# Novateor Research Laboratories Private Limited
**128,Sardar Patel Colony, Naranpura, Ahmedabad - 380013**

## NOTICE

The ANNUAL GENERAL MEETING of the members of Novateor Research Laboratories Private Limited will be held at 128, Sardar Patel Colony, Naranpura, Ahmedabad - 380013 on 30th SEPTEMBER, 2018 at 2.45 p.m. to transact the following business :

*ORDINARY BUSINESS:*

- To receive, consider and adopt the Balance Sheet as at 31.03.2018 and the annexed Profit and Loss Account for the period ended as on that date together with the Report of Director's and Auditor's thereon.
- To ratify the appointment of M/s. N. C. Vasa & Co. (FRN no. 125841W), Chartered Accountants as statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company, at such remuneration as may be decided by the Board of Directors.

FOR AND ON BEHALD OF THE BOARD

For: Novateor Research Laboratories Pvt. Ltd.

Director

DIRECTOR

Place : Ahmedabad
Date : 02/09/2018

NOTES:

*A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.*

*A proxy form duly completed and stamped in order to be valid and effective must be deposited at the registered office of the company not less than 48 hours before the time of holding the aforesaid meeting.*

*Members desiring any information as regards the accounts are requested to write to the company at least 7 days in advance of the annual general meeting so as to enable the management to keep the information ready.*

Email : Navdeepmehta@gmail.com
CIN No. U24230GJ2011PTC064731

# Novateor Research Laboratories Private Limited

**128,Sardar Patel Colony, Naranpura, Ahmedabad - 380013**

## DIRECTORS' REPORT

To,
The Members,
**Novateor Research Laboratories Private Limited**
Ahmedabad.

**Dear Members,**

Your Directors have pleasure in submitting the Annual Report together with the Audited Statement of Accounts for the Year ended on 31st March 2018.

1. Financial Summary or performance of the company:

| PARTICULARS | YEAR ENDED 31.03.2018 | YEAR ENDED 31.03.2017 |
|---|---|---|
| Sales for the year | 873,783 | 1,372,633 |
| Other Income | 258,854 | 244,743 |
| Total Income | 1,132,637 | 1,617,376 |
| Profit before Financial Expenses, Depreciation and Taxation | 774,711 | 814,894 |
| Less: Financial expenses | 71,982 | 99,636 |
| Operating profit before Depreciation & Taxation | 702,729 | 715,258 |
| Less: Depreciation | 685,108 | 685,108 |
| Profit before Taxation | 17,621 | 30,150 |
| Less : Provision for Taxation | | |
| Current Tax | 3,360 | 5,750 |
| Deferred Tax | 5,245 | 55,350 |
| Profit after Taxation | 9,016 | -30,950 |
| Add: Charge pursuant to the adoption of revised Schedule II | -- | -- |
| Add: Charge on account of transitional provisions under AS 15 | -- | -- |
| Add: Balance brought forward | -102,121 | -71,171 |
| Profit available for appropriation | -93,105 | -102,121 |

2. **Operations**
During the year the operations of the company were satisfactory. The Company has not commenced business operations and the turnover is in respect of goods on trial basis.

3. **Transfer to reserves**
The Company has not transferred any amount to reserves.

4. **Dividend**
The directors regret their inability to recommend any dividend for financial period 2017-18.

5. **Material Changes between the date of the Board report and end of financial year.**
There have been no 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.

6. **Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**
During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. **Subsidiary Company:**
As on March 31, 2018, the Company does not have any subsidiary.

8. **Statutory Auditor & Audit Report:**
M/s. N. C. Vasa & Co., Chartered Accountants, statutory auditors of the Company having registration number FRN No. 125841W hold office until the conclusion of the next Annual General Meeting subject to the ratification of the members at every general meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

There are no qualifications or observations or remarks made by the Auditors in their Report.

9. **Change in the nature of business :**
There is no change in the nature of the business of the company

10. **Details of directors or key managerial personnel;**
There has been no change in the board of directors of the company or key managerial personnel.

11. **Deposits:**
The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2018. There were no unclaimed or unpaid deposits as on March 31, 2018.

**12. Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is not applicable to the company as the company is not engaged in any manufacturing activity wherein large scale power requirement exists. Our company will always strive to undertake business activity wherein there is conservation of energy by use of latest available technology thereby contributing to reduction in pollution and an advance step towards Green energy development.

