



A Veterinary Medicine company



*Creating  
Innovations  
to  
Improve  
Animal  
Health*

---

ANNUAL REPORT 2017–18

---



# CONTENTS

1	Chairman Speech
4	Corporate Information
5	AGM Notice
11	Directors Report
27	Management Discussion and Analysis
34	Corporate Governance Report
50	Independent Auditors Report
53	Financial Statement

---

## About Lasa

**Lasa Supergenerics Limited** ('Lasa') is a vertically integrated group spanning the entire veterinary, animal and human healthcare value chain-from discovery-to-delivery, with established credentials in research, manufacturing and global marketing.

Lasa group is a veterinary API manufacturing entity, which was acquired in April 2012.

The manufacturing base of Lasa group is located at Mahad, in the Konkan region of Maharashtra. It specialises in 'catalyst chemistry' and manufactures anthelmintic / veterinary API products with the largest production capabilities and product categories in India.

To efficiently control the supply chain, the group backward integrated its key molecules - from discovery research up to full-scale bulk production.

Lasa group's marketing footprint is entrenched across developing markets in multiple countries. Similarly, the group expects to augment its export footprint significantly in width and depth in the future. The group has alliances with leading Indian and global animal health care conglomerates, and uses Good Manufacturing Practice (GMP) and world-class technologies in its operations. Lasa group is managed by a consortium of technocrats, including its Chairman and Managing Director Dr.Omkar P. Herlekar who are impelled by passion and propelled by niche innovation. Our leadership team, which is guided by these values, is well positioned to lead the group into the future

Looking ahead, Lasa group is determined to achieve its goal of becoming a leading force in the niche animal health care solutions. The objective on which the group was founded have always inspired sustainable growth through innovation in the last years, and shall continue to do so in times to come.

# Our Journey So Far...



Lasa was acquired in April'12 as a 100% subsidiary by Omkar speciality chemicals limited





### A KEEN DISCIPLE OF 'INNOVATION'

- Dr.Omkar P. Herlekar has single -mindedly steered Lasa in becoming the first true animal healthcare group
- His visionary and astute leadership and hands -on experience in catalyst and synthesis has resulted in Lasa emerging as a leading veterinary API conglomerate in India.

### OUTSTANDING ACADEMIC BACKGROUND

- Phd & Multiple graduation degrees from reputed universities, Holds number of process patents to his credit.

### HALLMARK

- He strongly advocates that the only way towards fast growth is to be 'Customer Focussed.
- His signature style of open culture, participative management practices, innovation, continuous improvement, speedy response, social empowerment and pro -employment policies are his hallmarks.

#### Chairman Speech

Dear Fellow Shareholders,

It gives me great pleasure to share with you the highlights of our Company's performance for the financial year ended March 31, 2018.

Our Company has continued to live up to the dedication and commitment towards servicing the veterinary API market. The Company is confident to grow, with growth driven economy across the globe, customer strengthening and huge opportunity lying within Veterinary.

Our ability to offer a wide range of product portfolio and the right product mix through our in-house expertise of catalyst chemistry has made the Company a preferred choice with many clients. Our teams have been constantly engaging in developing new molecules at our R&D facility.

At Lasa Supergenerics, creating value for all stakeholders, including our shareholders has been a defining element of our identity.

Since the demerger of Lasa Supergenerics Ltd., the Company has delivered good performance which a very few Veterinary API manufacturing Indian companies have achieved. The consistency of our performance is the outcome of a fully backward integrated process model, wherein multiple parameters and metrics work in tandem with financial and operating performance to realize sustainable growth for the long-term. The performance is underpinned by accurate know-how of molecules, catalyst chemistry, a values-driven culture, efficient capital allocation, strong corporate governance and an entrepreneurial spirit.

We are in a state of continuous evolution through a strong drive for improvement, while remaining focussed on quality, compliance, talent development, and effective risk management. Our untarnished track record and veracity in dealing with clients are key factors that inspire multiple global collaborations with reputed associates, across our businesses.

Today, the Company has emerged as:

- Amongst leading API manufacturing players to operate on completely backward integrated though catalyst chemistry
- Positioned strongly in the overall Veterinary API markets globally
- Among very few Indian companies with specialized R&D facility and a dedicated team who has a strong knowledge and experience in catalyst chemistry

The focus of the Company will continue to deliver value to our customers; to backward integrate; innovate with new molecules, which will ultimately lead to maximization of shareholder value & return.

Today India is amongst one of the fastest growing major economies in the world but growth was muted on account of various factors like policy reform setbacks, stress in Indian banking industry and lack of private sector investments amongst others. This affected growth and profitability of companies across sectors.

Seeing the trend continue, we have concentrated our efforts on bringing in efficiencies through backward integration, catalyst chemistry enhancement, product development, cost optimization and technology enhancement.

We are confident that in the coming years, along with the growth in domestic consumption & growth in economy, we will not only capture market share but also grow across India.

#### **FUTURE PLANS**

With the Government's focus on growth of manufacturing in India and GST is in place. Globally, healthcare spending in terms of percentage to the GDP is rising. The increasing cost of bringing drugs and devices to the market and greater regulatory scrutiny are ensuing an increased demand for high-quality information and analytical support.

The global pharmaceutical market recorded yet another year of significance and the market is likely to expand many folds to us \$ 1.4 trillion by 2020.

During the year, we started increasingly delivering our products and services in more efficient manner and we focus on continue doing the same in the coming years.

Going forward, we will continue to focus on our existing businesses. We also plan to launch some new molecules of API, with new product development in the coming year. We continue to build our capacities for future growth.

Human capital remains the core of our success and we have continued and will continue to invest considerable efforts in this direction not only at higher level, but till ground level. Employee engagement is the main pillar of our growth strategy. I believe that our existing talent pool will enable us to outperform our peers and meet our obligations as an organization to all our stakeholders.

I thank you all for your immense support and continued confidence in the management of our Company. I also like to thank all our stakeholders – customers, employees, partners, shareholders, business associates and society at large, for their faith in us.

Thank You.



# Board of Directors & Leadership Team



**DR. OMKAR HERLEKAR**  
Chairman & Managing Director



**MR. SHIVANAND HEGDE**  
Whole-time Director



**MR. MITHUN JADHAV**  
Whole-time Director



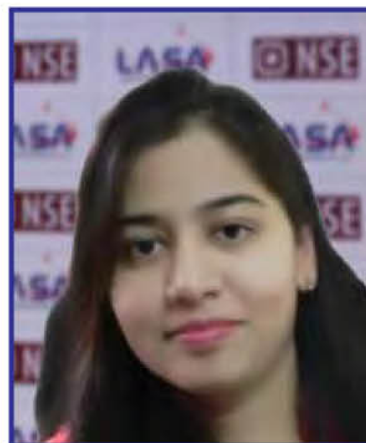
**MR. HARDESH TOLANI**  
Independent Director



**MR. AJAY SUKHWANI**  
Independent Director



**MR. HITESH WADHWANI**  
VP-Legal



**MS. EKTA GURNASINGHANI**  
Independent Director



**MS. MANALI BHAGTANI**  
Independent Director



**MRS. NIDHI KULSHRESTHA**  
Company Secretary

## CORPORATE INFORMATION

### KEY MANAGERIAL PERSONNEL

<b>CHAIRMAN &amp; MANAGING DIRECTOR</b> Dr. Omkar Pravin Herlekar	<b>CHIEF FINANCIAL OFFICER</b> Mr. Minesh Bhosle ! Mr. Ravi Shankar Kabra %
<b>WHOLE TIME DIRECTOR</b> Mr. Shivanand G. Hedge Mr. Sumant M. Kharasambale * Mr. Vishnu Gupta \$ Mr. Mithun Jadhav %	<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER:</b> CS Nidhi Kulshrestha # CS Hitesh Wadhvani *
<b>INDEPENDENT DIRECTORS</b> Mr. Hardesh Tolani Mr. Ajay Sukhwani Ms. Ekta Gurnasinghani Ms. Manali Bhagtani	#Appointed w.e.f. June 16, 2018 *Resigned w.e.f. June 16, 2018 \$ Non-ratification by shareholders w.e.f. May 15, 2018 !Resigned w.e.f. January 31, 2018 % Appointed w.e.f. August 13, 2018

