



SUNIL SWAMY & Co.
Consulting . Audit . Tax

INDEPENDENT AUDITOR'S REPORT

To the Members of RESONANCE LABORATORIES PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of RESONANCE LABORATORIES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

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



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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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



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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company since

- (a) It is not a subsidiary or holding company of a public company;
- (b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;
- (c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and
- (d) Its turnover for the year is not more than Rs.10 Crores during the year.

2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



e) On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 from being appointed as a Director in terms of Section 164(2) of the Act.

f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;

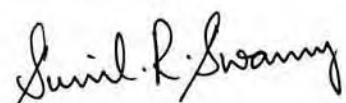
g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position, except for contingent liability mentioned in the Note No. 'm' of significant accounting policies to Financial Statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SUNIL SWAMY & Co**

Chartered Accountant

FRN: 013128S



Signature

Sunil R Swamy

Proprietor

Membership No. 221875

UDIN: 19221875AAAACN8592

Place of Signature: Bengaluru

Date: 30th August, 2019



Resonance Laboratories Pvt. Ltd.
 Pharmaceutical Intermediates and Fine Chemicals
 No.8C & 9A, KIADB Industrial Area
 Bashettihalli
 Doddaballapur - 561 203
 CIN: U24110KA1980PTC045343

Balance Sheet as at 31-Mar-2019

In ₹ (Rupees)

Particulars	Note	as at 31-Mar-2019		as at 31-Mar-2018	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds			10,15,04,603		14,41,34,303
(a) Share Capital	2	23,18,400		25,00,000	
(b) Reserves and Surplus	3	9,91,86,203		14,16,34,303	
2 Non-Current Liabilities			4,10,349		7,44,207
(a) Deferred Tax Liabilities (Net)	4	9,79,255		12,29,914	
(b) Other Long-Term Liabilities	5	(5,68,906)		(4,85,707)	
3 Current Liabilities			3,48,48,407		1,55,86,673
(a) Trade Payables	6	75,63,079		55,58,349	
(b) Other Current Liabilities	7	2,50,93,929		78,36,924	
(c) Short-Term Provisions	8	21,91,400		21,91,400	
Total			13,67,63,359		16,04,65,183
II. ASSETS					
1 Non-Current Assets			3,82,92,312		4,30,76,689
(a) Fixed Assets	9	3,26,92,294		3,66,00,084	
(b) Non-Current Investments	10	-		5,500	
(c) Long-Term Loans and Advances	11	56,00,018		64,71,105	
2 Current Assets			9,84,71,047		11,73,88,494
(a) Inventories	12	2,08,01,376		48,89,250	
(b) Trade receivables	13	69,75,435		1,39,75,958	
(c) Cash and Cash Equivalents	14	7,06,94,236		9,85,23,286	
Total			13,67,63,359		16,04,65,183

The Notes referred to above form an integral part of the Statement of Profit and Loss

As per our report of even date

For Sunil Swamy & Co.
Chartered Accountant
Firm Reg. No : 0131285

For and On behalf of the Board

Sunil R Swamy
SUNIL R SWAMY
Proprietor
Membership No. : 221875
Place: Bengaluru
Date: 30th August 2019



K N Subbaswami
K N SUBBASWAMI
Director
DIN: 01358207

Tushar B Gore
TUSHAR B GORE
Director
DIN: 02536575

Resonance Laboratories Pvt. Ltd.
Pharmaceutical Intermediates and Fine Chemicals
No.8C & 9A, KIADB Industrial Area,
Bashettihalli, Doddaballapur - 561 203
CIN: U24110KA1980PTC045343

Statement of Profit and Loss for the year ended 31-Mar-2019

In ₹ (Rupees)

	Particulars	Note No.	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
I	Revenue from Operations	15	7,66,40,176	8,68,13,915
II	Other Income	16	69,76,811	54,14,822
III	TOTAL REVENUE (I + II)		8,36,16,987	9,22,28,735
IV	EXPENSES			
	Cost of Materials Consumed	17	2,22,40,919	1,42,94,032
	Changes in Inventories	18	(1,52,55,022)	11,99,857
	Employee Benefit Expenses	19	5,00,14,625	3,85,51,035
	Finance Costs	20	82,818	1,78,781
	Depreciation and Amortization Expenses	21	39,03,333	42,23,465
	Other Administrative Expenses		2,16,78,126	2,33,54,875
	TOTAL EXPENSES		8,26,64,799	8,18,02,045
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		9,52,188	1,04,26,690
VI	Exceptional Items		-	-
VII	Prior Period Item		-	-
VIII	Profit before Extraordinary Items and Tax		9,52,188	1,04,26,690
IX	Extraordinary Items		-	-
X	Profit Before Tax		9,52,188	1,04,26,690
XI	Tax Expense		-	-
	Current Tax		13,79,820	(21,91,400)
	Tax On Buy Back		79,86,862	-
	Deferred Tax		(2,50,659)	32,86,933
	MAT Credit Entitlement (Asset)		-	14,91,843
XII	Profit/(Loss) for the period (IX-X)		(81,63,835)	1,30,14,066
	Earnings per Equity Share			
	-Basic		(327)	521