**13. Corporate Social Responsibility:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**14. Number of meeting of the Board:**

During the year 2017-18, the Board of Directors met Six times.

**15. Directors' Responsibility Statement:**

Pursuant to the requirement under section 134(3)I of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit and loss of the company for that period;

(iii) the directors had taken proper and sufficient care 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) the directors had prepared the annual accounts on a going concern basis; and

(v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. **Declaration by Independent Directors**
The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

17. **Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;**
The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

18. **Particulars of loans, guarantees or investments under section 186:**
During the year under review, the Company has not advanced any loans/ given guarantees/ made investments else otherwise stated in the annual accounts of the company.

19. **Particulars of Employee:**
None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

20. **Acknowledgements**
Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**Particulars of Form MGT -7 are enclosed herewith which forms part of the report of board of directors of the company.**

**FOR, AND ON BEHALF OF THE BOARD OF DIRECTORS**

For, Novateor Research Laboratories Pvt. Ltd.

Director

Place : Ahmedabad
Date : 02/09/2018

DIRECTOR

# N. C. Vasa & Co.
Chartered Accountants
C-302, Vraj Vihar 4, Nr. Chandan Party Plot, Satellite, Ahmedabad - 380015
**Fax** (079) 26301096 **Email** : n.c.vasaco@gmail.com M – 9898399348

**AUDITORS' REPORT**

To,
The Members,
**Novateor Research Laboratories Private Limited**

**Report on the Financial Statements**
We have audited the accompanying financial statements of **Novateor Research Laboratories Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**
The Company's Management is responsible for the preparation 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditors' Responsibility**
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

**Opinion**
In our opinion and to the best of our information and according to the explanations given to us, the 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:

N.C. Vasa & Co. FRN No. 1293..W Chartered Accountants

**N. C. Vasa & Co.**
Chartered Accountants
C-302, Vraj Vihar 4, Nr. Chandan Party Plot, Satellite, Ahmedabad - 380015
**Fax** (079) 26301096 **Email** : n.c.vasaco@gmail.com M – 9898399348

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;

(b) in the case of the Statement of Profit and Loss, of the profit of the company for the year ended on that date, and

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by Section 227(3) of the Act, we report that:

(a) We have 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 and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For, N. C. Vasa & Co.**
**Chartered Accountants**
**FRN No. 125841W**

**Sole Proprietor**
**Nehal Vasa**
**M. No. 118485**

**Date : 02.09.2018** **Place : Ahmedabad**

# NOVATEOR RESEARCH LABORATORIES PVT.LTD.
## BALANCE SHEET AS AT 31st MARCH, 2018

(Amount in Rs.)

| Particulars | Notes | 31.03.2018 | 31.03.2017 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' funds** | | | |
| (a) Share capital | "2" | 495,630 | 495,630 |
| (b) Reserves and surplus | "3" | 8,764,040 | 8,755,024 |
| | | **9,259,670** | **9,250,654** |
| **Non-current liabilities** | | | |
| (a) Long-term borrowings | "4" | 8,160,318 | 8,431,505 |
| (b) Deferred tax liabilities (Net) | "5" | 60,595 | 55,350 |
| **Current liabilities** | | | |
| (a) Short-term borrowings | "6" | - | 280,843 |
| (b) Trade payables | "7" | 587,964 | 616,281 |
| (c) Other current liabilities | "8" | 304,852 | 340,984 |
| (d) Short-term provisions | "9" | 3,360 | 5,750 |
| | | **9,117,089** | **9,730,713** |
| **TOTAL** | | **18,376,759** | **18,981,367** |
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Fixed assets | "10" | 15,879,266 | 16,564,374 |
| Tangible assets | | | |
| Capital WIP | | - | - |
| (b) Non-current investments | "11" | 98,250 | 98,250 |
| (c) Long-term loans and advances | "12" | - | - |
| (d) Deffered tax Asset | "5" | - | - |
| (e) Other non-current assets | "13" | - | - |
| | | **15,977,516** | **16,662,624** |
| **Current assets** | | | |
| (a) Inventories | "14" | 1,511,378 | 1,243,718 |
| (b) Trade receivables | "15" | 580,253 | 676,654 |
| (c) Cash and cash equivalents | "16" | 212,042 | 10,346 |
| (d) Short-term loans and advances | "17" | 95,570 | 388,025 |
| (e) Other current assets | "18" | - | - |
| | | **2,399,243** | **2,318,743** |
| **TOTAL** | | **18,376,759** | **18,981,367** |

