Novateor Research Laboratories Private Limited

128,Sardar Patel Colony, Naranpura, Ahmedabad - 380013

<u>NOTICE</u>

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, 2017 at 2.45 p.m. to transact the following business :

ORDINARY BUSINESS:

- To receive, consider and adopt the Balance Sheet as at 31.03.2017 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 : 02/09/2017

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

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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 2017.

1. Financial Summary or performance of the company:

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Sales for the year	1,372,633	990,198
Other Income	244,743	62,772
Total Income	1,617,376	1,052,970
Profit before Financial Expenses, Depreciation and Taxation	814,894	2,945
Less: Financial expenses	99,636	--
Operating profit before Depreciation & Taxation	715,258	2,945
Less: Depreciation	685,108	--
Profit before Taxation	30,145	2,945
Less : Provision for Taxation Current Tax Deferred Tax	 5,750 55,350	561
Profit after Taxation	(30,950)	2,384
Add: Charge pursuant to the adoption of revised Schedule II	--	--
Add: Charge on account of transitional provisions under AS 15	--	--
Add: Balance brought forward	(71,171)	(73,555)
Profit available for appropriation	(102,121)	(71,171)

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.

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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 2016-17.

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, 2017, 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, 2017. There were no unclaimed or unpaid deposits as on March 31, 2017.

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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 2016-17, 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, 2017, 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, 2017 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.

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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

For Novateor Research Laboratories Pvt. Ltd.
Director

Place : Ahmedabad
Date : 02/09/2017

DIRECTOR

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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, 2017, 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.

N. C. Vasa & Co. Chartered Accountants

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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

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:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;

(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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 : 02.09.2017 **Place : Ahmedabad**

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NOVATEOR RESEARCH LABORATORIES PVT.LTD.
BALANCE SHEET AS AT 31st MARCH, 2017

(Amount in Rs.)

Particulars	Notes	31.03.2017	31.03.2016
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	"2"	495,630	495,630
(b) Reserves and surplus	"3"	8,755,024	8,785,974
		9,250,654	**9,281,604**
Non-current liabilities			
(a) Long-term borrowings	"4"	8,431,505	7,633,754
(b) Deferred tax liabilities (Net)	"5"	55,350	-
Current liabilities			
(a) Short-term borrowings	"6"	280,843	-
(b) Trade payables	"7"	616,281	843,663
(c) Other current liabilities	"8"	340,984	646,567
(d) Short-term provisions	"9"	5,750	542
		9,730,713	**9,124,526**
TOTAL		**18,981,367**	**18,406,130**
ASSETS			
Non-current assets			
(a) Fixed assets	"10"	16,564,374	
Tangible assets			
Capital WIP		-	16,415,676
(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"	-	5,637
		16,662,624	**16,519,563**
Current assets			
(a) Inventories	"14"	1,243,718	1,233,604
(b) Trade receivables	"15"	676,654	557,858
(c) Cash and cash equivalents	"16"	10,346	61,155
(d) Short-term loans and advances	"17"	388,025	33,950
(e) Other current assets	"18"	-	-
		2,318,743	**1,886,567**
TOTAL		**18,981,367**	**18,406,130**

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

Nehal Vasa
Proprietor
firm no 125841W
M.No 118485
Place: Ahmedabad
Date: 2nd September, 2017

For and on behalf of Board of Directors

Director

Director

Place: Ahmedabad
Date: 2nd September, 2017

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NOVATEOR RESEARCH LABORATORIES PVT.LTD.
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in Rs.)

	Particulars	Notes	31.03.2017	31.03.2016
I.	Revenue from operations	"19"	1,372,633	990,198
II.	Other income	"20"	244,743	62,772
III.	**Total Revenue (I + II)**		**1,617,376**	**1,052,970**
IV.	**Expenses:**			
	Raw Material Consumption	"21"	298,787	976,115
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	"22"	-	-
	Employee benefits expenses	"23"	225,000	27,000
	Finance costs	"24"	99,636	-
	Depreciation	"10"	685,108	-
	Other expenses	"25"	278,695	46,910
	Total expenses		**1,587,226**	**1,050,025**
V.	Profit before tax (III - IV)		30,150	2,945
VI	Tax expense:			
	Current tax		5,750	561
	Deffered tax		55,350	-
VII	**Profit (Loss) for the year**		**(30,950)**	**2,384**
XI	Earnings per equity share:			
	(1) Basic		(0.62)	0.05
	(2) Diluted		(0.62)	0.05

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

Nehal Vasa
Proprietor
firm no 125841W
M.No 118485
Place: Ahmedabad
Date: 2nd September, 2017

For and on behalf of Board of Directors

Director **Director**

Place: Ahmedabad
Date: 2nd September, 2017

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NOVATEOR RESEARCH LABORATORIES PVT.LTD.

