

VALIA & TIMBADIA
CHARTERED ACCOUNTANTS

Tel: Off: 2269 2624 / 2269 9664/40040216
E-mail: valtim09@gmail.com
32, Trinity Chambers,
117, Bora Bazar Street, Fort,
Mumbai – 400 001.

ARVIND P. VALIA
B.COM. (Hons.), F.C.A.
HITEN C. TIMBADIA
B.COM. L.L.B. (GEN), F.C.A.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF UNIVERSAL ENTERPRISES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **UNIVERSAL ENTERPRISES PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2016 and 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 of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards referred to in 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 the design, implementation and maintenance of adequate internal financial controls, that are 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.

Auditors' 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 and the Rules made thereunder including the accounting standards and matters which are required to be included in the Audit Report. 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 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 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 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 standalone financial statements.

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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 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 March 31, 2016; and
- b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date, and
- c) In the case of the Cash Flow Statement, of the Cash Flows of the company 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 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (herein after referred to as the "Order"), and on the basis of such checks and records of the Company as we consider appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 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 Cash Flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Account) Rules 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

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- f) On the basis of overall examination of records and nature of activities carried out by the company, in all material aspect, the company has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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
- g) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us, we report as under:
- (i) The Company has disclosed the impact of pending litigations as at March 31, 2016, if any, on its financial position in its financial statements.
 - (ii) The Company has made provisions as at March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - (iii) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

FOR VALIA AND TIMBADIA
CHARTERED ACCOUNTANTS
(Firm Registration No. 112241W)

PLACE: MUMBAI
DATED: 23rd May, 2016

HITEN C. TIMBADIA
Partner
Membership No. 038429.

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Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date of UNIVERSAL ENTERPRISES PRIVATE LIMITED

1. The Company does not have any fixed assets: hence the requirements of maintenance of records, physical verification and discrepancy for the same are not applicable.
2. The Company does not have any Inventories; hence the requirements of maintenance of records, physical verification and discrepancy for the same are not applicable.
3. As per the information & explanation give to us, the Company has not granted any loans, secured or unsecured to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly provisions of clause (iii) (a), (b) and (c) of the Companies (Auditors` Report) Order, 2016 are not applicable to the Company.
4. The Company has not given any loans, guarantee and securities during the year: hence the provisions of Section 185 are not applicable to the company.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sec.73 to Sec.76 of the Act and the Rules framed there under to the extend notified. Therefore provisions of Clause (v) of the Companies (Auditors` Report) Order, 2016 are not applicable to the Company.
6. As informed to us, the maintenance of Cost Records has not been prescribed by the Central government u/s 148(1) of the Companies Act, 2013, in respect of the activities carried on by the Company.
7. a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues if any required, including provident fund, employees` state insurance, income tax, sales tax, service tax, customs duty, duty of excise, value added tax, cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2016 for a period more than six months from the date they became payable.

b) According to the information and explanations given to us and according to the records of the Company, there are no dues of sales tax, income tax, customs, wealth tax, excise duty, service tax, income tax, sales tax, service tax, customs duty, duty of excise, value added tax, which have not been deposited on account of any dispute.

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8. According to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institution, bank, government, debenture holders. Therefore provisions of Clause (viii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
9. According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debts instruments) and term loans during the year. Therefore provisions of Clause (ix) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
10. As per the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.
11. No managerial Remuneration has been paid or provided during the year. Therefore provisions of Clause (xi) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
12. The company is not a Nidhi Company and therefore provisions of Clause (xii) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
13. The related party transactions are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore provisions of Clause (xiv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
15. As per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore provisions of Clause (xv) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
16. As per the information and explanations given to us, the Company, is not required to be registered under 45-IA of the Reserve Bank of India Act, 1934 and therefore no registration was obtained.

FOR **VALIA AND TIMBADIA**
CHARTERED ACCOUNTANTS
(Firm Registration No. 112241W)

HITEN C. TIMBADIA
Partner
Membership No. 038429.

PLACE: MUMBAI
DATED: 23rd May, 2016

UNIVERSAL ENTERPRISES PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31st March, 2016		As at 31st March, 2015	
		₹	₹	₹	₹
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	4,500,000		4,500,000	
Reserves and Surplus	2	<u>786,114</u>	<u>5,286,114</u>	<u>783,213</u>	<u>5,283,213</u>
Current Liabilities					
Trade Payables	3		<u>11,450</u>		<u>14,045</u>
TOTAL			<u><u>5,297,564</u></u>		<u><u>5,297,258</u></u>
ASSETS					
Non-current Assets					
Fixed Assets	4		-		-
Long term Loans and Advances	5		<u>28,702</u>		<u>44,862</u>
CURRENT ASSETS					
Trade Receivables	6	<u>4,927,697</u>		<u>4,927,697</u>	
Cash and Bank Balance	7	<u>132,832</u>		<u>116,366</u>	
Short-term Loans and Advances	8	<u>208,333</u>	<u>5,268,862</u>	<u>208,333</u>	<u>5,252,396</u>
TOTAL			<u><u>5,297,564</u></u>		<u><u>5,297,258</u></u>

