Reg. No.: 121142W

Sd /-

Nishit Dave
Partner
M.No.: 120073
Mumbai,
Date - 18/05/2016

LYKA HEALTHCARE LIMITED

Balance Sheet as at 31st March, 2016

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	7,55,00,000	7,55,00,000
(b) Reserves and Surplus	2	11,64,36,166	13,72,86,581
2 Non-Current Liabilities			
(a) Long-Term Borrowings	3	-	1,17,447
(d) Deferred Tax Liability	11	-	1,73,78,673
(b) Other Long-Term Liabilities	4	7,76,00,000	7,21,50,000
(c) Long-Term Provisions	5	34,37,479	21,05,811
3 Current Liabilities			
(a) Short Term Borrowings	6	10,90,000	-
(b) Trade Payables	7	9,19,90,303	6,51,40,462
(c) Other Current Liabilities	8	1,02,05,667	93,76,811
(d) Short Term Provisions	9	3,97,017	4,75,635
		37,66,56,632	37,95,31,420
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	10	21,53,385	22,72,432
Intangible Assets	10	27,34,82,294	30,80,47,243
2 Deferred Tax Asset	11	1,11,23,950	-
3 Current Assets			
(a) Inventories	12	3,00,54,978	1,52,71,421
(b) Trade Receivables	13	5,56,04,753	5,19,13,713
(c) Cash and Cash Equivalents	14	15,21,946	6,15,933
(d) Short-Term Loans and Advances	15	27,15,326	14,10,678
		37,66,56,632	37,95,31,420
Significant Accounting Policies Notes on Financial Statements	23-33		

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration No:121142W

For and on behalf of the Board

Nishit Dave
Partner
Membership No: 120073

Narendra Gandhi
Director

Kunal Gandhi
Director

LYKA HEALTHCARE LIMITED
Statement of Profit and Loss for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	Note No.	Year ended 31.03.2016	Year ended 31.03.2015
REVENUE			
Revenue from Operations	16	14,14,86,241	12,59,79,816
Other Income		2,46,603	-
		14,17,32,844	12,59,79,816
EXPENSES			
Purchases of Stock-in-Trade	17	9,00,72,751	7,45,82,600
Changes in Inventories	18	(1,47,83,557)	82,23,407
Employee Benefits Expense	19	4,29,00,147	3,80,14,663
Finance Costs	20	13,72,417	9,47,793
Depreciation and Amortization Expense	10	3,50,18,010	3,48,61,229
Other Expenses	21	3,65,06,115	3,48,15,534
		19,10,85,883	19,14,45,226
Profit/(Loss) before Tax		(4,93,53,039)	(6,54,65,411)
Tax Expense:			
Provision for Deferred Tax		(2,85,02,623)	49,20,223
Profit/(Loss) after Tax		(2,08,50,416)	(7,03,85,634)
Earnings per equity share			
Basic / Diluted	22	(2.76)	(11.17)
Significant Accounting Policies			
Notes on Financial Statements	23-33		

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Registration No:121142W

For and on behalf of the Board

Nishit Dave
Partner
Membership No: 120073

Narendra Gandhi
Director

Kunal Gandhi
Director

Place : Mumbai
Date : 18th May, 2016

Mahesh Huparikar
Company Secretary

LYKA HEALTHCARE LIMITED

Cash Flow Statement for the Year Ending 31st March,2016

(Amount in Rs.)