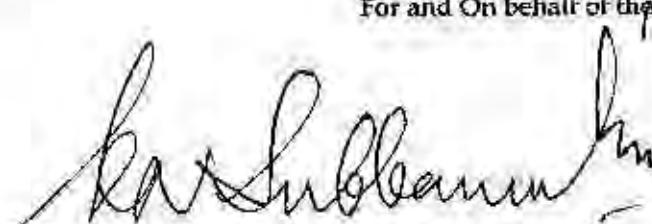
The Notes referred to above form an integral part of the Statement of Profit and Loss

As per our report of even date

For Sunil Swamy & Co.
Chartered Accountant
Firm Reg. No : 013128S

For and On behalf of the Board


SUNIL R SWAMY
Proprietor
Membership No. : 221875
Place: Bengaluru


K N SUBBASWAMI
Director
DIN:01358207


TUSHAR B GORE
Director
DIN: 02536575



Resonance Laboratories Private Limited
 Pharmaceutical Intermediates and Fine Chemicals
 No.8C & 9A, KIADB Industrial Area
 Bashettihalli
 Doddaballapur - 561 203
 CIN: U24110KA1980PTC045343

Cash flow statement

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flow from operating activities		
Profit / (loss) before tax	9,52,188	1,04,26,690
Adjustments:		
Depreciation / Amortization	39,03,333	42,23,465
Audit fees & Professional Fees	14,45,000	4,20,000
Interest and finance expenses	-	-
Deferred tax	-	-
(Profit) / loss on sale of fixed assets	(3,07,446)	-
(Profit) / loss on sale of mutual funds and other investments	-	-
Interest income	(53,07,001)	(50,89,994)
Dividend income/Duty drawback	-	-
Provisions no longer required written back	-	-
Prior period expense	-	-
Operating profit before working capital changes	6,86,074	99,80,161
(Increase) / decrease in inventories	(1,59,12,126)	20,08,519
(Increase)/ decrease in sundry debtors	70,00,523	(45,98,639)
(Increase) / decrease in loans and advances and other current assets	8,76,587	(17,02,875)
Increase / (decrease) in current liabilities and provisions	1,77,58,536	89,01,190
Cash generated from operations	1,04,09,594	1,45,88,356
Income taxes	(93,66,682)	(6,99,557)
Net cash from / (used in) operating activities	10,42,912	1,38,88,799
B. Cash flow from investing activities		
Purchase of fixed assets	(1,38,242)	(34,32,321)
Proceeds from sale of fixed assets	4,50,144	-
Sale / (purchase) of investments, net	-	-
Interest received	53,07,001	50,89,994
Dividends received	-	-
Net cash from/ (used in) investing activities	56,18,903	16,57,673
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	-
Repayment of long term borrowings	(25,000)	(30,000)
Issue of Shares/ (Buy Back)	(3,44,65,864)	-
Secured loans from banks and financial institutions, net	-	-
Inter-corporate deposit received	-	-
Dividend Paid	-	-
Interest paid	-	-
Net cash from / (used in) financing activities	(3,44,90,864)	(30,000)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,78,29,049)	1,55,16,472
Cash and cash equivalents at the beginning of the year	9,85,23,286	8,30,06,813
Cash and cash equivalents at the end of the year	7,06,94,236	9,85,23,285
Cash and cash equivalents comprise of:		
31 March 2019		31 March 2018
7,06,94,236		9,85,23,285
-		-
7,06,94,236		9,85,23,285



Cash and bank balance (refer schedule XIV)
 Balance sheet
 NO. 221 675

RESONANCE LABORATORIES PRIVATE LIMITED

Note - I : - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019.

1. Significant accounting policies

a) Basis of preparation:

The accounts are prepared on principles governing going concern basis with revenues / expenses recognised and accounted on their accrual.

b) Revenue recognition:

Revenue from Sales is accounted on Mercantile system on despatch of goods from the factory or consignment agent.

Interest Income accrued and disclosed is subject to adjustments, if any at the time of final receipt.

c) Fixed assets:

Fixed Assets: Fixed Assets have been stated at cost of acquisition (net of Cenvat) inclusive of freight, duties, taxes and incidental expenses relating to acquisition, installation, erection and commissioning less depreciation.

d) Depreciation:

Depreciation: Depreciation has been charged to the accounts under Written Down Value Method, by applying the rates stipulated in Appendix I (Rule 5) of the Income Tax Rules 1962 (Prorata on additions).

e) Inventories:

Inventories are valued at lower of cost or net realisable value as certified by the management.

g) Foreign currency transactions:

In the case of Export realisations, proceeds are accounted at the exchange rate prevailing at the time of billing. Gain/loss arising out of the fluctuations in the exchange rate on export realisations are recognised in the profit and loss account for the period in which they arise.

Expenditure in foreign currency is accounted at the exchange rate prevailing at the time of expenditure or the actual rate paid.