Refer accompanying notes forming part of the Financial Statements

In terms of our report attached

For and on behalf of the Board of Directors

For VALIA & TIMBADIA
Chartered Accountants
(Firm Registration No. 112241W)

Sudhir V. Valia
Director

Hiten C. Timbadia
Partner
(Membership No. 038429)
Place: Mumbai
Mumbai, 23rd May, 2016

Sailesh T. Desai
Director
Mumbai, 23rd May, 2016

UNIVERSAL ENTERPRISES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	As at 31st March, 2016		Year ended 31st March 2015	
		₹	₹	₹	₹
REVENUE					
Other Income	9		<u>302,240</u>		<u>302,437</u>
Total Revenue			<u>302,240</u>		<u>302,437</u>
EXPENSES					
Other Expenses	10		<u>298,039</u>		<u>330,220</u>
Total Expenses			<u>298,039</u>		<u>330,220</u>
Profit Before Tax			4,201		(27,783)
Tax Expense:					
Current Tax			<u>1,300</u>		-
Profit / (Loss) After Tax for the Year			<u>2,901</u>		<u>(27,783)</u>
Earnings per Share			0.01		-0.06
Basic and Diluted (₹) Face Value per Equity share - ₹ 10/-					

Refer accompanying notes forming part of the Financial Statements 11

In terms of our report attached

For and on behalf of the Board of Directors

For VALIA & TIMBADIA
Chartered Accountants
(Firm Registration No. 112241W)

Sudhir V. Valia
Director

Hiten C. Timbadia
Partner
(Membership No. 038429)
Place: Mumbai
Mumbai, 23rd May, 2016

Sailesh T. Desai
Director
Mumbai, 23rd May, 2016

UNIVERSAL ENTERPRISES PVT. LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year ended 31st March, 2016 ₹	Year ended 31st March, 2015 ₹
A. Cash Flow From Operating Activities:		
Net Profit/Loss Before Tax	2,901	(27,783)
Adjustments for:		
Depreciation and Amortisation Expense & Written Off	-	3,050
Operating Profit Before Working Capital Changes	2,901	(24,733)
Adjustments for Changes In Working Capital:		
Increase / Decrease in Trade Payables	(2,595)	2,809
Increase / Decrease in Short-term Loans and Advances	-	-
Cash Generated From Operations	306	(21,924)
Taxes Paid	16,160	9,393
Net Cash Generated From Operating Activities	16,466	(12,531)
B. Cash Flow From Financing Activities:	-	-
Net Cash Flow From Financing Activities	-	-
C. Cash Flow From Investment Activities:	-	-
Net Cash Flow From Financing Activities	-	-
Net Increase / (Decrease) in Cash and Cash Equivalents	16,466	(12,531)
Cash and Cash Equivalents as at the beginning of the year	116,366	128,896
Cash and Cash Equivalents as at the year end	132,832	116,365

AS PER OUR REPORT OF EVEN DATE

For VALIA & TIMBADIA
Chartered Accountants
(Firm Registratin No. 112241W)

Sudhir V. Valia
Director

Hiten C. Timbadia
Partner
(Membership No. 038429)
Place: Mumbai
Mumbai, 23rd May, 2016

Sailesh T. Desai
Director
Mumbai, 23rd May, 2016

UNIVERSAL ENTERPRISES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2016		As at 31st March, 2015	
	Number of Equity Shares	₹	Number of Equity Shares	₹
1 SHARE CAPITAL				
Authorised				
Equity Shares of ₹ 10 each	2,000,000	20,000,000	2,000,000	20,000,000
	<u>2,000,000</u>	<u>20,000,000</u>	<u>2,000,000</u>	<u>20,000,000</u>
Issued, Subscribed and Fully Paid Up				
Equity Shares of ₹ 10 each	450,000	4,500,000	450,000	4,500,000
	<u>450,000</u>	<u>4,500,000</u>	<u>450,000</u>	<u>4,500,000</u>

Disclosure :

1. All the Equity Share carry equal rights and obligations including for Dividend & with respect to voting.
2. Total 300,000 Equity Shares were issued for consideration other than cash in earlier Year.
3. Details of shareholders holding more than 5% Shares

NAME	No of Shares	%	No of Shares	%
Sun Pharma Laboratories Ltd (Entire Share Capital held by Holding Company)	450,000	100	450,000	100