Particulars		Note No.	Year ended 31.03.2016	Year ended 31.03.2015
A	CASH FLOWS FROM OPERATING ACTIVITIES:			
1	Net Profit as per Profit & Loss Statement		(2,08,50,416)	(7,03,85,632)
	Add: Adjustments to Profit & Loss Statement on accrual basis			
	Depreciation & Amortisation Expense		3,50,18,010	3,48,61,229
	Provisions for Deferred Tax Liability		(2,85,02,623)	98,40,446
	Provision for Gratuity, Leave Encashment and Superannuation		13,31,667	8,18,209
2	Adjusted Profit before changes in Working Capital		(1,30,03,362)	(2,48,65,748)
	Add/Less: Adjustments in Working Capital			
	Increase in Trade Payables		2,68,49,841	4,00,07,594
	(Decrease)/ Increase in Other Current Liabilities		8,28,857	(30,30,89,910)
	(Decrease)/ Increase in Short Term Provisions		(78,618)	-
	Decrease/ (Increase) in Inventories		(1,47,83,557)	82,23,407
	(Increase) in Short Term Loans & Advances		(13,04,648)	(6,92,978)
	(Increase) in Trade Receivables		(36,91,039)	(1,67,73,793)
3	Cash Generated from Operations		(51,82,526)	(29,71,91,429)
4	Less: Taxes Paid			-
5	CASH FLOWS FROM OPERATING ACTIVITIES:	A	(51,82,526)	(29,71,91,429)
B	CASH FLOWS FROM INVESTING ACTIVITIES:			
1	Investment in Fixed Assets		(3,34,014)	(19,66,471)
2	CASH FLOWS FROM INVESTING ACTIVITIES:	B	(3,34,014)	(19,66,471)
C	CASH FLOWS FROM FINANCING ACTIVITIES:			
1	Proceeds from Share Issues		-	30,00,00,000
2	Security Deposits Received		54,50,000	-
3	Repayment of Long Term Loan		(1,17,447)	(2,56,494)
4	Loan Raised from Associate		15,00,000	
5	Loan Repaid to Associate		(4,10,000)	
3	CASH FLOWS FROM FINANCING ACTIVITIES:	C	64,22,553	29,97,43,506
D	TOTAL CASH FLOWS FROM OPERATIONS	A+B+C	9,06,013	5,85,606
E	Add: Opening Balance of Cash & Cash Equivalents		6,15,933	30,327
F	Closing Balance of Cash & Cash Equivalents		15,21,946	6,15,933

As per our report of even date attached

For and on behalf of the Board

For Jayesh Dadia & Associates LLP
Chartered Accountants
FRN :- 121142W

Nishit Dave
Partner
Membership No. 120073
Place : Mumbai
Date : 18th May, 2016

Narendra Gandhi
Director

Kunal Gandhi
Director

Mahesh Huparikar
Company Secretary

LYKA HEALTHCARE LIMITED																															
Notes on Financial Statements for the year ended 31st March, 2016																															
Note No.	Particulars	As at 31.03.2016	As at 31.03.2015																												
1	Share Capital																														
	Authorised																														
	80,00,000 (PY 80,00,000) Equity Shares of Rs 10 each	8,00,00,000	8,00,00,000																												
		8,00,00,000	8,00,00,000																												
	Issued , Subscribed & Paid-Up																														
	Equity Share Capital																														
	75,50,000 Equity Share of Rs 10/- each (PY 75,50,000 Equity Share of Rs 10/- each)	7,55,00,000	7,55,00,000																												
		7,55,00,000	7,55,00,000																												
<p>1.2 Rights, Preferences and restrictions attached to Equity shares The company has one class of equity shares having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.</p> <p>1.3 Reconciliation of the share outstanding at the beginning and at the end of the reporting period</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2" style="text-align: center;">31.03.2016</th> </tr> <tr> <th style="text-align: center;">No. of shares</th> <th style="text-align: center;">Amount (Rs)</th> </tr> </thead> <tbody> <tr> <td>At the beginning of the period</td> <td style="text-align: right;">75,50,000</td> <td style="text-align: right;">7,55,00,000</td> </tr> <tr> <td>Issued during the period</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td>Outstanding at the end of the period</td> <td style="text-align: right;">75,50,000</td> <td style="text-align: right;">7,55,00,000</td> </tr> <tr> <th rowspan="2"></th> <th colspan="2" style="text-align: center;">31.03.2015</th> </tr> <tr> <th style="text-align: center;">No. of shares</th> <th style="text-align: center;">Amount (Rs)</th> </tr> <tr> <td>At the beginning of the period</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">5,00,000</td> </tr> <tr> <td>Issued during the period</td> <td style="text-align: right;">75,00,000</td> <td style="text-align: right;">7,50,00,000</td> </tr> <tr> <td>Outstanding at the end of the period</td> <td style="text-align: right;">75,50,000</td> <td style="text-align: right;">7,55,00,000</td> </tr> </tbody> </table>					31.03.2016		No. of shares	Amount (Rs)	At the beginning of the period	75,50,000	7,55,00,000	Issued during the period	-	-	Outstanding at the end of the period	75,50,000	7,55,00,000		31.03.2015		No. of shares	Amount (Rs)	At the beginning of the period	50,000	5,00,000	Issued during the period	75,00,000	7,50,00,000	Outstanding at the end of the period	75,50,000	7,55,00,000
	31.03.2016																														
	No. of shares	Amount (Rs)																													
At the beginning of the period	75,50,000	7,55,00,000																													
Issued during the period	-	-																													
Outstanding at the end of the period	75,50,000	7,55,00,000																													
	31.03.2015																														
	No. of shares	Amount (Rs)																													
At the beginning of the period	50,000	5,00,000																													
Issued during the period	75,00,000	7,50,00,000																													
Outstanding at the end of the period	75,50,000	7,55,00,000																													
1.4 Wholly owned subsidiary of Lyka Labs Ltd.																															
2	Reserves & Surplus																														
	Surplus in the Statement of Profit & Loss																														
	-Balance as per Last Financial Statement	(8,77,13,419)	(1,73,27,787)																												
	-Profit/(Loss) for the year	(2,08,50,416)	(7,03,85,632)																												
	Net Balance in the Statement of Profit & Loss	(10,85,63,834)	(8,77,13,419)																												
	Share Premium Account	22,50,00,000	22,50,00,000																												
		11,64,36,166	13,72,86,581																												
3	Long term Borrowings																														
	Secured																														
	Term Loan (Secured against Hypothecation of Vehicle)	-	1,17,447																												
		-	1,17,447																												