### COMMITTEES OF BOARD OF DIRECTORS

Sr. no.	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
1)	Mr. Hardesh Tolani (Chair Person)	Mr. Hardesh Tolani (Chair Person)	Mr. Ajay Sukhwani (Chair Person)	Mr. Ajay Sukhwani (Chair Person)
2)	Ms. Ekta Gurnasinghani (Member)	Ms. Ekta Gurnasinghani (Member)	Mr. Mithun Jadhav (Member) (w.e.f. 13.08.2018)	Mr. Mithun Jadhav (Member) (w.e.f. 13.08.2018)
3)	Dr. Omkar Herlekar (Member)	Mr. Ajay Sukhwani (Member)	Mr. Shivanand Hegde (Member)	Dr. Omkar Herlekar (Member)
4)	--	--	--	Ms. Manali Bhagtani (Member) (w.e.f. 13.08.2018)

### OTHER INFORMATION

Statutory Auditors	Cost Auditors	Secretarial Auditors	Internal Auditors
M/S Thanawala & Co, Chartered Accountants. 505, Abhay Steel House, 5th floor, 22-Baroda Street, Iron Market, Mumbai-400 009	M/s N. Ritesh & Associates, Cost Accountants 602, 6th Floor, Silver Matru Prabha, Cama lane, Kiroli Road, Ghatkopar (W), Mumbai-400 086	M/s Shivam Sharma Address:- 90, 1st Floor, Building No.12, Shree Niwas Sadam, Old MHB Colony, Gorai Road, Borivali (W), Mumbai – 91. Email id: csshivam02@gmail.com	M/s CVSM 202-A, Town Centre 1,Opp. Times Square, Andheri – Kurla Road, Marol, Andheri (E), Mumbai – 400059 022 4970 0425

Corporate Identification Number (CIN)	Office Address	Registrar & Share Transfer Agent	Bankers
L24233MH2016PLC274202	<b>Registered Office</b> C-105, MIDC, Mahad, Dist. Raigad, Mahad-402 309 Tel No. +91(02145) 232101, 232202 <b>Corporate Office</b> B-207, Citi Point, Nr. Kohinoor Continental, Andheri (East), Mumbai-59 Tel No. +91(022)4970 1092 L24233MH2016PLC274202	M/s. Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai - 400 059. Tel: 022 62638200 Fax : 022 62638299 Website: www.bigshareonline.com	Axis Bank Limited Bank of Baroda IDBI Bank

### CONTACT DETAILS

Tel No. +91 – 022 – 49701092  
 E-mail: investor@lasalabs.com

### WEBSITE

www.lasalabs.com

## **NOTICE OF THIRD ANNUAL GENERAL MEETING**

Notice is hereby given that the third Annual General Meeting of the members of Lasa Supergenerics Limited will be held on Tuesday, September 25, 2018 at 09:00 am (IST) at the Registered Office of the Company to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Annual Financial Statements of the Company for the financial year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shivanand Hegde, (DIN: 00185508), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Thanawala & Co. as a Statutory Auditor of the Company for a period of five years.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of section 139 of Companies Act, 2013 and other applicable provisions, if any, for the time being in force M/s Thanawala & Co. (Firm Registration No. 110948W), Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Eighth Annual General Meeting to be held in the calendar year 2023 on such remuneration as agreed upon by the Board of Directors."

### **SPECIAL BUSINESS**

4. Appointment of Mr. Mithun Mohan Jadhav (DIN 08181048) as Whole-Time Director of the Company, for a period of five years.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mithun Mohan Jadhav (DIN : 08181048), who was appointed as an Additional Director of the Company with effect from August 13, 2018 pursuant to Section 161 of the Act and Article 132 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company and that his period of office be liable for retirement of Directors by rotation.

**RESOLVED FURTHER THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such sanctions, as may be necessary, approval of the members of the Company be and is hereby accorded for the appointment of Mr. Mithun Mohan Jadhav as a Whole-time Director of the Company, for a period of 5 (five) years with effect from August 13, 2018 on such terms and conditions including remuneration as set out in his appointment letter.

**RESOLVED FURTHER THAT** pursuant to Section 2(n) and all other applicable provisions of the Factories Act, 1948 Mr. Mithun Jadhav be and is hereby appointed as a Occupier of all the Factories / Units belongs to the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board) be and is hereby authorised to alter and/ or vary the terms and conditions of the said appointment including remuneration payable to Mr. Mithun Mohan Jadhav within the overall limits specified under Sections 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** where in any Financial Year during the tenure of Mr. Mithun Mohan Jadhav as Whole-Time Director, the Company incurs a loss or its profits are inadequate, the Company shall continue to pay to Mr. Mithun Mohan Jadhav, the remuneration, set out in the Explanatory Statement, by way of salary, perquisites, incentives and other allowances, as a "minimum remuneration" subject to the limits and conditions specified in Schedule V to the Companies Act, 2013 and rules made thereunder or such other limits as may be prescribed by the Central Government from time to time, and approval of members and/or Central Government required, if any.

**RESOLVED FURTHER THAT** the Board of Directors and / or Company Secretary of the company be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to the appointment of Mr. Mithun Mohan Jadhav as a Whole-time Director of the company as aforesaid."

5. **Increase in Authorised Share Capital of the Company.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 61 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approval of shareholders, the Authorised Share Capital of the Company of Rs. 35,00,00,000 (Rupees Thirty Five Crore) divided into 3,50,00,000 (Three Crore Fifty Lakh) equity shares of Rs. 10 (Rupees Ten) each be and is hereby increased to Rs. 50,00,00,000 (Rupees Fifty Crore) divided into 5,00,00,000 (Five Crore) equity shares of Rs. 10 (Rupees Ten) each ranking pari passu with the existing shares of the company."

6. **Alteration of Memorandum of Association by virtue of increasing of Authorised Capital of the Company**

To pass with or without modifications, the following resolutions as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, if any, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Clause V of Memorandum of Association of the Company be substituted with the following : Clause V The Authorised Share Capital of the Company is ₹ 50,00,00,000 (Rupees Fifty Crores only) divided into 5,00,00,000 (Five Crores) equity shares of ₹ 10/- each.



**FURTHER RESOLVED THAT** any Director or the Company Secretary of the Company be and is hereby severally authorised to file statutory application and other forms, remit fees and to do all such acts, deeds and things as may be necessary and incidental to give effect to the aforesaid Resolution"

## 7. Approval Of Cost Auditors Remuneration

To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2018 and in this regard, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s N. Ritesh & Associates., Practicing Cost Accountants, (Firm Registration No. 100675), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19, amounting to 1,20,300/- plus payment of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** any director and / or company secretary of the company be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to this resolution."

Place: Corporate Office  
B207, CITI Point,  
Andheri (East)-59  
Date: August 13, 2018

**By Order of the Board  
For Lasa Supergenerics Limited**

**Nidhi Kulshreshtha  
Company Secretary & Compliance Officer**

## NOTES:

1. The Explanatory Statement, for item nos. 4, 5, 6 and 7 pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of this notice. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, of persons seeking appointment / re-appointment as Directors under Item No. 2 & 4 of the Notice, are also annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A FORM OF PROXY IS ENCLOSED, AND IF INTENDED TO BE USED, SHOULD BE RETURNED TO THE COMPANY DULY COMPLETED NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AFORESAID MEETING.  
  
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Member/proxies shall bring the enclosed attendance slip duly filled in, for attending the meeting. All documents referred to in the notice and in the accompanying explanatory statement are open for inspection at the Corporate office of the Company between 10:00 am to 1:00 pm on all working days (Monday to Friday), except Saturdays, Sundays and holidays, up to the date of the Annual General Meeting and also at the venue of Annual General Meeting.

4. Shareholders are requested to intimate the change in their address, if any, quoting the folio number to the Company. Members are requested to register their e-mail address and changes therein with the Depositories/ Registrar and Share Transfer Agent.
5. During the period beginning twenty-four (24) hours before the time fixed for commencement of meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
6. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in this Notice. The Members who has not cast their votes electronically can exercise their voting rights at the AGM. The Company shall make necessary arrangements in this regards at the AGM Venue. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 18, 2018, are entitled for remote e-voting on the Resolutions set forth in this Notice. Any person who is not a Member as on the cutoff date should treat this Notice for information purposes only.
7. The process and manner for e-voting and other details are also sent with Annual Report and forms part of the Notice.
8. The Register of Directors Shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company shall be closed from Wednesday, September 19 to Tuesday, September 25, 2018, (Both days Inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
10. Members are entitled to nominate a person to whom his/her shares in the Company shall vest in the event of his/her demise, by filling up Form No. SH-13. The shareholders are requested to avail of this facility. The duly filled in and signed nomination Form No. SH-13 should be sent to the Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited at the address mentioned in "Corporate Information" Section of the Annual Report.
11. The Securities and Exchange Board of India (SEBI) vide circular dated SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 has mandated to transfer of securities in compulsory dematerialized form w.e.f December 05, 2018. Members holding shares in Physical form can convert their securities in dematerialized form so as to avail smooth transfer. Steps of conversion from physical to demat is available on website of our company i.e. [www.lasalabs.com](http://www.lasalabs.com)
12. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, NECS/ ECS mandates, nominations, power of attorney, change of address/name, etc., to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agents to provide efficient and better service to the Members. Members holding shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agents, Bigshare Services Private Limited.