Balances in current asset (EEFC Account) and current liability has been reinstated at the rate prevailing at the end of the year. Gain / Loss arising out of fluctuation is absorbed in profit and loss account

h) Sales:

Sales stated is net of Excise duty and Sales tax and in respect of Export Sales the total invoice value is treated as turnover.

i) Retirement Benefits:

Provident Fund is accounted on actual liability basis in accordance with the rules of the relevant Statute.

The Company's Liability towards Gratuity is covered by appropriate scheme with Life Insurance Corporation of India. The Gratuity provision/prepayment is created based on the actuarial valuation report and as per the guidelines prescribed in AS-15 - Accounting for Employee Benefits.



j) Research and Development:

The revenue expenditure in carrying out Research and Development activity is charged to Profit and Loss Account of the Year in which it is incurred. Capital expenditure in respect of Research and Development activity is capitalised as Fixed Assets and Depreciation is provided as detailed above.

Details of Research and Development Expenses

1. Revenue Expenditure - Rs. 1,45,868.00
2. Capital Expenditure - Rs. NIL
3. Salary of R&D Personnel - Rs.32,98,299.00

k) Investment:

Investment is stated at cost.

l) Cash Subsidy Reserve:

Cash Subsidy Reserve represents state Investment Subsidy received from relevant authorities.

m) Contingent Liability:

The Company has a disputed income tax demand in respect of which appeal is pending before the Supreme Court. Till the Judgement/resolution of this, the liability cannot be ascertained.

n) Tax Expenses :

Provision for Current Tax

Provision for current tax is as computed under the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised subject to consideration of prudence in respect of Deferred tax asset, on timing difference using tax rates and laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax asset / liability is attributable to following items:

Liability	AS ON 31.03.2019
Written Down Value of fixed assets as per books (Including value of WDV on R&D equipments)	3,26,92,294
Less: permanent differences-cost of R&D equipment	-
Add: Acc Dep on R&D equipment till date	-
Adjusted WDV as per Co's Act for Def tax liability	3,26,92,294
WDV as per IT Act	1,15,78,043
Timing difference between IT and Co's Act WDV on Fixed	2,11,14,251
Timing difference (asset)-43B	(1,69,14,387)
Timing difference (asset)-40	(4,33,500)
Net timing difference (Liability)	37,66,364
Carried forward losses - not considered	-
Net Deferred Tax Assets / (Liability)	37,66,364
Deferred Tax Asset as at 31-3-2019 at the rate enacted	(9,79,256)
OB of Deferred tax liability as at 01-Apr-2018	12,29,914

o) Related Party Disclosure

Sl No.	Name of the related parties	Description of Relationship
1	Dr. K. N. Subbaswami	Director / Key Management Personnel
2	Dr. Ushar Gore	Director / Key Management Personnel
3	Ramya S Kumbale	Director / Key Management Personnel



Details of Transactions

SI No.	Nature of Transactions	Subsidiary Company	Directors / Key Management Personnel
1	Remuneration and Incentive	-	65,62,800
2	Contribution towards Provident Fund	-	2,44,800

2. Information in respect of dues to Small Scale Industrial Undertakings (As certified by the Management).

- a) Total outstanding dues to SSI undertakings Rs. 36,39,243/- (Rs.19,40,133/-)
- b) Total outstanding dues to other than SSI undertakings Rs. 79,95,434/- (Rs.36,18,218/-).
- c) Names of Small Scale Industrial undertakings to whom amounts were due for more than 30 days as on the Balance Sheet date - NIL.

3. Details of Turnover:

	Quantity (Kgs)	Value (Rs.)
API's (Pharmaceutical Drugs)	1,857 (1,477)	7,18,42,328 (7,01,79,239)
Intermediates	4 (76)	44,29,000 (9,91,432)
Others	27,795 (22,204)	29,20,660 (1,45,81,097)

4. Details of Raw materials consumed

	Quantity (Kgs/Liters)	Value (Rs.)
Acids	11,610 -9,161	4,00,768 (2,60,287)
Chemicals	11,511 -13,735	76,83,351 (47,59,514)
Solvents	78,881 -6,360	61,49,401 (49,02,474)
Alkalies	4,127 -3,523	12,11,304 (43,71,757)

Details of Closing Stock of WIP

	Qty (Kgs)	Value (Rs.)
a) API's (Pharmaceutical Drugs)	351 (NIL)	Rs.65,65,306 (Rs.NIL)
b) Intermediates	976 (NIL)	Rs.1,11,15,000 (Rs.NIL)



5. Opening and Closing Stock of Finished Goods

a) Opening Stock

	<u>Qty (Kgs)</u>	<u>Value (Rs.)</u>
API's (Pharmaceutical Drugs)	NIL (51)	NIL (10,54,350)

b) Closing Stock

	<u>Qty (Kgs)</u>	<u>Value (Rs.)</u>
API's (Pharmaceutical Drugs)	NIL (NIL)	NIL (NIL)