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
2 Reserves and Surplus				
Surplus / Deficit in statement of profit & Loss				
Opening balance		783,213		810,996
Add : Profit / (Loss) for the Year		<u>2,901</u>		<u>(27,783)</u>
Closing Balance		<u>786,114</u>		<u>783,213</u>
3 Trades Payable				
Others for Services		<u>11,450</u>		<u>14,045</u>
		<u>11,450</u>		<u>14,045</u>

UNIVERSAL ENTERPRISES PRIVATE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
4 Fixed Assets				
Furniture & Fixture				
Opening Balance	-		3,050	
Less - Depreciation				
Less - Written Off			(3,050)	
Closing Balance				
		<u>-</u>		<u>-</u>
5 Long Term Loans and Advances				
Advance Income Tax (Net of Tax payable)		<u>28,702</u>		<u>44,862</u>
		<u>28,702</u>		<u>44,862</u>
6 Trade Receivables				
(Unsecured – Considered Good unless stated otherwise)				
Over Six Months				
Considered Good		<u>4,927,697</u>		<u>4,927,697</u>
		<u>4,927,697</u>		<u>4,927,697</u>
7 Cash and Cash Equivalents				
Balance with Bank				
In Current Account		<u>132,832</u>		<u>116,366</u>
		<u>132,832</u>		<u>116,366</u>
8 Short-term Loans and Advances				
(Unsecured – Considered Good unless stated otherwise)				
Prepaid Expenses		<u>208,333</u>		<u>208,333</u>
		<u>208,333</u>		<u>208,333</u>
9 Other Income				
Rent Income	<u>300,000</u>		<u>300,000</u>	
Interest Income	<u>2,240</u>		<u>2,437</u>	
		<u>302,240</u>		<u>302,437</u>
10 Other Expenses				
Lease Rent	<u>286,250</u>		<u>311,800</u>	
Bank Charges	<u>339</u>		<u>225</u>	
Printing & Stationary	-		<u>1,100</u>	
Sundry Balance Written Off	-		<u>3,050</u>	
Payable to Auditors				
Audit Fees	<u>11,450</u>		<u>14,045</u>	
		<u>298,039</u>		<u>330,220</u>

UNIVERSAL ENTERPRISES PRIVATE LIMITED

11 Additional Notes forming part of the Financial Statement for the year ended 31st March,2016

(A) ACCOUNTING POLICIES :

1. The financial statements are prepared under historical cost convention and on accrual basis in accordance with the provisions of the Companies Act, 2013, and comply with the Accounting Standards referred to in section 133 of the said Act to the extent applicable. All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 as well as guidance note issued by The Institute of Chartered Accountants of India.
2. **Recognition of Income and Expenditure**
All income and expenses are accounted for on accrual basis.
3. **Fixed Assets & Depreciation / Amortisation**
Fixed Assets are stated at historical cost (net of cenvat credit) less accumulated depreciation / amortisation thereon and impairment losses, if any.
4. **Depreciation**
Depreciation on fixed assets is provided on written down value method at the rate Specified in schedule II of the Companies Act, 2013
5. Accounting policies not specifically mentioned above will be as per generally accepted accounting principles in India

(B) OTHER NOTES :

1.	Earnings Per Share (EPS) :	2015-2016	2014-2015
	Profit / ((Loss) attributed to Equity Share holders	2,901	(27,783)
	No. of Equity Shares (of ₹ 10/- each)	450,000	450000
	Earnings Per Share – Basic & Diluted	0.01	(0.06)

2. Provision for Income Tax and Deferred Tax is made as per the provision of Indian Income Tax Act, 1961 and Accounting Standard AS 22 "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India.
3. As required by AS-18, 'Related parties disclosure' is given as Annexure - 11(B) 3
4. Previous year's figures have been regrouped and/or rearranged, wherever necessary to make them comparable with those of current year.

UNIVERSAL ENTERPRISES PRIVATE LIMITED
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

ACCOUNTING STANDARD (AS-18) " RELATED PARTY DISCLOSURE "

ANNEXURE - 11(B) 3

A) Names of related parties and description of relationship

1. Key Management Personnel

Mr. Sudhir V. Valia	Director
Mr. Sailesh T. Desai	Director

2. Holding Company

Sun Pharma Laboratories Limited

3. Subsidiaries / Fellow Subsidiaries

(With whom the company has transactions during the year or previous year)
 NIL

B) 1. Summary of Transactions with related party is as follows as per AS-18

RENT INCOME

	Year ended 31st March, 2016	Year ended 31st March, 2015
Sun Pharma Laboratories Limited -Related Party	300,000	300,000
TOTAL	300,000	300,000

2. Outstanding as on 31/03/2016 with related party is as follows as per AS-18

Receivable

	Year ended 31st March, 2016	Year ended 31st March, 2015
Sun Pharma Laboratories Limited -Related Party	4,927,697	4,927,697
TOTAL	4,927,697	4,927,697