**13. Members are requested to:**

- a. Intimate to the Company's Registrar and Share Transfer Agent/Depository Participant, changes, if any, in their respective addresses along with Pin Code number at an early date.
  - b. Quote folio numbers/DP ID – Client ID in all their correspondence.
  - c. Consolidate holdings into one folio in case of multiplicity of folios with names in identical order.
  - d. Update Bank details with the Registrar and Share Transfer Agent / Depository Participant to avail receipt of dividend by ECS/ NECS facility.
14. Non-Resident Shareholders are requested to inform the Company immediately about:
- a. The change in the Residential Status on return to India for permanent settlement;
  - b. The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
15. Corporate Members are requested to send a duly certified copy of the board resolution authorising their representative to attend and vote at the Annual General Meeting.
16. Members are requested to bring their copies of the Annual Report for the meeting.
17. As communicated earlier, members holding shares in physical form are requested to get them dematerialized, as the shares of the Company are under compulsory demat system.
18. M/s. Amit R. Dadheech & Associate., Practicing Company Secretary has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
19. As a part of 'Green Initiative in Corporate Governance,' Ministry of Corporate Affairs (MCA) is allowing companies to send various documents to their shareholders electronically. Hence the Company will be sending all documents such as the Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. and other communication to the members in electronic form at the email address provided by the members and made available to the Company by the Depository/ Registrar & Share Transfer Agents (RTA). It is encouraged that members support this green initiative and update their email address registered with RTA / Depository to ensure that all communication sent by the Company are received at the desired email address. Please let us know in case you wish to receive the above documents in paper mode. For members who have not registered their email addresses with the Depositories, physical copies are being sent by the permitted modes. The Notice of the Meeting is also posted on the website of the Company at [www.lasalabs.com](http://www.lasalabs.com)
20. The route map of the venue of the meeting is given in the Notice.

**VOTING THROUGH ELECTRONIC MODES**

In Compliance with regulation 44, SEBI Listing Obligation and Disclosure Requirements, 2015 and section 108 and other applicable provisions of the Companies Act, 2013, read with related Rules, the Company is pleased to provide remote e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice. The

Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility.

The instructions for shareholders voting electronically are as follows:-

- (i) The voting period begins on 22.09.2018 at 9:00 A.M. IST and ends on 24.09.2018 at 05:00 P.M. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 18, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date Of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach



'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Lasa Supergenerics Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Place: Corporate Office  
B207, CITI Point,  
Andheri (East)-59  
Date: August 13, 2018

**By Order of the Board  
For Lasa Supergenerics Limited**

**Nidhi Kulshreshtha  
Company Secretary & Compliance Officer**

**ANNEXURE TO THE NOTICE**

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT**

In pursuance of regulation 36(3) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Secretarial Standard-2

<b>Name of Director</b>	<b>Mr. Shivanand Hegde</b>
<b>Director Identification No.</b>	00185508
<b>Date of Birth</b>	May 21,1961
<b>Date of appointment on Board</b>	May 2, 2017
<b>Nationality</b>	Indian
<b>Qualifications</b>	Masters in Organic Chemistry
<b>Expertise in specific functional areas</b>	He set out his career with a vision to create a global animal health care conglomerate. Under his dynamic leadership, Lasa group has grown rapidly to attain newer milestones and the highest level of domestic and global marketing performance. Mr. Hegde is the principal architect for the progress of the group. He holds Master of Science (MSc) degree in organic chemistry with more than two decades of expertise across domestic and international marketing. His organizational skills and managerial abilities have enabled Lasa group to grow leaps and bounds and spread its wings in the regulated markets across the globe
<b>List of Directorships held in Other Companies (Excluding Foreign, Private and Section 8 Companies)</b>	NIL
<b>Memberships/ Chairmanships of Audit and Stakeholders' Relationships Committees across Public Companies</b>	Membership – 1 (One):- Member in Stakeholders' Relationship Committee of Lasa Supergenerics Limited.
<b>Number of shares held in the Company</b>	NIL
<b>Relationships between the Directors inter-se</b>	NA

<b>Name of Director</b>	<b>Mr. Mithun Mohan Jadhav</b>
<b>Director Identification No.</b>	<b>08181048</b>
<b>Date of Birth</b>	April 26 , 1986
<b>Date of appointment on Board</b>	August 13, 2018
<b>Nationality</b>	Indian
<b>Qualifications</b>	Diploma in Material Management
<b>Expertise in specific functional areas</b>	He holds a Diploma in Material Management (DMM) from Pune University. In addition he holds following degree – Master degree in Commerce from University of Mumbai, He has over 8 years' experience in the chemical industry in Purchase, Inventory Management & Vendor Development. Prior to joining Lasa, he has worked with Reputed organizations like Kansai Nerolac Paint Ltd, Valvoline Cummins Ltd, Nippon paint India pvt Ltd, Deepak Novochem Ltd ( Group of Deepak Nitrite )
<b>List of Directorships held in Other Companies (Excluding Foreign, Private and Section 8 Companies)</b>	NIL
<b>Memberships/ Chairmanships of Audit and Stakeholders' Relationships Committees across Public Companies</b>	Membership – 2 (Two):- Member in Stakeholders' Relationships Committees and CSR Committee of Lasa Supergenerics Limited.
<b>Number of shares held in the Company</b>	NIL
<b>Relationships between the Directors inter-se</b>	NA



**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4 TO THE NOTICE**

The Board of Directors at their meeting held on August 13, 2018 had appointed Mr. Mithun Mohan Jadhav as an additional director in the capacity of Whole-time Director of the company w.e.f August 13, 2018.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, read with rules framed thereunder, Mr. Mithun Mohan Jadhav holds office only upto the date of ensuing General Meeting of the Company.

In the opinion of the Board, Mr. Mithun Mohan Jadhav is a person of integrity and possesses relevant expertise and experience and fulfills the conditions for appointment as a director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Keeping in view the experience and expertise, the Board of Directors recommends the proposed Ordinary Resolution for his appointment set out at Item No. 4 for your approval. None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the Resolution set out at Item No. 4 of the Notice calling AGM.

Necessary documents in this regard are available for inspection by the Members at the corporate office of the Company during business hours on any working day

**ITEM NO. 5 & 6 TO THE NOTICE**

The Company has power from time to time to amend its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, as may be determined by or in accordance with Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.

The Company was formed with an authorised capital of Rs.35, 00, 00,000 (Rupees Thirty Five Crores) comprising of 3, 50, 00,000 equity shares of Rs.10 each.

Over the years, the volume of business has been increasing constantly and the company has also embarked upon expansion plans. In order to expand the capital base, it is now proposed to increase the authorised equity share capital from the existing limit of Rs.35,00,00,000/- (comprising 3,50,00,000 equity shares of

Rs. 10/- each) to Rs.50,00,00,000/- (comprising 5,00,00,000 equity shares of Rs.10/- each).

The Resolutions contained in Item Nos. 5 & 6 seek to increase the Authorised Share Capital of the Company as aforesaid and to alter the Memorandum of Association of the Company, respectively, consequential to such increase in the Authorised Share Capital of the Company as proposed.

The proposal requires the consent of the members. The Board of Directors recommends that the proposal be approved.

A copy of the Memorandum and Articles of Association of the Company is available at the Corporate Office of the Company for inspection during the office hours till the conclusion of the General Meeting.

None of the directors, key managerial personnel of the Company and their respective relatives are in any way concerned or interested, financial or otherwise, in the resolution.

**ITEM NO. 7 TO THE NOTICE**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s N. Ritesh & Associates., Practicing Cost Accountants, (Firm Registration No. 100675), as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19 at a remuneration of Rs. 1,20,300/- plus out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 7 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the passing of the resolution as set out at Item No. 7 for the approval of members.