Notes forming part of Balance Sheet as on 31st March, 2017

NOTE 2

SHARE CAPITAL	31.03.2017	31.03.2016
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:-				
	31.03.2017		31.03.2016	
Name of Shareholder	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	31.03.2017	31.03.2016
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	(71,171)	(73,555)
Addition during the year	(30,950)	2,384
Closing Balance	**(102,121)**	**(71,171)**
TOTAL	8,755,024	8,785,974

NOTE 4

LONG TERM BORROWINGS	31.03.2017	31.03.2016
Secured Loans		
Term Loan	416,233	210,814
Unsecured Loans & Long Term Liabilities	8,015,272	7,422,940
TOTAL	8,431,505	7,633,754

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NOVATEOR RESEARCH LABORATORIES PVT.LTD.

NOTE 5

DEFERRED TAX LIABILITY (NET)	31.03.2017	31.03.2016
Deferred Tax Liability		
Opening Balance	-	-
Addition during the year	55,350	-
Less:		
Deferred Tax Assets	-	
Closing Balance	**55,350**	**-**

NOTE 6

SHORT TERM BORROWINGS	31.03.2017	31.03.2016
From Banks	280,843	-
From Related Parties		
TOTAL	**280,843**	**-**

NOTE 7

TRADE PAYABLE	31.03.2017	31.03.2016
Sundry Creditors		
Due to Micro, Small & Medium Enterprise	616,281	843,663
Due to Other than Micro, Small & Medium Enterprise		
	616,281	**843,663**

NOTE 8

OTHER CURRENT LIABILITIES	31.03.2017	31.03.2016
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	340,984	646,567
	340,984	**646,567**

NOTE 9

SHORT TERM PROVISIONS	31.03.2017	31.03.2016
Provision for employee benefits		
Contribution to PF	-	-
Salary & Bonus Payable	-	-
Provision- Others		
Provision for Income Tax	5,750	542
Others	-	-
	5,750	542
	5,750	**542**

NOTE 11

NON-CURRENT INVESTMENTS	31.03.2017	31.03.2016
Un-Quoted & Trade	-	-
- Investments in Government securities		-
- Investments in Unlisted Companies	98,250	98,250
	98,250	**98,250**

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NOVATEOR RESEARCH LABORATORIES PVT.LTD.

NOTE 12

LONG- TERM LOANS & ADVANCES	31.03.2017	31.03.2016
Security Deposits - Unsecured, Considered good	-	-
	-	-

NOTE 13

OTHER NON-CURRENT ASSETS	31.03.2017	31.03.2016
Unamortised expenses		
Share Issue Expenditure		
Opening Balance	5,637	15,114
Addition during the year		
1/5 Written Off	5,637	9,477
Closing Balance	-	5,637
Total	-	5,637

NOTE 14

INVENTORY	31.03.2017	31.03.2016
Stock		
Raw material	1,243,718	1,233,604
finished goods	-	-
work in progress	-	-
Fuel, Stores, Consumables and other Stock	-	-
Total	1,243,718	1,233,604

NOTE 15

TRADE RECEIVABLES	31.03.2017	31.03.2016
Trade receivables outstanding for a period less than six months from the date they are due for payment	676,654	557,858
Unsecured, considered good		
Less: Provision for doubtful debts		
Unsecured, considered good		
Total	676,654	557,858

NOTE 16

CASH AND CASH EQUIVALENTS	31.03.2017	31.03.2016
Balance with banks		
In current accounts	-	57,227
In deposit accounts		
Cash on Hand	10,346	3,928
Total	10,346	61,155

NOTE 17

SHORT- TERM LOANS AND ADVANCES	31.03.2017	31.03.2016
Loans and advances to related parties - Unsecured, Considered good	-	33,950
other than related parties	-	-
Others Advances - Unsecured, Considered Good		
- Advance Income Tax/TDS	86,123	
- Advance to the emlpoyee	-	
- Prepaid Expenses	-	
- Others (Advance Recoverable in cash or in kind)	301,902	
Total	388,025	33,950

NOTE 18

OTHER CURRENT ASSETS	31.03.2017	31.03.2016
Advance to suppliers	-	-
Security Deposits - Unsecured, Considered good	-	
Total	-	-

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NOVATEOR RESEARCH LABORATORIES PVT.LTD.