6. a) Licensed capacity: Not Applicable

b) Installed capacity: Not Ascertainable - Depends on Work Load

c) Actual Production

	<u>Qty (Kgs)</u>
API's (Pharmaceutical Drugs)	1,857 -1,475
Intermediates	4 (76)

7. Value of imports calculated on a CIF basis : Rs.21,65,720
Raw Materials (Rs.NIL)8. Expenditure in Foreign Currency :a) In respect of Foreign Travel Rs.2,44,837
(Rs.7,94,638)9. Earnings in Foreign Exchange :Export of Goods (On FOB basis)Direct Rs.3,80,43,196
(Rs.1,74,97,065)Freight Rs.4,21,682
(Rs.2,65,659)

- | | | |
|-------|--|------------------------------------|
| (10) | a) Value of all indigenous raw materials consumed during the year | Rs.1,32,79,104
(Rs.1,42,94,032) |
| | b) Value of all imported raw materials, spare parts and components consumed during the year | Rs.21,65,720
(Rs.NIL) |
| | c) Percentage of indigenous materials consumed on the total material consumed | : 86%
(100%) |
| (11.) | <u>Remuneration to Directors:</u> | |
| | Remuneration / Incentive | Rs.65,62,800
(Rs.77,40,000) |
| | Contribution to Provident Fund | Rs.2,44,800
(Rs.2,44,800) |
| (12.) | The Company follows Exclusive method of accounting for GST etc, with regard to its inventories, purchases and consumption. This is in accordance with the Accounting Standard (AS) 2 "Valuation of Inventories" issued by the Institute of Chartered Accountants of India. | |
| (13.) | Figures for the previous period have been regrouped wherever necessary to conform to the presentation in the current year. Figures in brackets relate to the previous year. | |
| (14.) | The other details required to be furnished under Schedule III of the Companies Act, 2013 are either NIL or Not Applicable for the year under review. | |

For Sunil Swamy & Co.
Chartered Accountant
Firm Reg. No : 0131285

For and On behalf of the Board

SUNIL R SWAMY
Proprietor
Membership No. 221875

K N SUBBASWAMI
Director
DIN: 01358207

TUSHAR B GORE
Director
DIN: 02536575



Resonance Laboratories Pvt. Ltd.

Notes to and forming part of Balance Sheet as at 31-Mar-2019

2. Share Capital

2.1 Authorized, Issued, Subscribed and Paidup share capital

Particulars	as at 31-Mar-2019		as at 31-Mar-2018		In ₹ (Rupees)
	Number of Shares	Amount	Number of Shares	Amount	
Authorised Share Capital					
Equity Shares of ₹ 100.00 each	25,000	25,00,000	25,000	25,00,000	
Total	25,000	25,00,000	25,000	25,00,000	
Issued Share Capital					
Equity Shares of ₹ 100.00 each	23,184	23,18,400	25,000	25,00,000	
Total	23,184	23,18,400	25,000	25,00,000	
Subscribed and fully paid					
Equity Shares of ₹ 100.00 each	23,184	23,18,400	25,000	25,00,000	
Total	23,184	23,18,400	25,000	25,00,000	
	Total	23,184	23,18,400	25,000	25,00,000

2.2 Reconciliation of share capital

Particulars	as at 31-Mar-2019		as at 31-Mar-2018	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value ₹ 100.00)				
Shares outstanding at the beginning of the year	25,000	25,00,000	25,000	25,00,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-1,816	-1,81,600	-	-
Shares outstanding at the end of the year	23,184	23,18,400	25,000	25,00,000

2.3 Shareholders holding more than 5% of Share

Particulars	as at 31-Mar-2019		as at 31-Mar-2018	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Dr.K N Subbaswami	23,183	99.99%	24,999	99.99%
Ramya S. Kumbale	1	00.01%	1	00.01%



Resonance Laboratories Pvt. Ltd.

3. Reserves and Surplus

Particulars	In ₹ (Rupees)	
	as at 31-Mar-2019	as at 31-Mar-2018
Capital Redemption Reserve	9,69,100	7,87,500
Opening balance	7,87,500	7,87,500
(+) Issues From Buy Back of Shares	1,81,600	-
Closing balance	9,69,100	7,87,500
Other Reserves	9,07,79,046	12,52,44,910
Opening balance	12,52,44,910	12,52,44,910
(-) Shares Brought Back for the Current Year	3,44,65,864	-
Closing balance	9,07,79,046	12,52,44,910
Surplus		
Opening Balance	1,56,01,893	25,87,827
(+) Net profit/(Net loss) for the Current Year	(81,63,835)	1,30,14,066
(-) Dividend paid	-	-
(-) Dividend Distribution Tax	-	-
(-) Prior Period Item	-	-
Closing balance	74,38,057	1,56,01,893
Total	9,91,86,203	14,16,34,303

4. Deferred Tax Liabilities (Net)

Particulars	In ₹ (Rupees)	
	as at 31-Mar-2019	as at 31-Mar-2018
Deferred Tax Liability	9,79,255	12,29,914
Total	9,79,255	12,29,914