Place: Corporate Office  
B207, CITI Point,  
Andheri (East)-59  
Date: August 13, 2018

**By Order of the Board  
For Lasa Supergenerics Limited**

**Nidhi Kulshreshtha  
Company Secretary & Compliance Officer**

**DIRECTORS REPORT**

To,  
The Members of,  
**Lasa Supergenerics Limited**

Dear Members,

Your Board of Directors are pleased to share with you the Business Performance under each of its strategic pillars along with the audited financial statements for the financial year ended March 31, 2018

**Financial Highlights**

Particular	Amount (₹ in Lakhs)	
As at Year end	March 31, 2018	March 31, 2017
Income from operations	24,583.88	21,822.92
Other Income	348.66	217.41
Total Income	24,932.54	22,040.33
Expenditure	20,458.20	17,270.44
Profit/ (Loss) before Depreciation, Interest and Tax	4474.34	4769.89
Less: Depreciation	1816.66	768.81
Profit/ (loss) before Interest and Tax	2657.68	4001.08
Less: financial Charges	1,134.35	1,167.72
<b>Profit/ (Loss) Before Extraordinary Items &amp; Tax</b>	<b>1523.33</b>	<b>2833.37</b>
<b>Less: Exceptional Items</b>		<b>2619.10</b>
Add Excess Depreciation due to change in Depreciation method from WDV to SLM.	-	-
Less: (Excess)/ Short Tax Provision		2.71
Less: Provision for Taxation	316.33	-
Add : Deferred Tax	(26.99)	(24.68)
<b>Profit / (Loss) After Tax</b>	<b>1233.99</b>	<b>236.24</b>
Add: Prior Period Income /(Expenditure) (Net)	-	-
<b>Add: Other Comprehensive Income</b>	<b>(1.42)</b>	<b>(1.13)</b>
<b>Profit / (Loss) for the Year</b>	<b>1232.58</b>	<b>235.11</b>

**Ø PERFORMANCE REVIEW**
**• INCOME**

Your company's performance in the current Financial Year, in terms of total income stood at ₹ 24932.54 Lakhs as compared to ₹ 22,040.33 Lakhs in the previous year.

**• PROFIT / LOSS BEFORE TAX**

Your Company's Profit before Tax for the current year was ₹ 1523.33 Lakhs as against ₹ 214.26 Lakhs in the previous year.

**• PROFIT / (LOSS) AFTER TAX**

Your Company's Profit after Tax for the current year was ₹ 1233.99 Lakhs as against ₹ 236.24 Lakhs in the previous year.

Company has earned net revenue growth of over 18.39% and increase in overall profit by over 400%.

A detailed discussion of operations for the year ended March 31, 2018 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

**Ø RIGHT ISSUE:**

The Board of Directors at its meeting held on January 06, 2018 had approved Rights issue subject to receipt of necessary approvals from statutory, regulatory and other authorities, as applicable in accordance with the provisions

of the companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable laws. the Board of Directors also formed 'Fund Raising Committee' to decide on issue terms, rights entitlement, fractional entitlements, timing of issue, appointment of various intermediaries, or any other matter incidental thereto and to make any applications to the regulatory authorities as may be required.

**Ø SHARE CAPITAL**

The movement of Equity Capital is as under:

Particulars	No. of Equity Shares
Equity Capital as on April 1, 2017	50000
Increase/ Decrease during the year on May 2, 2017	2236445
On June 14, 2017	20578004
Equity Capital as on March 31, 2018	22864449

Your Company has only one class of Equity Shares and it has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

After the Scheme of Arrangement, the Company allotted the Shares in the Ratio of 1 Fully paid Equity Share against each share held in Omkar Speciality Chemicals Limited as on record date.

No disclosure is required under Section 67(3)(c) of the Companies Act, 2013 ("Act") in respect of voting rights not exercised directly by the employees or Key Managerial Personnel of the company as the provisions of this Section are not applicable.

**Ø TRANSFER TO RESERVES**

Your companies do not propose to transfer any amount to General Reserve out of the amount available for appropriations and an amount of ₹ 1233.99 lakhs is proposed to be retained in the Profit and Loss A/c.

**Ø FINANCIAL LIQUIDITY**

As at March 31, 2018 your Company had liquid assets of ₹ 263.48 Lakhs as against ₹ 116.23 Lakhs at the previous year end.

Your company maintains sufficient cash reserves to meet its operations and strategic objectives.

**Ø DEPOSITS**

Your company has not accepted any deposits from public within the purview of Section 73 & 74 of the Act read with Companies (Acceptance of Deposits) Rules, 2014 during this Financial Year and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date. The company has no deposit which is not in compliance with the provisions of chapter V of the Act and as the companies (Acceptance of Deposit) Rules, 2014.

**Ø PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS U/S 186**

Details of Loans, Guarantees and investments covered under the provisions of Section 186 of the Act and Schedule of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations, 2015") are given in the notes to the Financial Statements.



## Ø MATERIAL CHANGES AND COMMITMENT

Except as disclosed elsewhere in the Report, there have been no material changes in commitment between the ends of financial year to which this financial statement relates on the date of this Report.

## Ø COMPOSITE SCHEME OF ARRANGEMENT

During the year under review, the Hon'ble National Company Law Tribunal, Mumbai Bench has passed the Order on April 13, 2017 sanctioning the Scheme of Arrangement between Omkar Speciality Chemicals Limited and Lasa Laboratory Private Limited and Urdhwa Chemicals Company Private Limited and Rishichem Research Limited and Desh Chemicals Private Limited and Lasa Supergenerics Limited and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956 / Sections 230 and 232 of the Companies Act, 2013. •

Certified true copy of the NCLT Order dated April 13, 2017 was filed with the Registrar of Companies on effective date i.e May 02, 2017

## Ø LISTING OF EQUITY SHARES

Equity Shares of your company was Listed on both the Stock exchanges i.e NSE and BSE on September 21, 2017.

## Ø RE-CLASSIFICATION OF CERTAIN PROMOTERS / PROMOTER GROUP

Reclassification of Certain Promoters/ Promoter group/ Entities was approved on April 16, 2018 by National Stock Exchange vide their letter bearing No. NSE/ LIST/44127 and BSE vide their letter bearing No.LIST/COMP/MI/7/2018-19 April 16, 2018 approved reclassification of certain Promoter's / Promoter group.

Subsequently below promoters / promoter group / entities were reclassified as public:

- 1) Mr. Pravin Shivdas Herlekar
- 2) Mr. Rishikesh Pravin Herlekar
- 3) M/S Omkar Speciality Chemicals Limited
- 4) M/S Svaks Biotech India Private Limited

## Ø RELATED PARTY TRANSACTION

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at [www.lasalabs.com](http://www.lasalabs.com). The Policy intends to ensure that proper reporting, Compliance and disclosure process are in place for all transactions between the Company and related parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

## Ø STATE OF COMPANY'S AFFAIRS

The Company is engaged in the business of manufacturing, Trading, producing, processing, preparing, API, pharmaceuticals, drugs etc. There has been no change in the business of the Company during the financial year ended March 31, 2018.

## Ø DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its

activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2018.

## Ø SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crore only) divided into 3,50,00,000 Equity Shares of Rs. 10/- each which is proposed to be increased by 15,00,00,000 (Rupees fifteen Crore only) divided in to 1,50,00,000 equity Share of Rs. 10/- each.

The Board of Directors Propose to members for approval of Increase in Authorised Share Capital as mention in Resolution No 5 of annexed notice.

## Ø DIRECTORS AND KEY MANAGERIAL PERSONNEL

Followings are Directors and Key Managerial Personnel's and changes amongst them Post Composite Scheme of Amalgamation become effective:

### INDUCTIONS

- 1) Mr. Sumant Kharasambale (Whole Time Director w.e.f. 02.05.2017)
- 2) Mr. Shivanand Hegde (Whole Time Director w.e.f. 02.05.2017)
- 3) Mr. Vishnu Gupta (Whole Time Director w.e.f. 12.02.2018)
- 4) Mr. Mithun Jadhav (Whole Time Director w.e.f. 13.08.2018)
- 5) Mr. Ajay Sukhwani (Independent Director w.e.f. 02.05.2017)
- 6) Mr. Hardesh Tolani (Independent Director w.e.f. 02.05.2017)
- 7) Ms. Ekta Gurnasinghani (Independent Director w.e.f. 02.05.2017)
- 8) Ms. Manali Bhagtani (Independent Director w.e.f. 12.02.2018)
- 9) Mr. Hitesh Wadhwani (Company Secretary and Compliance Officer w.e.f. 02.05.2017)
- 10) Mr. Minesh Bhosle (Chief Financial Officer w.e.f. 02.05.2017)
- 11) Ms. Nidhi Kulshrestha (Company Secretary & Compliance Officer w.e.f. 16.06.2018)
- 12) Mr. Ravi Shankar Kabra (Chief Financial Officer w.e.f. 13.08.2018)

### RESIGNATIONS

- 1) Mr. Pravin Herlekar (Resigned w.e.f. 02.05.2017)
  - 2) Mr. Rishikesh Herlekar (Resigned w.e.f. 02.05.2017)
  - 3) Mr. Sumant Kharasambale (Resigned w.e.f. 16.06.2018)
  - 4) Mr. Vishnu Gupta (Resigned w.e.f. 15.05.2018)\*
  - 5) Mr. Minesh Bhosle (Resigned w.e.f. 31.01.2018)
  - 6) Mr. Hitesh Wadhwani (Resigned w.e.f. 16.06.2018)
- \*Appointment was not ratified by the Shareholders of the company through postal ballot / e-voting.