Notes forming part of Profit and Loss account for the year ending on 31st March, 2017

NOTE 19

REVENUE FROM OPERATION	31.03.2017	31.03.2016
Sales and other Incomes	1,372,633	990,198
Total	**1,372,633**	**990,198**

NOTE 20

OTHER INCOME	31.03.2017	31.03.2016
Rent & Interest Income	91,610	-
Subsidy & other Income	153,133	62,772
Total	**244,743**	**62,772**

NOTE 21

Raw Material Consumption	31.03.2017	31.03.2016
Opening Stock	1,233,604	1,246,261
Add: Purchases & other Direct Expenses	308,901	963,458
Less Closing Stock	1,243,718	1,233,604
Raw Material Consumption	**298,787**	**976,115**

NOTE 22

Change in inventories	31.03.2017	31.03.2016
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	31.03.2017	31.03.2016
Salaries and wages	225,000	27,000
Contributions to provident and other funds	-	-
Staff welfare expenses	-	-
TOTAL	**225,000**	**27,000**

NOTE 24

FINANCE COST	31.03.2017	31.03.2016
Interest	99,636	-
Other Borrowing Costs		
Applicable net loss on foreign currency transactions and translation	-	-
TOTAL	**99,636**	-

NOTE 25

OTHER EXPENSES	31.03.2017	31.03.2016
Audit Fees	12,000	12,500
Legal & Professional Fees	23,500	3,500
Preliminary Pre Operative Expenses	5,637	9,477
Bank charges	10,934	5,412
other expenses	77,376	16,021
Repairs & Maintenance Expenses	102,709	-
Insurance Expenses	9,781	-
Power & Fuel Expenses	36,758	-
Total	**278,695**	**46,910**

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	of accounting and preparation of financial statements
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 2016-17.
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

Particulars	31.03.2017	31.03.2016
Net Surplus available for Distribution	-30950	2384
Total No. of Shares O/s.	49563	49563
Earnings per share	-0.62	0.05

2.10 The details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

Particulars	SBN	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	48,000	6,286	54,286
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	3,086	3,086
(-) Amount deposited in Banks	48,000	-	48,000
Closing cash in hand as on 30.12.2016	-	3,200	3,200

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2.11	**Borrowing Costs**
	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 development activity on the qualifying assets is interrupted.
2.12	**Foreign Currency Transactions**
	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.
2.13	**Taxes on income**
	'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.
2.14	**Fixed Assets:** Fixed Assets are stated in the book at historical cost inclusive of all incendental expenses incurred for acquisition and installation of concerned assets.
2.15	**Retirement Benefits:** There are no employees, who are eligible for retirement benefits.
2.16	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.
2.17	Provision of Rs. 12000/- is made for statutory audit fees and other professional charges.
2.18	No provision is made for the liabilities, which are contingent in nature but if material are disclosed by the way of notes.
2.19	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, 2017

FOR AND ON BEHALF OF
Novateor Research Laboratories Private Limited

Director **Director**

PLACE : Ahmedabad
Date: 2nd September, 2017

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note : 10

NOVATEOR RESEARCH LABORATORIES PVT.LTD.

SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31ST MARCH 2017

Particulars	Fixed Assest				Depreciation			WDV as on 31.03.2017	WDVas on 31.03.2016
	Opening	Addition during the Year	Sales During the Year	Closing	Opening	Depreciation for the year	Total as on 31.03.2017		
LAND	10954968	0		10954968	0	0	0	10954968	10954968
BUILDING & CIVIL WORKS	728544	0		728544	0	24718	24718	703826	728544
PLANT & MACHINERY	4507459	810756		5318215	0	631538	631538	4686677	4507459
OFFICE EQUIPMENTS		6150		6150	0	976	976	5174	0
FURNITURE &FIXTURE	34221	0		34221	0	3251	3251	30970	34221
COMPUTER	190484	16900		207384	0	24625	24625	182759	190484
GRAND TOTAL	16415676	833806	0	17249482	0	685108	685108	16564374	16415676

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