	Security Deposits	1,26,00,000	71,50,000
	Slump Sale Consideration Payable to Holding Company	6,50,00,000	6,50,00,000
		7,76,00,000	7,21,50,000
5	Long Term Provisions Provisions for Employee Benefits :		
	Provision for Gratuity	8,55,792	5,38,745
	Provision for Leave Encashment	20,81,687	13,07,066
	Provision for Superannuation	5,00,000	2,60,000
		34,37,479	21,05,811
6	Short Term Borrowings		
	Loans Borrowed from Associates	10,90,000	-
		10,90,000	-
7	Trade Payables		
	Due to Other than SMEs		
	- for Materials	8,04,82,572	5,60,85,980
	- for Others	1,15,07,731	90,54,483
		9,19,90,303	6,51,40,462
7.1	Micro, Small & Medium Enterprises disclosure The company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act,2006		
8	Short Term Provisions		
	Short Term Provision for Gratuity	7,960	1,43,896
	Short Term Provision for Leave Encashment	3,89,057	3,31,739
		3,97,017	4,75,635
9	Other Current liabilities		
	Current maturities of Long Term Debt	1,17,446	5,96,746
	Interest Accrued and due on Borrowings	15,27,993	15,06,422
	Other Provisions & Liabilities	70,44,558	65,27,933
	Statutory remittances	15,15,670	7,45,710
		1,02,05,667	93,76,811
11	Deferred Tax		
	Deferred Tax Liability on account of depreciation difference	(1,68,657)	(2,77,65,490)
	Deferred Tax Asset on account of brought forward losses on account of Sec 43B disallowances	1,01,90,123 11,02,484	1,03,86,817
		1,11,23,950	(1,73,78,673)
12	Inventories (Taken as valued, verified & certified by management)		
	Closing Stock of Finished Goods	3,00,54,978	1,52,71,421
		3,00,54,978	1,52,71,421
13	Trade Receivables (Unsecured and considered good)		
	Less than 6 months	3,87,89,951	3,87,46,710
	Others	1,68,14,802	1,31,67,003
		5,56,04,753	5,19,13,713

14	Cash and Cash equivalents		
	Cash in Hand	227	1,448
	Balances with bank	15,21,719	4,74,485
	Term Deposits with bank	-	1,40,000
		15,21,946	6,15,933
15	Short term loans and advances		
	Advance to Employees	6,24,900	4,28,453
	Advance to Associates	-	4,60,000
	Recoverables from Revenue Authorities	14,62,289	50,940
	Prepaid Expenses	94,478	83,845
	Other Advances	5,33,659	3,87,440
		27,15,326	14,10,678