Significant Accounting policies and "1"

Notes to Accounts froming an integral part of the Balance Sheet

As per our report of even date

For, N. C. Vasa & Co.
*Chartered Accountants*

N.C. Vasa & Co. FRN No. 125841W Chartered Accountants

**Nehal Vasa**
*Proprietor*
*firm no 125841W*
M.No 118485
Place: Ahmedabad
Date: 2nd September, 2018

**For and on behalf of Board of Directors**

For Novateor Research Laboratories Pvt. Ltd.
Director

Director

Novateor Research Laboratories Pvt. Ltd.
Director

Director

Place: Ahmedabad
Date: 2nd September, 2018

# NOVATEOR RESEARCH LABORATORIES PVT.LTD.
## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2018

(Amount in Rs.)

| | Particulars | Notes | 31.03.2018 | 31.03.2017 |
|---|---|---|---|---|
| I. | Revenue from operations | "19" | 873,783 | 1,372,633 |
| II. | Other income | "20" | 258,854 | 244,743 |
| III. | **Total Revenue (I + II)** | | **1,132,637** | **1,617,376** |
| IV. | **Expenses:** | | | |
| | Raw Material Consumption | "21" | 258,817 | 298,787 |
| | Changes in inventories of finished goods, work-in progress and stock-in-trade | "22" | - | - |
| | Employee benefits expenses | "23" | - | 225,000 |
| | Finance costs | "24" | 71,982 | 99,636 |
| | Depreciation | "10" | 685,108 | 685,108 |
| | Other expenses | "25" | 99,109 | 278,695 |
| | **Total expenses** | | **1,115,016** | **1,587,226** |
| V. | Profit before tax (III - IV) | | 17,621 | 30,150 |
| VI | Tax expense: | | | |
| | Current tax | | 3,360 | 5,750 |
| | Deffered tax | | 5,245 | 55,350 |
| VII | **Profit (Loss) for the year** | | **9,016** | **(30,950)** |
| XI | Earnings per equity share: | | | |
| | (1) Basic | | 0.18 | (0.62) |
| | (2) Diluted | | 0.18 | (0.62) |

Significant Accounting policies and
Notes to Accounts froming an integral part of the Balance Sheet "1"

As per our report of even date

For, N. C. Vasa & Co.
Chartered Accountants

N.C. Vasa & Co. FRN No. 125841W Chartered Accountants

Nehal Vasa
Proprietor
firm no 125841W
M.No 118485
Place: Ahmedabad
Date: 2nd September, 2018

For and on behalf of Board of Directors

For: Novateor Research Laboratories Pvt. Ltd.
Director
**Director**

For: Novateor Research Laboratories Pvt. Ltd.
Director
**Director**

Place: Ahmedabad
Date: 2nd September, 2018

note : 10

## NOVATEOR RESEARCH LABORATORIES PVT.LTD.

### SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2018

| Particulars | Fixed Assest | | | | Depreciation | | | WDV as on 31.03.2018 | WDVas on 31.03.2017 |
|---|---|---|---|---|---|---|---|---|---|
| | Opening | Addition during the Year | Sales During the Year | Closing | Opening | Depreciation for the year | Total as on 31.03.2018 | | |
| LAND | 10954968 | 0 | | 10954968 | 0 | 0 | 0 | 10954968 | 10954968 |
| BUILDING & CIVIL WORKS | 728544 | 0 | | 728544 | 24718 | 24718 | 49436 | 679108 | 703826 |
| PLANT & MACHINERY | 5318215 | 0 | | 5318215 | 631538 | 631538 | 1263076 | 4055139 | 4686677 |
| OFFICE EQUIPMENTS | 6150 | 0 | | 6150 | 976 | 976 | 1952 | 4198 | 5174 |
| FURNITURE &FIXTURE | 34221 | 0 | | 34221 | 3251 | 3251 | 6502 | 27719 | 30970 |
| PRINTER | 207384 | 0 | | 207384 | 24625 | 24625 | 49250 | 158134 | 182759 |
| GRAND TOTAL | 17249482 | 0 | 0 | 17249482 | 685108 | 685108 | 1370216 | 15879266 | 16564374 |