## Ø FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, 2015, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the Familiarisation Programme conducted is included in Corporate Governance report which forms a part of this report and are also available on the website of the Company [www.lasalabs.com](http://www.lasalabs.com)

## Ø EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTOR

During the year, the evaluation of the annual performance of individual directors including the Chairman of the Company and Independent Directors, Board and Committees of the Board was carried out under the provisions of the Act and relevant Rules and the Corporate Governance requirements as prescribed under Regulation 17 of Listing Regulations, 2015 and the circular issued by SEBI dated January 5, 2017 with respect to Guidance Note on Board Evaluation. The Nomination and Remuneration Committee had approved the indicative criteria for the evaluation based on the SEBI Guidance Note on Board Evaluation.

The Chairman of the Company interacted with each Director individually for evaluation of performance of the individual directors.

In a separate meeting of Independent Directors, performance of Non Independent Directors and performance of the Board as a whole was evaluated. Further, they also evaluated the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of various criteria such as structure and diversity of the Board, experience of Director, strategy and performance evaluation, secretarial support, evaluation of risk, evaluation of performance of the management and feedback, independence of the management from the Board etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as mandate and composition, effectiveness of the committee, structure of the committee and meetings, independence of the committee from the Board and contribution to decisions of the Board. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as knowledge and competency, fulfillment of functions, availability and attendance, initiative integrity contribution and commitment, independence, independent views and judgment etc.

## Ø COMMITTEE COMPOSITION

The details pertaining to composition of Committees are included in the Corporate Governance Report, which forms a part of this Report **Annexure III**

## Ø DECLARATION BY AN INDEPENDENT DIRECTOR

The Company has received declarations from all Independent directors of the company confirming that they fulfill the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015").

## Ø NUMBER OF MEETINGS OF THE BOARD

During the year under review 16 (Sixteen) meetings of the Board of Directors were held as required under the Act and SEBI Listing Regulations, 2015. The details pertaining to the composition, terms of reference, etc. of the Board of Directors of your company and the meetings thereof held during the Financial Year are given in the Report on Corporate Governance section forming part of this Annual Report **Annexure III**

## Ø POLICIES OF THE COMPANY

Following are the Policies which were formulated by the Company and also available on the website of the company

1. CSR Policy
2. Sexual Harassment Policy
3. Policy governing transactions with Related Parties
4. Vigil Mechanism Policy
5. Nomination & Remuneration Policy
6. Code of Conduct Policy
7. Human Resource Policy
8. People Personnel Manual Policy

## Ø DIRECTORS RESPONSIBILITY STATEMENT

### The Director Confirm that:

In terms of provisions of Section 134(3) (c) and Section 134(5) of the Companies Act, the Board of Directors, to the best of their knowledge and ability, in respect of the financial year ended March 31, 2018, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) They 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 at the end of the financial year and of the profit of the Company for that period;
- c) They had taken proper and sufficient care for the 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 fraud and other irregularities;
- d) They had prepared the annual accounts on a going concern basis; and
- e) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Ø REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES AND CRITERIA FOR APPOINTMENT OF DIRECTORS

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are included in the Corporate Governance Report, which forms a part of this Report

## Ø CONSOLIDATED FINANCIAL STATEMENTS

Not Applicable since company doesn't have any subsidiaries during the year.

## Ø INTERNAL FINANCIAL CONTROLS

The Company has in place well defined and adequate internal financial control framework. During the year under review, such controls were tested and no material weaknesses in their design and products and operation were found.

## Ø EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, is included in this report as **Annexure I** and forms an integral part of the Directors' Report.

## Ø CORPORATE SOCIAL RESPONSIBILITY (CSR)

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility

Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee & the meeting held are detailed in the Corporate Governance Report, forming part of this Report. The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee is included in the Corporate Governance Report, which forms apart of this Report and also available on the website of the Company and can be accessed at [www.lasalabs.com](http://www.lasalabs.com)

## Ø PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Board has received disclosures from the Directors relating to the material, financial and commercial transactions where they and/or their relatives have personal interest. Related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013. There were no materially significant related party transactions made by the Company during the year. The details of transactions with related parties are given for information under notes to the accounts of the Balance Sheet as at March 31, 2018.

## Ø CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The provisions relating to energy conservation and technology absorption have been adhered to the extent applicable to the Company. The Company makes all efforts towards the conservation of energy and ensures safety.

The Particulars as prescribed under section 134(3) (m) of the Act read with rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption is provided in Annexure II which forms the part of this report.

The details of foreign exchange earnings and outgo during the year under review are provided at Notes of the Audited Financial Statements. The members are requested to refer to the said note for details in this regards.

## Ø PARTICULARS OF EMPLOYEES:

There were no employees drawing remuneration in excess of the limits prescribed under Section 196 and 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the year. The Ratio of the remuneration of each whole time Director and Key Managerial Personnel to the median of employees Remuneration as per Section 197(12) of the Companies Act 2013 read with rule 5 of the Companies (Appointment & Remuneration of the management personnel) Rules, 2014 forms part of this report as **Annexure IV**.

## Ø REGULATORY APPROVALS:

The relevant regulations and policies as prescribed by the Government of India and other regulatory bodies have been duly complied with by your company.

Our manufacturing facilities are monitored and approved by various regulatory authorities. Periodic / Routine audits are conducted by such authorities for all approved facilities.

## Ø COMMITTEES OF THE BOARD:

Your company has eight (8) committees of the Board of Directors as on March 31, 2018 out of which 4 are statutory committees and other 4 are committees considering the need of best practices in corporate governance of the company.

The policy has been explained in detail in the corporate Governance Report, which forms a part of this Report.

## Ø CORPORATE GOVERNANCE REPORT

A detailed Report on Corporate Governance and Certificate of the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Part C of Schedule V of the Listing Regulations, 2015, are enclosed as a separate section and forms a part of this Report under Annexure III.

## Ø MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015, detailed review of operations, performance and future outlook of the company is covered under a separate Annexure V to this report as Management's Discussion & Analysis.

## Ø PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavor of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Company arranged various interactive awareness workshops in this regard for the employees in the manufacturing sites, R & D set ups & Corporate Office during the financial year.

During the financial year ended March 31, 2018, no complaint pertaining to sexual harassment was received by the Company.

## Ø VIGIL MECHANISM POLICY:

The company has devised an effective Vigil Mechanism for stakeholders including Directors, shareholders, employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy to freely communicate their concerns about illegal or unethical practices.

## Ø AUDITORS AND AUDITOR'S REPORT:

### Statutory Auditors:

During the year under review, Statutory Auditors M/s Shah & Kathariya, Chartered Accountants resigned w.e.f. February 17, 2018 stating their inability to continue as the Auditors of the Company due to their pre occupations.

The Board appointed M/s. Thanawala & Co., Chartered Accountants, (Firm Registration No. 110948W) as a statutory auditor to fill the casual vacancy.

The Board also appointed M/s. Ramanand & Associates, Chartered Accountants as Joint Statutory Auditors along with the existing Auditors of the Company on March, 2018.



However, their appointment was not ratified in the Postal Ballot reason being potential conflict of interest between the auditors.

It is now proposed to appoint M/s Thanawala & Co. as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of the Eighth Annual General Meeting to be held in the calendar year 2023 on such remuneration as agreed upon by the Board of Directors.

Further, the Company has received certificate from the Statutory Auditors to the effect that their appointment will be within the limits prescribed under the Companies Act, 2013 and that they are not disqualified for such appointment under the Companies Act, 2013

### Cost Auditors:

As per the requirement of Central Government and pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company has been carrying out audit of cost records every year.

The Board of Directors, on the recommendation of Audit committee, has appointed M/s N. Ritesh & Associates, cost Accountants, Mumbai (Firm Regn. no.: 100675) as the cost Auditor to audit the cost records of the company for Financial Year 2018-19.

The Company is seeking the ratification of the Shareholders for the Remuneration of M/s N. Ritesh & Associates, Cost Auditors, Mumbai (Firm Regn. no.: 100675) as the Cost Accountant of the company for the Financial Year ending March 31, 2019 vide item no. 7 of the notice of AGM.

### Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the company had appointed M/s Shivam Sharma & Associates, Practicing

Company Secretary (M. No: A35727, CP. No: 16658) to undertake the Secretarial Audit of the company for the year ended March 31, 2018. The Secretarial Audit Report for the Financial Year ended March 31, 2018 has been annexed to this Report as **Annexure V** and forms an integral part of this Report.

### Ø APPRECIATIONS AND ACKNOWLEDGEMENT:

Your Directors place on record their deep appreciation to all employees at all levels for their hard work, dedication and commitment. The efforts of the employees enabled to the company to remain an industry leader.

Your director would also like to acknowledge their excellent contribution by LASA to your company in providing the latest innovations, technological improvements and marketing inputs across almost all categories in which it operates. This has enabled the Company to provide higher levels of consumer delight through continuous improvement in existing products, and introduction of new products.

The Board places on record its appreciation for the support and cooperation your company has been receiving from its suppliers, distributors, retailers and other person associated with it as business partners. It will be your Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests. Your Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges for their continued support.

For and on behalf of the Board of Directors of  
**LASA SUPERGENERIC LIMITED**

Place: Mumbai	SHIVANAND G. HEGDE	OMKAR P. HERLEKAR
Date: 13.08.2018	WTD (DIN00185508)	CMD (DIN01587154)

**Annexure I**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2018

[Pursuant to Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L24233MH2016PLC274202
<b>Registration Date</b>	March 11, 2016
<b>Name of the Company</b>	Lasa Supergenerics Limited
<b>Category / Sub-Category of the Company</b>	Category – Company Limited by shares Sub-Category – Public Company (Indian Non-Government Company)
<b>Address of the Registered office and contact details</b>	C-105, MIDC Mahad, Raigad, Maharashtra - 402309 Tel: 02145 232101/202
<b>Whether listed company ( Yes/ No)</b>	YES
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Bigshare Services Pvt Ltd, 1st Floor, Bharat Tin Works Building, Opp . Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, India. Phone No : 022-62638200, Fax No : 022-62638299 E-mail id: investor@bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

Sr. No.	Name and description of main Products/Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1	Manufacturing of Veterinary Preparations	21005	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section of the Companies Act, 2013
		NA			

*\*Composite Scheme of Arrangement between Omkar Speciality Chemicals Limited and Lasa Laboratory Private Limited and Urduhwa Chemicals Company Private Limited and Rishichem Research Limited and Desh Chemicals Private Limited and Lasa Supergenerics Limited and Their Respective Shareholders has been duly sanctioned by National Company Law Tribunal, Mumbai Bench ("NCLT") vide Order dated April 13, 2017. Upon the Scheme becoming effective on May 02, 2017, Lasa Supergenerics Ltd. remains no longer a subsidiary of Omkar Speciality Chemicals Limited being the resulting company pursuant to demerger of the veterinary API undertaking.*

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

During the year under review, the Shareholding Pattern of the Company has changed majorly by virtue of the allotment of 205,78,004 (Two Crore Five Lakh Seventy Eight Thousand and Four) Equity Shares of ₹ 10/- each of the Company, pursuant to the Scheme ("Demerger allotment"), more particularly to the extent of:-

- Promoters of Omkar Specialty Chemicals Limited became the Promoters of the Company;
  - All the eligible shareholders of Omkar Specialty Chemicals Limited became the Equity Shareholders of the Company; and
- These changes have been reflected in the following tables:

**(i) Category-wise Share Holding**

		No. of Shares held at the beginning of the year: 01/04/2017				No. of Shares held at the end of the year : 31/03/2018				
	Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% ^Change
<b>(A) Shareholding of Promoter and Promoter Group2</b>										
<b>Indian</b>										
(a)	Individual / HUF	0	0	0	0.00	7539726	0	7539726	32.97	0.00

(b)	Central / State government(s)	0	0	0	0.00	0	0	0	0	0.00
(c)	Bodies Corporate	0	50000	50000	100	1186445	0	1186445	5.19	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0	0.00
(e)	Any others (specify)									
(i)	Group companies	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (A)(1) :</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>8726171</b>	<b>0</b>	<b>8726171</b>	<b>38.16</b>	<b>0.00</b>
<b>Foreign</b>										
(a)	Bodies corporate	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individual	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (A)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding for Promoters (A)=(A)(1) + (A)(2)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>8726171</b>	<b>0</b>	<b>8726171</b>	<b>38.16</b>	<b>0.00</b>
<b>(B) Public shareholding</b>										
<b>Institutions</b>										
(a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	395	0	395	0.00	0.00
(c)	Mutual funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(j)	Foreign Portfolio Investor	0	0	0	0.00	161914	0	161914	0.71	0.00
(k)	Alternate Investment Fund	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub Total (B)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>162309</b>	<b>0</b>	<b>162309</b>	<b>0.71</b>	<b>0.00</b>
<b>No. of Shares held at the beginning of the year: 01/04/2017</b>					<b>No. of Shares held at the end of the year : 31/03/2018</b>					
	<b>Category of Shareholder</b>	<b>Demat</b>	<b>Physical</b>	<b>Total Shares</b>	<b>Total %</b>	<b>Demat</b>	<b>Physical</b>	<b>Total Shares</b>	<b>Total %</b>	<b>% ^Change</b>
<b>Non- Institutions</b>										
(a)	Bodies Corporate	0	0	0	0.00	1110129	0	1110129	4.85	0.00
(b)	Individual									
(i)	(Capital Upto To ₹ 1 Lakh)	0	0	0	0.00	8213025	4406	8217431	35.94	0.00
(ii)	(Capital Greater Than ₹ 1 Lakh)	0	0	0	0.00	3581599	0	3581599	15.66	0.00
(c)	Trusts	0	0	0	0.00	11	0	11	0.00	0.00
(d)	Any Others (Specify)									
(i)	Clearing Member	0	0	0	0.00	506357	0	506357	2.21	0.00



(ii)	Non Resident Indians (NRI)	0	0	0	0.00	351629	200	351829	1.54	0.00
(iii)	Non Resident Indians (Repat)	0	0	0	0.00	48340	0	48340	0.21	0.00
(iv)	Non Resident Indians (Non Repat)	0	0	0	0.00	160273	0	160273	0.70	0.00
(v)	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
(vi)	Employee	0	0	0	0.00	0	0	0	0.00	0.00
(vii)	Overseas Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
(viii)	Unclaimed Suspense Account	0	0	0	0.00	0	0	0	0.00	0.00
(ix)	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor									
	<b>Sub Total (B)(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>13971363</b>	<b>4606</b>	<b>13975969</b>	<b>61.12</b>	<b>0.00</b>
	<b>Total Public Shareholding (B)=(B) (1) + (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>14133672</b>	<b>4606</b>	<b>14138278</b>	<b>61.84</b>	<b>0.00</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>										
(a)	Shares Held By Custodians	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>(C)=(C)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Grand Total (A) + (B) + (C)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100.00</b>	<b>22859843</b>	<b>4606</b>	<b>22864449</b>	<b>100.00</b>	<b>0.00</b>

^On account of the reasons of the given under point no. IV herein above, the shareholding as on 31.03.2018, is not comparable with that of the previous financial year ended 31.03.2017.

**(ii) Shareholding of Promoters**

<b>Shareholding of Promoters &amp; Promoter Group</b>								
SL No	Shareholder's Name	Shareholding at beginning of the year			Shareholding at the end of the year			
		No of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total Shares	No of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total Shares	^% Change
1	OMKAR PRAVIN HERLEKAR	-	-	-	6809500	29.78	0.00	-
2	OMKAR SPECIALITY CHEMICALS LIMITED	50000	100	-	1186445	5.18	0.00	-
3	PRAVIN SHIVDAS HERLEKAR	-	-	-	540226	2.36	13.88	-
4	RISHIKESH PRAVIN HERLEKAR	-	-	-	190000	0.83	0.00	-
5	SVAKS BIOTECH INDIA PRIVATE LIMITED	-	-	-	0	0.00	0.00	-
	<b>Total</b>	<b>50000</b>	<b>100</b>	<b>-</b>	<b>8726171</b>	<b>38.16</b>	<b>0.86</b>	<b>-</b>

^ On account of the reasons given under Point no. IV herein above, the shareholding of Promoters as on 31.03.2018 is not comparable with that of the previous financial year ended 31.03.2017.

National Stock Exchange of India Limited & Bombay Stock Exchange have approved the reclassification of certain promoters as public shareholder(s) vide approval letter NSE/LIST/44127 & LIST/COMP/MI/2018-19 dated April 16, 2018.