LYKA HEALTHCARE LIMITED

Note 10

Notes on Financial Statements for the year ended 31st March, 2016

Name of the Asset	Depn Rate	Gross Block			Depreciation			Net block	
		As on 01/04/15	Additions during the year	As on 31/03/2016	As on 01/04/15	Additions during the year	As on 31/03/2016	As on 31/03/16	As on 31/03/15
TANGIBLE ASSETS :									
VEHICLES	11.88%	9,31,667		9,31,667	1,18,058	1,10,682	2,28,740	7,02,927	8,13,609
OFFICE EQUIPMENTS	19.00%	4,75,046		4,75,046	69,781	90,259	1,60,040	3,15,006	4,05,265
FURNITURE & FIXTURES	9.50%	7,44,190	54,000	7,98,190	43,590	75,604	1,19,194	6,78,996	7,00,600
COMPUTERS	31.67%	4,43,388	2,69,094	7,12,482	90,430	1,65,596	2,56,026	4,56,456	3,52,958
TOTAL TANGIBLE ASSETS		25,94,291	3,23,094	29,17,385	3,21,859	4,42,141	7,64,000	21,53,385	22,72,432
INTANGIBLE ASSETS :									
COMPUTER SOFTWARE	15.83%	4,71,250	10,920	4,82,170	49,007	75,869	1,24,876	3,57,294	4,22,243
BRANDS	10.00%	34,50,00,000	-	34,50,00,000	3,73,75,000	3,45,00,000	7,18,75,000	27,31,25,000	30,76,25,000
TOTAL INTANGIBLE ASSETS		34,54,71,250	10,920	34,54,82,170	3,74,24,007	3,45,75,869	7,19,99,876	27,34,82,294	30,80,47,243
TOTAL TANGIBLE & INTANGIBLE		34,80,65,541	3,34,014	34,83,99,555	3,77,45,866	3,50,18,010	7,27,63,876	27,56,35,679	31,03,19,675
TOTAL PREVIOUS YEAR		34,60,99,070	19,66,471	34,80,65,541	28,84,637	3,48,61,229	3,77,45,866	31,03,19,675	-

LYKA HEALTHCARE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	for the year ended 31.03.2016	for the year ended 31.03.2015
16	Revenue from operations		
	Sale of Products	14,14,86,241	12,59,79,816
		14,14,86,241	12,59,79,816
17	Purchase of Stock in trade		
	Finished Goods	9,00,72,751	7,45,82,600
		9,00,72,751	7,45,82,600
18	Change in inventories of Finished Goods		
	(Taken as valued, verified & certified by management)		
	Opening stock	1,52,71,421	2,34,94,828
	Closing Stock	3,00,54,978	1,52,71,421
		(1,47,83,557)	82,23,407
19	Employee benefits expense		
	Salary & Incentives	3,96,91,639	3,54,83,834
	Employer's Contribution to Provident Fund	21,95,458	15,79,890
	Gratuity	1,81,111	2,99,289
	Leave Encashment	8,31,939	6,51,650
		4,29,00,147	3,80,14,663
20	Finance Costs		
	Interest on Secured Loans	29,707	58,667
	Interest on Unsecured Loans	91,990	66,885
	Bill Discounting Charges	1,46,839	-
	Interest on Security Deposit	10,46,528	7,47,375
	Interest Paid on Statutory Payments	57,353	74,866
		13,72,417	9,47,793
21	Other Expenses		
	Payment to Auditors		
	Statutory Audit Fees		
	- for Audit Services	2,30,000	2,28,000
	- for Other Services	20,850	-
	Others		
	Rent including lease rentals	9,53,151	9,73,858
	Commission and brokerage	65,36,591	60,52,880
	Conference and seminar	10,47,236	11,25,150
	Travelling and Conveyance	94,50,747	87,24,093
	Printing and Stationery	5,65,406	4,75,646
	Advertisement and Sales Promotion	94,28,952	74,12,872
	Legal and Professional Charges	8,37,412	22,09,152
	Freight Expenses - Inwards and Outwards	38,70,652	29,72,493
	Communication Expenses	11,32,983	11,55,497
	Insurance	1,30,450	88,069
	Bad Debts	-	17,21,910
	Miscellaneous Expenses	23,01,685	16,75,914
		3,65,06,115	3,48,15,534
22	Earning Per Share		
	Net Profit/(Loss) as per Profit & Loss A/C (A)	(2,08,50,416)	(7,03,85,634)
	Weighted average number of Equity Share used in Computing basic/diluted earning per share (B)	75,50,000	63,00,000
	32		
	Earning per Share (C) Basic/Diluted- (A/B)	(2.76)	(11.17)