N.C. Vasa & Co. Chartered Accountants FRN No. 125841W

## NOVATEOR RESEARCH LABORATORIES PVT.LTD.

Notes forming part of Balance Sheet as on 31st March, 2018

NOTE 2

| SHARE CAPITAL | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Authorised Share Capital** | | |
| Equity Shares of Rs 10/- each | 1,000,000 | 1,000,000 |
| **Issued, Subscribed and Paid Up Share Capital** | 495,630 | 495,630 |
| Equity Shares of Rs 10/- each | | |
| TOTAL | 495,630 | 495,630 |

| Reconciliation of the number of shares outstanding is set out below:- | | | | |
|---|---|---|---|---|
| | 2016-17 | | 2015-16 | |
| Particulars | Equity Shares | | Equity Shares | |
| | Number | In Rs. | Number | In Rs. |
| Shares outstanding at the beginning of the year | 49,563 | 495,630 | 49,563 | 495,630 |
| Add:-Shares Issued during the year | | | | |
| Fresh Issue | - | - | - | - |
| Bonus Shares Issued | | | | |
| Less:Shares bought back during the year | | | | |
| Other Changes | - | - | - | - |
| Shares outstanding at the end of the year | 49,563 | 495,630 | 49,563 | 495,630 |

| Details of Shareholders holding more than 5 % shares:- | | | | |
|---|---|---|---|---|
| Name of Shareholder | 31.03.2018 | | 31.03.2017 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Navdeep Mehta | 12430 | 25.08 | 12430 | 25.08 |
| Tejal Mehta | 9568 | 19.30 | 9568 | 19.30 |
| Subhash Mehta | 13515 | 27.27 | 13515 | 27.27 |
| Chintan Mehta | 4350 | 8.78 | 4350 | 8.78 |
| Jyoti Mehta | 8100 | 16.34 | 8100 | 16.34 |

NOTE 3

| RESERVE AND SUPLUS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Share Premium** | | |
| Opening Balance | 8,857,145 | 8,857,145 |
| Add: Addition during the year | - | - |
| Less: Transferred during the year to General Reserve | - | - |
| **Closing Balance** | 8,857,145 | 8,857,145 |
| **Profit & Loss Account** | | |
| As per Last Year | (102,121) | (71,171) |
| Addition during the year | 9,016 | (30,950) |
| **Closing Balance** | (93,105) | (102,121) |
| TOTAL | 8,764,040 | 8,755,024 |

NOTE 4

| LONG TERM BORROWINGS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Secured Loans** | | |
| **Term Loan** | 149,193 | 416,233 |
| **Unsecured Loans & Long Term Liabilities** | 8,011,125 | 8,015,272 |
| TOTAL | 8,160,318 | 8,431,505 |

N.C. Vasa & Co. Chartered Accountants FRN No. 135347W

## NOVATEOR RESEARCH LABORATORIES PVT.LTD.

NOTE 5

| DEFERRED TAX LIABILITY (NET) | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Deferred Tax Liability** | | |
| Opening Balance | 55,350 | - |
| Addition during the year | 5,245 | 55,350 |
| Less: | | |
| **Deferred Tax Assets** | - | |
| **Closing Balance** | **60,595** | **55,350** |

NOTE 6

| SHORT TERM BORROWINGS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **From Banks** | - | 280,843 |
| **From Related Parties** | | |
| TOTAL | - | **280,843** |

NOTE 7

| TRADE PAYABLE | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Sundry Creditors** | | |
| Due to Micro, Small & Medium Enterprise | 587,964 | 616,281 |
| Due to Other than Micro, Small & Medium Enterprise | | |
| | **587,964** | **616,281** |

NOTE 8

| OTHER CURRENT LIABILITIES | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Interest accrued but not due on borrowings | | |
| **Other Payables** | | |
| **Statutory remittances** | | |
| (Contributions to Withholding Taxes, Excise Duty, VAT, Service Tax, etc ) | - | - |
| Installments of Term Loan | 304,852 | 340,984 |
| | **304,852** | **340,984** |

NOTE 9

| SHORT TERM PROVISIONS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Provision for employee benefits** | | |
| Contribution to PF | - | - |
| Salary & Bonus Payable | - | - |
| **Provision- Others** | | |
| Provision for Income Tax | 3,360 | 5,750 |
| Others | - | - |
| | 3,360 | 5,750 |
| | **3,360** | **5,750** |