5. Other Long-Term Liabilities

Particulars	In ₹ (Rupees)	
	as at 31-Mar-2019	as at 31-Mar-2018
Other Long-term Liabilities		
Provision for Gratuity	(6,78,906)	(6,20,707)
Tenament Deposit	1,10,000	1,35,000
Total	(5,68,906)	(4,85,707)

6. Trade Payables

Particulars	In ₹ (Rupees)	
	as at 31-Mar-2019	as at 31-Mar-2018
Others		
Advanced Calibration and validation Service Pvt Ltd	1,037	4,392
Ambika Pharmaceuticals & Chemical Industries	1,42,500	1,42,031
Agilent Technologies India Pvt. Ltd.	-	17,652
Akshaya Enterprises	-	9,052
Alok Profil	18,104	7,78,860
Amsal Chem Pvt. Ltd.	9,20,400	-
Anton Paar India Pvt. Ltd.	23,706	38,206
Bangalore Testing Laboratories Pvt. Ltd.	-	14,156
B.L.Enterprises	15,818	61,915
Bhavani Fabs	-	97,350
Canton Laboratories Pvt. Ltd.	15,753	20,77,572
Chemi Trade Corporation	20,77,572	9,90,329
Chromachemie Laboratory Pvt. Ltd.	76,262	-
Chromatography World	-	30,680
Emco Sales & Services	75,933	30,334
Essar Sensors	10,031	5,960
Evonik Catalysts India Pvt. Ltd.	2,36,000	-
G.Amamath	-	21,890
Hydro Chemtech Pvt. Ltd.	98,135	70,642
HBK Aqua Engineering Enterprise	-	5,838
Indian Industrials Supplies	-	3,174
Indian Oil Corporation	-827	32
Intech Organics Ltd.	1,15,050	-



Resonance Laboratories Pvt. Ltd.

Particulars	as at 31-Mar-2019	as at 31-Mar-2018
Jo Bland Enterprises		49,951
Kanakashree Water Supply	29,400	28,000
K&S Packaging Dynamics Pvt. Ltd.	18,089	20,693
Karnataka Chemical Industries	4,27,783	1,32,802
Labsupplies India Pvt. Ltd.	1,48,363	1,78,076
LCCG Bio Analytic Solutions LLP	35,511	31,654
LCCG Chrom Consumables LLP	68,497	1,22,535
Madhu Enterprises	66,987	-
Madhu Hardware	25,199	73,491
Maharashtra Chemicals Products	4,130	-
Mathru Softs	8,737	9,412
Nilkhil Enterprises	-	1,001
Mayura Bakery & Sweets	8,480	7,252
Mayura Printers & Publishers	-	7,840
Mehul Filter Aid	5,357	2,143
Micronova Helios Networking Solutions Pvt. Ltd.	-	103
Merck Life Science Pvt. Ltd.	8,337	-
Mika Enterprise Ltd.	-	54,822
Mitraa & Co.	-	1,55,948
MHK Auto Electricals	33,500	-
M.K.Rauiah & Sons	-	16,614
N F Industrial Corporation	42,660	28,006
Nature Drops Watersys LLP	-	4,522
Neo Engineering Works	-	9,980
PerkinElmer (India) Pvt. Ltd.	20,650	-
POM Systems & Services Pvt. Ltd.	-	29,141
Power Care	23,078	8,863
Power-One Micro Systems (P) Ltd.	6,430	6,430
Prashanth Engineering Works	-	1,950
Praxair India Pvt. Ltd.	3,333	10,510
Quest International	-	26,597
R.G Engineering Services	-	2,832
R.R. Industries	46,012	42,626
Royal Corporate Comforts	24,167	24,226
Sachin Industries Ltd.	-	6,23,040
Sai Scientific Industries	11,167	94,788
Scitext Solutions	-	1,593
Shriram Institute of Industrial Research	-	13,381
ShilpaChemspe International Pvt. Ltd.	2,13,462	1,46,556
Shree Graphics	-	18,550
Shreya Enterprises	19,792	43,592
SKScientific Works	-	18,500
S.L.N Tractors Services & Civil Work	46,035	19,600
S.M.B Trading Corporation	31,500	-
Solvchem	84,960	15,281
Spincotech Pvt Ltd	52,038	52,038
Sri Chinnidarshan Electrical Rewinding & Engineering	4,000	-
Sri Ganesh Chemicals	7,930	-
Sri Lakshmi Darshini	87,558	78,976
Srinidhi Scientific Company	2,37,983	14,014
Sri Sakthi Creations	25,787	58,355
Synercare	9,770	-
Suman Enterprises	10,879	2,526
Sri Vinayaka Gas Agencies	53,365	23,541
Suneeta Chemicals	21,240	-
Staynet	60,240	68,362
Survival Technologies Pvt. Ltd.	4,62,855	-
Suparna Chemicals Ltd.	8,26,000	6,02,508
The Right Way Enterprises	13,566	-
Urni Chemicals	99,828	87,792
Usha Armour Pvt. Ltd.	-	(2)
Vikas Engineers	2,950	-
Varma Engineering Works	-	1,40,420
Total	75,63,075	55,09,948