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2016**Note No:**

23. In the opinion of the Board of Directors and to the best of their knowledge adequate provisions has been made in the accounts for all known liabilities and the current assets, loans and advances have a value on realisation in the ordinary course of business.
24. There are no dues outstanding to micro and small enterprises under the Micro, Small and Medium Enterprises Development Act.
25. During the year under review, the company neither earned any income nor incurred any expenditure in foreign currency.
26. The obligations of gratuity and compensated absences are measured using actuarial valuation under the Projected Unit Credit Method. Appropriate disclosures as warranted under AS-15 "Retirement Benefits (revised) 2005" has been made in the financial statements. Certificate is attached in Annexure to Notes.
27. The Company operates only in one segments. As such, there are no separate reportable segments, as per Accounting Standard on "Segment Reporting" (AS 17) issued by the Institute of Chartered Accountants of India.
28. Related Party Transactions:

Names of related parties with whom transactions have taken place

Nature of Relationship	Name of Related Party
Holding Company	Lyka Labs Ltd.
Associates	Lyka BDR International Ltd. Lyka Exports Ltd.
Key Managerial Personnel	Mr. Narendra I Gandhi Mr. Kunal N Gandhi Mr. Dhaval Desai Mr. Mahesh Huparikar

Transactions with Holding Company

	Amount (Rs) Transactions in FY 15-16	Amount (Rs) Transactions in FY 14-15
Purchase of Material	4,09,89,805/-	3,84,85,168/-
Rent	6,15,249/-	6,06,744/-
Closing Balance as on 31.03.2016 Dr/(Cr)	(6,05,70,029/-)	(3,52,10,103/-)

Transactions with Associates

	Amount (Rs) Transactions in FY 15-16	Amount (Rs) Transactions in FY 14-15
Sales	2,11,700/-	50,400/-
Advances given	--	4,60,000/-
Loans taken from Associates	10,90,000/-	--
Interest	73,279/-	--
Closing Balance as on 31 st Mar 2016 Dr/(Cr)	(11,55,951/-)	4,60,000/-

Transactions with Key Managerial Personnel

	Amount (Rs) Transactions in FY 15-16	Amount (Rs) Transactions in FY 14-15
Salary Payments	43,07,729/-	39,26,307/-
Reimbursement Payments	10,32,885/-	8,13,074/-

29. The Company has taken office premises and warehouse premises on operating lease. Lease rents in respect of the same have been charged to Statement of Profit and Loss. The agreements are executed for a period of 5 years with a renewable clause. The agreements also have a clause for termination by either party giving a prior notice period of 90 days. The minimum Lease rentals outstanding as at March 31, 2016, are as under:

Amount (Rs.)

Minimum Lease Rentals	31.03.2016	31.03.2015
Upto One Year	10,21,488/-	10,15,737/-
One to Five Years	27,23,968/-	37,45,456/-
Total	37,45,456/-	47,61,193/-

30. Provision for deferred tax has been made in the accounts as per the AS 22 issued by The Institute of Chartered Accountants of India

31. Balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation.
32. No provision for Income tax has been made in the accounts in view of losses.
33. The figures of the previous year are regrouped or reclassified, wherever necessary, to make them comparable with the figures of current year.

For Jayesh Dadia & Associates LLP
Chartered Accountants
Firm Regn No: 121142W

For and on behalf of Board of Directors

Nishit Dave
Partner
Membership No: 120073

Narendra Gandhi
Director

Kunal Gandhi
Director

Place: Mumbai
Date: 18th May, 2016

Mahesh Huparikar
Company Secretary

LYKA HEALTHCARE LIMITED

Registered office: 101, Shivshakti Industrial Estate, Andheri- Kurla Rd, Andheri (E), Mumbai - 400059
Tel: 66112218 Fax: 66112346; CIN: U85190MH2013PLC244062

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	E-mail Id:
Folio No/ Client Id:	DP ID:
Registered address:	

I/We, being the member (s) ofshares of the above named company, hereby appoint

1. Name:.....E-mail Id:.....

Address:Signature:.....

or failing him

2. Name:.....E-mail Id:.....

Address:Signature:.....

or failing him

3. Name:.....E-mail Id:.....

Address:Signature:.....

or failing him

As my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Second Annual General Meeting of the Company, to be held on Wednesday, 29th of September, 2016 at 3.30 p.m. at "101, Shivshakti Industrial Estate, Andheri- Kurla Rd, Andheri (E), Mumbai-400059 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To adopt Accounts for the year ended 31st March, 2016.
2. To appoint a Director in place of Shri. Narendra Gandhi (DIN:00021530) who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint M/s Jayesh Dadia & associates, Chartered Accountants as Statutory Auditors of the Company.