NOTE 11

| NON-CURRENT INVESTMENTS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| **Un-Quoted & Trade** | - | - |
| - Investments in Government securities | | - |
| - Investments in Unlisted Companies | 98,250 | 98,250 |
| | **98,250** | **98,250** |

N.C. Vasa & Co. FRN No. 128641W Chartered Accountants

## NOVATEOR RESEARCH LABORATORIES PVT.LTD.

NOTE 12

| LONG-TERM LOANS & ADVANCES | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Security Deposits - Unsecured, Considered good | - | - |
| | - | - |

NOTE 13

| OTHER NON-CURRENT ASSETS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Unamortised expenses | | |
| Share Issue Expenditure | | |
| Opening Balance | - | 5,637 |
| Addition during the year | | |
| 1/5 Written Off | - | 5,637 |
| Closing Balance | - | - |
| Total | - | - |

NOTE 14

| INVENTORY | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Stock | | |
| Raw material | 1,511,378 | 1,243,718 |
| finished goods | - | - |
| work in progress | - | - |
| Fuel, Stores, Consumables and other Stock | - | - |
| Total | 1,511,378 | 1,243,718 |

NOTE 15

| TRADE RECEIVABLES | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Trade receivables outstanding for a period less than six months from the date they are due for payment | 580,253 | 676,654 |
| Unsecured, considered good | | |
| Less: Provision for doubtful debts | | |
| Unsecured, considered good | | |
| Total | 580,253 | 676,654 |

NOTE 16

| CASH AND CASH EQUIVALENTS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Balance with banks | | |
| In current accounts | 201,706 | - |
| In deposit accounts | | |
| Cash on Hand | 10,336 | 10,346 |
| Total | 212,042 | 10,346 |

NOTE 17

| SHORT-TERM LOANS AND ADVANCES | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Loans and advances to related parties - Unsecured, Considered good | - | - |
| other than related parties | - | - |
| Others Advances - Unsecured, Considered Good | | |
| - Advance Income Tax/TDS | 81,592 | 86,123 |
| - Advance to the emlpoyee | - | - |
| - Prepaid Expenses | - | - |
| - Others (Advance Recoverable in cash or in kind) | 13,978 | 301,902 |
| Total | 95,570 | 388,025 |

NOTE 18

| OTHER CURRENT ASSETS | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Advance to suppliers | - | - |
| Security Deposits - Unsecured, Considered good | - | |
| Total | - | - |

N.S. Vasa & Co. FRN No. 12..41W Chartered Accountants

# NOVATEOR RESEARCH LABORATORIES PVT.LTD.

Notes forming part of Profit and Loss account for the year ending on 31st March, 2018

NOTE 19

| REVENUE FROM OPERATION | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Sales and other Incomes | 873,783 | 1,372,633 |
| **Total** | **873,783** | **1,372,633** |

NOTE 20

| OTHER INCOME | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Rent, Interest and Other Incomes | 258,854 | 244,743 |
| | - | - |
| **Total** | **258,854** | **244,743** |

NOTE 21

| Raw Material Consumption | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Opening Stock | 1,243,718 | 1,233,604 |
| Add: Purchases & other Direct Expenses | 526,477 | 308,901 |
| Less Closing Stock | 1,511,378 | 1,243,718 |
| **Raw Material Consumption** | **258,817** | **298,787** |

NOTE 22

| Change in inventories | 31.03.2018 | 31.03.2017 |
|---|---|---|
| WIP | | |
| *Opening Balances of WIP* | - | - |
| *Closing Balances of WIP* | - | - |
| Change in inventory of finished goods | - | - |
| FINISHED GOODS | | |
| *Opening Balances of Finished Goods:* | | - |
| *Closing Balances of Finished Goods:* | - | - |
| Change in inventory of finished goods | - | - |
| TOTAL | - | - |

NOTE 23

| EMPLOYEE BENEFITS EXPENSES | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Salaries and wages | - | 225,000 |
| Contributions to provident and other funds | - | - |
| Staff welfare expenses | - | - |
| TOTAL | - | **225,000** |

NOTE 24

| FINANCE COST | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Interest | 71,982 | 99,636 |
| Other Borrowing Costs | | |
| Applicable net loss on foreign currency transactions and translation | - | - |
| TOTAL | **71,982** | **99,636** |