7. Other Current Liabilities

Particulars	as at 31-Mar-2019	In ₹ (Rupees) as at 31-Mar-2018
Other Payables		
ACE Exim Concepts	1,12,394	39,090
Ashanka	3,542	1,07,854
Auriga Research Ltd.	5,755	992
Bangalore Telephone - DBP	5,262	-
Bangalore Telephone - Staff	1,640	1,007
Bharath High Vacuum Pumps	-	33,630
Bharati Airtel Ltd.	-	1,619
Blue Dart Express Ltd	14,480	20,419
Delicate Lifesciences Pvt. Ltd.	4,012	-
General Engineering Consortium	-	42,244
Raj Cotton Waste Supplier	-	-
Canon India Pvt. Ltd	5,176	10,913
Century Refineries Pvt. Ltd.	29,602	28,591
Caliber Instruments & Engineering Services	-	-
Pushpak Logistics	62,068	64,261
DHL Express (India) Pvt. Ltd.	-	726
Deepa Polyclinic & Lab	1,00,800	1,17,900
Audit Fees Payable	4,45,000	-
EDLI Admin @ 0.005%	200	200
Employee's Contribution to ESI	11,577	10,255
Emoluments to employees payable	1,69,14,387	44,00,000
Employee's Contribution to PF	97,451	89,806
ESI Employer's Contribution Payable	31,375	27,781
Ideal Communications Services	2,317	2,317
Green Enviro Systems	-	27,753
Jyothi Fabricare Services Ltd.	-	1,388
Karvy Fintech Pvt. Ltd.	20,060	-
K. Dushyantha & Associate	1,03,590	26,388
Megana Enterprise	2,48,035	61,967
Merieux NutriScience Bangalore Pvt. Ltd.	33,718	-
KPTCL (Doddaballapur)	4,46,346	2,88,404
Online News Media Pvt. Ltd.	-	2,666
Pai & Pai Chemicals (I) Pvt. Ltd.	1,07,399	1,35,752
PF Admin Charges @1.10%	8,933	8,233
PF Employer's Contribution Payable	97,451	89,806
PF - Voluntary Contribution	24,100	24,100
Profession Tax	7,400	7,200
Professional ChargesPayable	10,25,000	-
R. Krishna	1,08,000	54,000
Saxon International Associates	12,39,374	-
Shree Ganesh Chemicals	-	(3,068)
Shri Renukambal Agencies	99,075	65,414
Sign Pharma Trade Services Pvt. Ltd.	2,70,810	3,46,839
Sneha Test House	25,863	3,496
Sti Hanuman Agencies	1,275	2,840
Sunil Swamy & Co.	-	5,07,150
TDS on Commission Charges Payable	-	8,998
TDS on Contractors Payable	12,276	13,746
TDS On Professional Charges Payable	42,687	77,001
TDS on Salary/ Remuneration Payable	36,26,459	8,00,173
Input CGST	25,173	(23,436)
Input SGST	25,173	(13,519)
Input IGST	36,993	(1,735)
Output CGST9%	-	36,745
Output IGST	-	3,00,674
Output SGST9%	-	36,745
RCM CGST	49,321	-
RCM IGST	161	-
RCM SGST	49,321	-
GST PAYABLE	(4,79,096)	-
TOTAL PAYABLE	2,50,93,929	78,85,325



8 . Short-Term Provisions

Particulars	In ₹ (Rupees)	
	as at 31-Mar-2019	as at 31-Mar-2018
Others		
Provision for Income Tax	21,91,400	21,91,400
Total	21,91,400	21,91,400

11 . Long Term Loans & Advances

Particulars	In ₹ (Rupees)	
	as at 31-Mar-2019	as at 31-Mar-2018
Security Deposits		
Unsecured, considered good		
Deposit - Cylinder / Gas	18,000	18,000
Deposit for Cylinder - Intech Pharma Pvt. Ltd.	35,000	35,000
Deposit - KEB	9,60,419	9,60,419
Deposit - Security	1,500	1,500
Deposit - Telephones	42,405	42,405
Deposit with Green Enviro Systems	10,000	10,000
Deposit with Indian Oil Corporation Ltd.	50,000	50,000
Deposit with Pai & Pai Chemicals (I) Pvt. Ltd.	25,000	25,000
Deposit with Praxair India Pvt. Ltd.	36,000	36,000
Deposit with Remky Enviro Engineers Ltd.	10,000	10,000
	11,88,324	11,88,324
Prepaid Expenses		
Unsecured, considered good		
Prepaid Insurance charges	2,91,650	2,83,627
Advance Income Tax (net of provisions)		
Unsecured, considered good		
Advance of FBT - 2007-08	1,97,996	1,97,996
Advance of FBT - 2008-09	49,877	49,877
Advance Tax - 2007-08	69,992	69,991
Advance Tax - 2017-18	20,00,000	20,00,000
MAT Credit Entitlement A/c.	7,56,337	21,36,157
Income Tax Refund FY 17-18	-	-
TDS Receivables	10,38,842	5,08,100
	41,13,044	49,62,121
Other loans and advances		
Unsecured, considered good		
Eurofine Chemicals	-	2,893
Hem Corporation	-	6,120
Accusol Chemicals & Engineering India Pvt. Ltd.	-	23,020
RLPL Emp Gratuity Trust	7,000	7,000
	7,000	37,033
Total	56,00,018	64,71,105



Resonance Laboratories Pvt. Ltd.