Accordingly following persons / entities will be categorised as a public shareholders in Lasa Supergenerics Limited w.e.f. April 16,2018

Sr. No.	Promoter Name
1	Mr. Pravin Herlekar
2	Mr. Rishikesh Herlekar
3	M/s. Omkar Speciality Chemicals Limited
4	M/s. Svaks Biotech India Private Limited

**(iii) Change in Promoter's Shareholding**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)		Date	Reason	Increase/Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of Company			No. of shares	% of total shares of Company	No. of shares	% of total shares of Company
1.	Dr. Omkar Pravin Herlekar*	00	00	14.06.2017	<b>Pursuant to the scheme</b>			<b>4909500</b>	<b>21.47</b>
				12.01.2018	Acquisition through Inter-se transfer	800000	3.50	5709500	24.97
				09.03.2018	Acquisition through Inter-se transfer	1100000	4.81	6809500	29.78
				31.03.2017	<b>At the End of the year</b>			<b>6809500</b>	<b>29.78</b>
2.	Mr. Pravin Shivdas Herlekar	00	00	14.06.2017	<b>Pursuant to the scheme</b>			<b>2100821</b>	<b>9.19</b>
				22.09.2017	Sale	(690000)	3.07	1410821	6.17
				13.10.2017	Sale	(55595)	0.24	1355226	5.93
				05.01.2018	Buy	480226	2.10	1835452	8.03
				05.01.2018	Sale	(480226)	2.10	1355226	5.93
				12.01.2018	Interse Transfer	(800000)	3.50	555226	2.43
				30.03.2018	Sale	(15000)	0.06	540226	2.36
				31.03.2017	<b>At the End of the year</b>			<b>540226</b>	<b>2.36</b>
3.	Mr. Rishikesh Pravin Herlekar	00	00	14.06.2017	<b>Pursuant to the scheme</b>			<b>517006</b>	<b>2.26</b>
				31.10.2017	Sale	(327006)	1.43	190000	0.83
				31.03.2017	<b>At the End of the year</b>			<b>190000</b>	<b>0.83</b>
4	Svaks Biotech India Private Limited	00	00	14.06.2017	<b>Pursuant to the scheme</b>			<b>380000</b>	<b>1.66</b>
				29.12.2017	Sale	(42226)	0.18	337774	1.48
				05.01.2018	Sale	(84700)	0.37	253074	1.11
				12.01.2018	Sale	(62942)	0.28	190132	0.83
				19.01.2018	Sale	(41097)	0.18	149035	0.65
				26.01.2018	Sale	(1129)	0.00	147906	0.65
				31.01.2018	Sale	(22103)	0.10	125803	0.55
				02.02.2018	Sale	(18667)	0.08	107136	0.47
				16.02.2018	Sale	(4050)	0.02	103086	0.45
				23.02.2018	Sale	(14379)	0.06	88707	0.39
				02.03.2018	Sale	(4000)	0.02	84707	0.37
				09.03.2018	Sale	(23015)	0.10	61692	0.27
				16.03.2018	Sale	(43100)	0.19	18592	0.08
				23.03.2018	Sale	(11650)	0.05	6942	0.03
				30.03.2018	Sale	(6942)	0.03	00	0.00
				31.03.2017	<b>At the End of the year</b>			<b>00</b>	<b>0.00</b>
5	Omkar Speciality Chemicals Limited	50000	100	02.05.2017	<b>Pursuant to the scheme</b>	2236445	<b>9.78</b>	<b>2286445</b>	<b>10</b>
				05.01.2018	Inter-se Transfer	(1100000)	4.81	1186445	5.19
				31.03.2017	<b>At the End of the year</b>			<b>1186445</b>	<b>5.19</b>

**NOTE:**

\*Dr. Omkar Pravin Herlekar encumbered 350000 equity Shares of Omkar Speciality Chemicals Limited vide Loan Against Security agreement dated May 18, 2017 before the record date i.e. June 13, 2017. Hence 350000 shares of Lasa Supergenerics Limited stands encumbered without any creation of such encumbrance. The repayment of the borrowed amount has been duly made by Dr. Omkar Herlekar but the lender failed to give shares back within stipulated time even till date.

From the receivable 350000 equity shares of Lasa Supergenerics Limited, 8000 were received from the lender and 342000 are yet to be received. However 6809500 does not include 342000 shares.

**(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and holders of GDRs and DRs)**

Sr No	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (*01.04.2017/ end of year 31.03.2018)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	Anil Vishanji Dedhia	0	0.00	01.04.2017	NA	NA	0	0.00
				22.12.2017	10000	Buy	10000	0.04
				26.01.2018	20000	Buy	30000	0.13
				09.03.2018	220000	Buy	250000	1.09
				16.03.2018	10000	Buy	260000	1.14
		260000	1.14	31.03.2018				
2	Vishanji Shamji Dedhia	0	0.00	01.04.2017	NA	NA	0	0.00
				29.12.2017	14995	Buy	14995	0.07
				05.01.2018	10005	Buy	25000	0.11
				12.01.2018	45000	Buy	70000	0.31
				19.01.2018	101000	Buy	171000	0.75
				26.01.2018	40000	Buy	211000	0.92
				07.02.2018	9000	Buy	220000	0.96
				09.02.2018	10000	Buy	230000	1.01
				16.02.2018	20000	Buy	250000	1.09
				23.02.2018	70000	Buy	320000	1.40
				02.03.2018	35000	Buy	355000	1.55
				09.03.2018	(205000)	Sell	150000	0.66
				16.03.2018	40000	Buy	190000	0.83
				23.03.2018	25000	Buy	215000	0.94
				30.03.2018	25000	Buy	240000	1.05
		240000	1.05	31.03.2018				
3	Deenar Krishnarao Toraskar	0	0.00	01.04.2017	NA	NA	0	0.00
				14.06.2017	103595	Pursuant to the scheme	103595	0.45
				06.08.2017	513	Buy	104108	0.46
				31.08.2017	45064	Buy	149172	0.65
				03.11.2017	12940	Buy	162112	0.71
		162112	0.71	31.03.2018				
4	Mohan Mechem Projects Private Limited	0	0.00	01.04.2017	NA	NA	0	0.00
				29.09.2017	28156	Buy	28156	0.12
				03.11.2017	1000	Buy	29156	0.13
				10.11.2017	22756	Buy	51912	0.23
				17.11.2017	18475	Buy	70387	0.31
				24.11.2017	37935	Buy	108322	0.47
				15.12.2017	3700	Buy	112022	0.49
		112022	0.49	31.03.2018				



5	Sunil Jain	0	0.00	01.04.2017	NA	NA	0	0.00
				14.06.2017	105501	Pursuant to the scheme	105501	0.46
				27.10.2017	(4801)	Sell	100700	0.44
				31.10.2017	(45476)	Sell	55224	0.24
				03.11.2017	(10000)	Sell	45224	0.20
				01.12.2017	(3234)	Sell	41990	0.18
				29.12.2017	(31990)	Sell	10000	0.04
				05.01.2018	(10000)	Sell	0	0.00
		0	0.00	31.03.2018				
6	Bodhivriksha Advisors LLP	100000	0.44	01.04.2017	NA	NA	100000	0.44
				14.06.2017	100000	Pursuant to the scheme	100000	0.4
				03.11.2017	(50000)	Sell	50000	0.22
				29.12.2017	(25000)	Sell	25000	0.11
				05.01.2018	(25000)	Sell	0	0.00
		0	0.00	31.03.2018				
7	Anugrah Stock & Broking Pvt Ltd	0	0.00	01.04.2017	NA	NA	0	0.00
				14.06.2017	97860	Pursuant to the scheme	97860	0.43
				22.09.2017	600	Buy	98460	0.43
				29.09.2017	(69331)	Sell	29129	0.13
				06.10.2017	(26869)	Sell	2260	0.01
				13.10.2017	(500)	Sell	1760	0.01
				10.11.2017	100	Buy	1860	0.01
				17.11.2017	(100)	Sell	1760	0.01
				15.12.2017	999	Buy	2759	0.01
				22.12.2017	(999)	Sell	1760	0.01
				29.12.2017	(1760)	Sell	0	0.00
				05.01.2018	145	Buy	145	0.00
				12.01.2018	(145)	Sell	0	0.00
				07.02.2018	750	Buy	750	0.00
				16.02.2018	500	Buy	1250	0.01
				23.02.2018	(1000)	Sell	250	0.00
				16.03.2018	1000	Buy	1250	0.01
				23.03.2018	(750)	Sell	500	0.00
		500	0.00	31.03.2018				
8	Mohammed Arshad	0	0.00	01.04.2017	NA	NA	0	0.00
				14.06.2017	97184	Pursuant to the scheme	97184	0.43
				09.02.2018	(21137)	Sell	76047	0.33
				23.02.2018	(17504)	Sell	58543	0.26
				16.03.2018	(58543)	Sell	0	0.00
		0	0.00	31.03.2018				
9	Athenam Velan	0	0.00	01.04.2017	NA	NA	0	0.00
				14.06.2017	92640	Pursuant to the scheme	92640	0.41
				13.10.2017	(2000)	Sell	90640	0.40
				10.11.2017	(1640)	Sell	89000	0.39
				31.01.2018	15850	Buy	104850	0.46
				07.02.2018	(20000)	Sell	84850	0.37
				09.02.2018	(6000)	Sell	78850	0.34