Signed this day of, 2016

Signature of Shareholder.....Signature of Proxy holder(s).....

Affix Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hour before the commencement of the Meeting.

LYKA HEALTHCARE LIMITED

Registered office: 101, Shivshakti Industrial Estate, Andheri- Kurla Rd, Andheri (E), Mumbai - 400059
Tel: 66112218 Fax: 66112346; CIN: U85190MH2013PLC244062

ATTENDANCE SLIP

I hereby record my presence at the Second Annual General Meeting of the Company at the Registered office address at 101, Shiv Shakti Industrial estate, Andheri- Kurla Road, Andheri (East), Mumbai- 400059, on Wednesday, 29th of September, 2016 at 3.30 p.m.

Full Name of the Member / Proxy:

Registered Folio No/DP ID No./Client ID No:.....No of Shares held:.....

*strike out whatever is not applicable.

Member's /Proxy's Signature



HEALTH CARE

A Subsidiary of Lyka Labs Ltd.

Pre-and Post-Shareholding Pattern of Lyka Healthcare Limited

A. PRE-AMALGAMATION SHARE HOLDING PATTERN OF LYKA HEALTHCARE LIMITED

SR NO	NAME OF SHAREHOLDER	NO OF SHARES	VALUE OF SHARES	PERCENTAGE OF SHARES
1	LYKA LABS LTD	49994	499940	99.988 %
2	MR. NARENDRA ISHWARLAL GANDHI	1	10	0.0002 %
3	MR. NEHAL NARENDRA GANDHI	1	10	0.0002 %
4	MR KUNAL NARENDRA GANDHI	1	10	0.0002 %
5	MR. RAJENDRA V POWAR	1	10	0.0002 %
6	MR. YOGESH BABULAL SHAH	1	10	0.0002 %
7	MR. VINOD SHRIDHAR SHANBHAG	1	10	0.0002 %
	TOTAL	50000	500000	100 %

B. POST-AMALGAMATION SHARE HOLDING PATTERN OF LYKA HEALTHCARE LIMITED

SR NO	NAME OF SHAREHOLDER	NO OF SHARES	VALUE OF SHARES	PERCENTAGE OF SHARES
1	LYKA LABS LTD	NIL	NIL	NIL
2	MR. NARENDRA ISHWARLAL GANDHI	NIL	NIL	NIL
3	MR. NEHAL NARENDRA GANDHI	NIL	NIL	NIL
4	MR KUNAL NARENDRA GANDHI	NIL	NIL	NIL
5	MR. RAJENDRA V POWAR	NIL	NIL	NIL
6	MR. YOGESH BABULAL SHAH	NIL	NIL	NIL
7	MR. VINOD SHRIDHAR SHANBHAG	NIL	NIL	NIL
	TOTAL	NIL	NIL	NIL

* Lyka Healthcare Limited is a wholly owned subsidiary of Lyka Labs Ltd and the entire paid up share capital of the Lyka Healthcare Limited is held by the Lyka Labs Ltd and its nominee, as a result of the amalgamation, the shares of Lyka Healthcare Limited held by Lyka Labs Ltd will stand cancelled and there shall be no issuance of shares or payment of any consideration by Lyka Labs Ltd to the shareholders of Lyka Healthcare Limited.

Date :29/05/2017

For Lyka Healthcare Limited


Company secretary

LYKA HEALTHCARE LTD. (A Subsidiary of Lyka Labs Ltd.)

101, Shiv Shakti Estate, Sir M. V. Road, Andheri (East), Mumbai - 400 059. • OFFICE : 022-66112345 • FAX : 022-66112346

www.lykahealthcare.com ✉ admin@lykahealthcare.com • CIN-U85190MH2013PLC244062