In ₹ (Rupees)

9. Fixed Assets Schedule

Particulars	Gross Block			Depreciation and Amortization			Net Block
	Opening Balance 01.04.2018	Additions	Deductions / Retirement	Closing Balance 31.03.2019	Opening Balance 01.04.2018	Depreciation charge	Closing Balance 31.03.2019
Buildings	4,09,59,687	-	-	4,09,59,687	3,14,56,314	6,70,866	3,23,27,140
Plant and Equipment	8,46,55,842	97,500	-	8,47,53,342	6,64,02,923	25,63,967	6,89,56,390
Furniture and Fixtures	24,22,314	-	-	24,23,314	16,81,034	1,22,739	5,62,290
Land	71,05,375	-	-	71,05,375	-	-	71,05,375
Computer & Accessories	4,06,241	-	-	4,06,241	2,81,980	74,908	3,56,486
Vehicles	14,36,862	40,742	14,36,862	40,742	12,31,362	63,086	12,94,448
Office Equipment	93,15,350	-	-	93,15,350	84,69,346	2,07,767	86,77,113
Total	14,63,02,621	1,36,242	14,36,862	14,50,04,061	10,97,02,559	39,03,333	11,36,05,892
Previous Year	14,26,70,300	34,32,921	-	14,63,02,621	10,54,79,094	42,23,465	10,97,02,559



Resonance Laboratories Pvt. Ltd.

Particulars	Balance 2016-19	Name of the Body Corporate /IV / Controlled Entity / Others	Subsidiary / Associate /IV / Controlled Entity / Others	Face Value	No. of Shares / Units 2015-19	Quoted/ Unquoted	Partly Paid / Fully Paid	Extent of Holding % 2016-19	Whether Stated at Cost Yes / No		Valued other than cost, Item specify Basis of Valuation
									2017-18	Yes / No	
Other Investments											
Investments in Equity Instruments											
Resonance Labs Inc											
Unquoted Non Trade Govt Securities											
Total	5,500										
	5,500										



Resonance Laboratories Pvt. Ltd.

12 . Inventories		In ₹ (Rupees)	
Particulars		as at 31-Mar-2019	as at 31-Mar-2018
Stock-in-trade		2,08,01,376	48,89,250
Total		2,08,01,376	48,89,250

13 . Trade Receivables		In ₹ (Rupees)	
Particulars		as at 31-Mar-2019	as at 31-Mar-2018
Outstanding for less than 6 months from the due date			
Unsecured, considered good			20,18,350
Abbot Healthcare Pvt. Ltd.		-	
Arii Pharmaceuticals		20,08,900	
Afrab Chem Ltd.		-	19,24,500
Banashankari Chemicals Pvt Ltd		-	44,071
Business International Opportunity		-	(1,35,200)
Gomati Resins & Polymers Pvt. Ltd.		45,143	-
Cooper Pharma Ltd		-	1,29,079
Exir pharmaceutical Co.		-	17,55,650
Iran Daru & Co.		36,88,750	-
Ideal Chemical Works		-	(2,764)
Savi Pharma		10,04,451	12,09,618
Pravinchandra & Co.		-	46,49,426
Sayora Pharma Pvt. Ltd.		2,28,191	4,67,958
Sparsha Pharma International Pvt. Ltd.		-	19,15,270
Total		69,75,435	1,39,75,958

14 . Cash and Cash Equivalents		In ₹ (Rupees)	
Particulars		as at 31-Mar-2019	as at 31-Mar-2018
Balances with banks		7,06,86,591	9,85,13,380
Earmarked Balances		2,52,05,679	1,61,26,490
Bank deposits with more than 12 months maturity		4,54,80,912	8,23,86,890
Cash on hand		7,645	9,906
Total		7,06,94,236	9,85,23,286



Resonance Laboratories Pvt. Ltd.