NOTE 25

| OTHER EXPENSES | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Audit Fees | 12,000 | 12,000 |
| Legal & Professional Fees | 33,895 | 23,500 |
| Preliminary Pre Operative Expenses | - | 5,637 |
| Bank charges | 4,501 | 10,934 |
| other expenses | 38,475 | 77,376 |
| Repairs & Maintenance Expenses | - | 102,709 |
| Insurance Expenses | 10,238 | 9,781 |
| Power & Fuel Expenses | - | 36,758 |
| **Total** | **99,109** | **278,695** |

H.C. Vasa & Co. Chartered Accountants

## Basis of accounting and preparation of financial statements

**2.1** The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified and contained in the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known or

**2.3 Depreciation and amortisation**

Depreciation will be provided as per the revised method of depreciation considering the useful life of the Asset as prescribed under the Companies Act, 2013. As the company has not commenced commercial production no depreciation has been charged.

**2.4 Revenue recognition**

Sales is recognised as and when goods are dispatched to the customers. Other Income is recognised on accrual basis. Expenses are accounted for on accrual basis.

**2.5 Other income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

**2.6 Valuation of Inventories**

The Stock of Goods are valued at Cost of acquisition plus the direct expenses incurred thereon excluding VAT and other indirect taxes. The Valuation of the stock is done by the management and certificate in relation to the same has been provided for the Financial year 2017-18.

**2.7 Misc. Expenditures**

Pre operative expenditure incurred by the company are deferred and are to be written off over a period of five Years. Preliminary expenses are amortised over five years. As the Compnay has not commenced business operations the same have not been amortised during the current year

**2.8 Investments**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

**2.9 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

| Particulars | 31.03.2018 | 31.03.2017 |
|---|---|---|
| Net Surplus available for Distribution | 9016 | -30950 |
| Total No. of Shares O/s. | 49563 | 49563 |
| Earnings per share | 0.18 | -0.62 |

N.C. Vasa & Co.
Chartered Accountants

| | |
|---|---|
| 2.10 | **Borrowing Costs**<br>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active |
| 2.11 | **Foreign Currency Transactions**<br>Foreign currency Transactions are recorded at the exchange rate on the date of transaction. Gains and losses arising our of subsequent fluctuations in exchange rate are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the Balance sheet date are converted at exchange rate prevelant on the date of conversion. The Valuation of amount receivable and the balance outstanding with the Bank in foregin currency is marked to market at the closing rates prescribed by RBI and the effect of the same is shown in the books as Income/Expense. |
| 2.12 | **Taxes on income**<br>'Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. |
| | Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will |
| | Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a |
| | Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss. |
| 2.13 | **Fixed Assets:**<br>Fixed Assets are stated in the book at historical cost inclusive of all incendental expenses incurred for acquisition and installation of concerned assets. |
| 2.14 | **Retirement Benefits:**<br>There are no employees, who are eligible for retirement benefits. |
| 2.15 | No Previous years' figures have been given as this the first year of the company's business incorporation and hence previous year data is not available for the purpose of comparision. |
| 2.16 | Provision of Rs. 12000/- is made for statutory audit fees and other professional charges. |
| 2.17 | No provision is made for the liabilities, which are contingent in nature but if material are disclosed by the way of notes. |
| 2.18 | In the opinion of the Directors: |
| A | The current assets and loans and advances are approximately of the value stated, if realised in the ordinary course of business. |
| B | The provision for depreciation and for all known liabilities is adequte and not in excess of the amount reasonably necessary. |
| C | The Balances of Sundry Creditors and Sundry Debtors are subject to confirmation as well as reconciliation, if any. |

AS PER OUR ATTACHED
REPORT OF EVEN DATE

**FOR, N.C. Vasa & Co.**
**Chartered Accountants**

**Proprietor**
**Membership No. 118485**
**FRN No. 125841W**

**PLACE : Ahmedabad**
**Date: 2nd September, 2018**

N.C. Vasa & Co. Chartered Accountants

**FOR AND ON BEHALF OF**
**Novateor Research Laboratories Private Limited**

For: Novateor Research Laboratories Pvt. Ltd.
**Director** Director **Director**

For: Novateor Research Laboratories Pvt. Ltd.
Director

**PLACE : Ahmedabad**
**Date: 2nd September, 2018**