Notes to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2019

15 . Revenue from Operations

In ₹ (Rupees)

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Sale of Products		
Consignment Sales	-	25,79,550
CST Sales	-	44,46,266
CST Sales - 100% EOU	-	80,000
CST Sales - Full Tax	-	-
Deemed Exports	50,880	27,50,000
Direct Export	(20,19,374)	34,25,878
KST Sales	-	29,720
GST EXPORT	3,94,46,421	1,43,87,901
GST Local 18%	21,68,822	1,16,177
Gst Sale @18%	3,69,93,427	5,90,28,141
Total	7,66,40,176	8,68,43,633

16 . Other income

In ₹ (Rupees)

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Other Non-Operating Income		
Duty Draw Back	2,91,348	2,20,267
Interest Accured	-	52,911
Interest Earned on SBI	52,62,825	50,89,994
Interest Received	44,176	51,650
Net Gain on foreign currency transaction	10,71,016	-20,464
Profit From Sale of Motor Vehicles	3,07,446	-
Total	69,76,811	53,94,358

17 . Cost of Materials Consumed

In ₹ (Rupees)

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Purchase of Raw Materials		
Opening Stock	24,63,966	32,72,629
Add:		
Carriage Inward	8,83,979	7,52,588
Customs Duty	1,71,903	11,702
Packing Materials	1,39,340	1,98,606
Raw Material - Import	21,65,720	-
Raw Material - Interstate	1,14,83,820	66,35,053
Raw Material - Local	80,53,261	58,16,173
	2,28,98,024	1,34,85,369
Less: Closing Stock	31,21,071	24,63,966
Total	2,22,40,919	1,42,94,032



Resonance Laboratories Pvt. Ltd.

Notes to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2019

18. Changes in Inventories

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Stock-in-Trade		
Opening Balance	24,25,283	36,25,140
Less : Closing Balance	1,76,80,305	24,25,283
Total	(1,52,55,022)	11,99,857

19. Employee Benefit Expenses

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Salaries and Wages		
Basic Salary	75,15,571	77,30,066
Salary & Wages	15,894	29,64,000
Bonus/ Ex-Gratia	49,44,724	15,37,188
Conveyance Allowance	20,29,467	19,62,232
Dearness Allowance	22,37,238	20,96,083
Education Allowance	5,91,500	6,62,000
Emoluments to employees	1,69,14,387	44,00,000
House Rent Allowance	14,50,057	16,42,793
Housing Allowance	5,27,600	5,03,200
Leave Encashment	3,33,802	4,35,695
LTA	6,04,602	5,79,060
Other Allowance	48,77,814	60,39,347
Shoe Allowance	21,000	24,000
Vehicle Allowance	2,72,400	4,07,598
Washing Allowance	14,48,110	13,38,566
Concessional Transport charges	-	(52,250)
	4,37,84,166	3,22,69,578
Contribution to Provident Fund and Other Funds		
Employer's EPF @ 3.67%	5,01,090	4,99,031
Employer's ESI @ 4.75%	3,65,789	3,39,176
Employer EPS @ 8.33%	5,79,642	5,92,075
Employers Contribution to LWF	2,320	2,400
Employers EPF @ 12%	72,000	72,000
Gratuity	5,22,935	7,37,051
	20,43,776	22,41,733
Staff Welfare Expenses		
Employees Picnic	-	95,000
Labour Welfare	19,89,948	19,52,159
Awards	-	42,000
Pooja Expenses	1,48,455	1,33,801
Staff Welfare	7,40,631	7,71,661
Welfare- Food & Beverages	13,07,649	10,44,911
	41,86,683	40,39,532
Total	5,00,14,625	3,17,19,654

20. Finance Costs

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Bank Charge	82,818	1,78,781
Total	82,818	1,78,781



Resonance Laboratories Pvt. Ltd.

Notes to and forming part of Statement of Profit and Loss for the year ended 31-Mar-2019

21 . Other Expenses

In ₹ (Rupees)

Particulars	1-Apr-2018 to 31-Mar-2019	1-Apr-2017 to 31-Mar-2018
Payment to Auditors	4,20,000	4,20,000
Consumption of stores	7,75,643	8,82,962
Power and fuel	55,71,949	50,05,057
Repairs to buildings	4,30,739	3,73,598
Repairs to machinery	31,88,977	36,86,545
Repairs - Others	14,23,974	13,26,586
Other Administration Expenses		
Advertisement	19,048	20,000
Books & Periodicals	-	1,250
Carriage Outwards	6,59,540	3,98,144
Commission Charges	11,41,132	17,34,388
Computer Consumables	45,056	1,70,172
Consultancy Charges	15,24,374	22,16,168
Conveyance	3,97,214	3,59,669
Donation	-	3,000
Entry Tax	-	20,832
Interest	-	31,062
Insurance Charges	5,38,426	4,70,870
Membership & Subscription	1,35,906	53,800
PF Admin Expenses	1,08,074	1,09,045
Poetage, Telegraph & Courier	1,01,922	1,50,012
Printing & Stationery	4,04,574	4,39,809
Processing Charges	1,01,790	37,170
Professional Charges	16,05,718	4,36,170
Rates & Taxes	4,06,430	8,95,872
R&D Expenses		
R & D Expenses	1,45,868	4,27,355
Service Tax	-	1,19,767
Telephone & Communication	4,42,880	4,16,429
Testing Charges	4,18,207	6,78,483
Testing Materials	10,66,739	4,30,769
Training Expenses	7,000	14,664
Travelling Expenses - Local	82,609	2,53,226
Travelling Expenses - Overseas	2,44,837	7,94,638
Vehicle Maintenance	2,51,665	2,04,557
Write Off	17,835	(55)
Total	2,16,78,126	2,25,82,070