				09.03.2018	(6500)	Sell	72350	0.32
				23.03.2018	14642	Buy	86992	0.38
		86992	0.38	31.03.2018				
10	Goldman Sachs (Singapore) PTE	0	0.00	01.04.217	NA	NA	0	0.00
				14.06.2017	88846	Pursuant to the scheme	88846	0.39
				29.09.2017	(10000)	Sell	78846	0.34
		78846	0.34	31.03.2018				

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No	Directors & KMP's Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding	Cumulative Shareholding during the year	
		No. of shares	% of total shares of Company			No. of shares	% of total shares of Company
Directors							
1.	Omkar Pravin Herlekar*	-	-	01.04.2017		-	-
	Allotment pursuant to the Scheme (Date of Allotment: 14.06.2017)	4909500	21.47	14.06.2017	--	4909500	21.47
	Acquisition through Inter-se transfer			12.01.2018	800000	5709500	24.97
	Acquisition through Inter-se transfer			09.03.2018	1100000	6809500	29.78
				31.03.2018	At the End of the year	6809500	29.78
2.	Sumant Madhusudan Kharasamble**	0	0	NA	0	0	0
3	Shivanand Gajanan Hegde	0	0	NA	0	0	0
4	Hardesh Raja Tolani	0	0	NA	0	0	0
5	Ekta Avtar Gurnasinghani						
6	Ajay Hareshlal Sukhwani						
KMP's							
7	Hitesh Dhruvkumar Wadhwani#	0	0	NA	0	0	0
8	Minesh Chandrakant Bhosle~	0	0	NA	0	0	0

**Record date June 13, 2017**

**(v) Shareholding of Directors and Key Managerial Personnel**

\*3,42,000 shares of Dr. Omkar P. Herlekar were under encumbrance which are not reflected in the beneficial position received from the depositories as on March 31, 2018.

\*\* Resigned w.e.f. June 16, 2018

# Resigned w.e.f. June 16, 2018

~ Resigned w.e.f. January 31, 2018

**V. INDEBTEDNESS:**
**Indebtedness of the Company including interest outstanding /accrued but not due for payment**

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4339.16	5302.22	-	9641.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16.05	-	-	16.05
<b>Total (i+ii+iii)</b>	<b>4355.21</b>	<b>5302.22</b>	<b>-</b>	<b>9657.43</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	182.00	4324.42	-	4506.42
Reduction	1281.82	4738.93	-	6020.76
Unamortised Loan Income(INADS)	-	(460.04)	-	(460.04)
<b>Net change</b>	<b>(1099.82)</b>	<b>(874.55)</b>	<b>-</b>	<b>(1974.38)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3243.98	4427.67	-	7671.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11.41	-	-	11.41
<b>Total (i+ii+iii)</b>	<b>3255.39</b>	<b>4427.67</b>	<b>-</b>	<b>7483.06</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to MD, WTD and/ or Manager**

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Managing Director, Whole-time Directors and/or Manager (₹)				Total Amount
		<b>Dr. Omkar Herlekar (Chairman &amp; Managing Director)</b>	<b>Mr. Shivanand Hegde (Whole-Time Director)</b>	<b>Mr. Sumant Kharsambale (Whole-Time Director)</b>	<b>Mr. Vishnu Gupta (Additional Executive Director)</b>	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	38.50	22.21	8.04	4.50	<b>73.25</b>
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>38.50</b>	<b>22.21</b>	<b>8.04</b>	<b>4.50</b>	<b>73.25</b>
	In terms of the Companies Act, 2013, the remuneration payable to Managing Director & Whole Time Director in aggregate shall not exceed 10% of the net profit of the Company. The remuneration paid to Managing Director and Whole Time Director is well within the said limit. Additionally they are also eligible for perquisite and commission for their services or know how.					

**B. Remuneration to Other Directors**
**1. Independent Directors**

Particulars of Remuneration	Name of Directors			Total Amount
	<b>Ms. Ekta Gurnasinghani</b>	<b>Mr. Ajay Sukhwani</b>	<b>Mr. Hardesh Tolani</b>	
Fees for attending Board and Committee Meetings	1.35	0.75	1.35	3.45
Commission	-	-	-	N.A.
Others, please specify	-	-	-	N.A.
Total (1)	<b>1.35</b>	<b>0.75</b>	<b>1.35</b>	<b>3.45</b>

**2. Other Non-Executive Directors**

Particulars of Remuneration	Name of Directors	Total Amount
Fees for attending Board and Committee Meetings	Nil	Nil
Commission	Nil	Nil
Others, please specify (Professional Charges)	Nil	Nil
Total (2)	Nil	Nil
Total (B) = (1+2)	Nil	Nil
Total Managerial Remuneration (A+B)	Nil	Nil
Overall Ceiling as per the Act	N.A	

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Hitesh Wadhvani Company Secretary\$	Minesh Bhosle CFO*	
1.	Gross salary	10.20	6.14	16.34
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>10.20</b>	<b>6.14</b>	<b>16.34</b>

\$ Resigned w.e.f June 16, 2018

\*Resigned w.e.f January 31, 2018.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.

For and on behalf of the Board of Directors of  
**LASA SUPERGENERICS LIMITED**

Place: Mumbai  
Date:13.08.2018

**SHIVANAND G. HEGDE**  
WTD  
(DIN00185508)

**OMKAR P. HERLEKAR**  
CMD  
(DIN01587154)



## ANNEXURE II

## CONSERVATION OF ENERGY:

Power and Fuel Consumption	Current Year 2018-17	Previous Year 2016-17
<b>1. Electricity</b>		
a) Purchased		
Unit (kwh)	4194841	3617920
total Amount (₹)	35105288	29782732
Rate / Unit (per kwh)	8.23/kwh	8.60/kwh
b) own Generation		
(i) Through diesel generator		
Quantity (ltrs)	75148 ltrs	90328 ltrs
Units Generated	2254444	242982
total Amount (Rs)	5410656	5419680
Units per ltr. of diesel oil		
cost / Unit	3 kwh/ltrs	2.69 Kwh/ltrs
(ii) Through steam turbine/generator		
Units	Nil	Nil
total Amount (₹)	Nil	Nil
Units per ltr. of fuel oil/gas	Nil	Nil
cost/unit	Nil	Nil
<b>2. Coal</b>		
Quantity (tonnes)	3927 ton	3214 ton
total cost ₹	22383900	19444700
Average rate	₹ 5.7 per Kg	₹ 6.05 per kg
<b>3. Light Diesel Oil</b>		
Quantity (ltrs.)	27545	-
total Amount (₹)	1221896	-
Average Rate	44.36	-
<b>4. Furnace Oil</b>	Not Applicable	Not Applicable
Quantity (ltrs.)	-	-
total Amount (₹)	-	-
Average Rate	-	-
<b>5. Others/internal generation (please give details)</b>	Not Applicable	Not Applicable
Quantity	-	-
total cost	-	-
Rate/unit	-	-

## DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

## STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY

- 1) Regular checking of electric connections in order to avoid electricity loss
- 2) Maintaining unity power factor in order to avoid energy loss.
- 3) Avoiding leakages of waterlines in order to save water and electricity.
- 4) Appointed dedicated insulation skilled technician in order to avoid heat losses.
- 5) Periodic preventive maintenance of all machines in order to improve efficiency of machines at optimum input of electricity.
- 6) Constructed coal storage area in such a way which will control moisture content of coal.
- 7) Use of LED lamps on reaction vessels and emergency lighting has resulted in reducing the electrical load.
- 8) Periodic cleaning of condensers, chillers, steam heating coils, by external chemicals, to maintain efficient heat transfer
- 9) Regular preventive maintenance of DG sets to maintain efficient working.
- 10) Regular cleaning of cooling tower ponds.
- 11) Constructed raw water tank at top of roof in order to use gravity force to supply water.

**THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS:** ₹ 30 lakhs.

**THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY**

We are approaching compressed natural gas (CNG) suppliers in order to replace light diesel oil which is more costly than CNG and produces less energy than CNG. Also light diesel oil consumes space whereas CNG does not have any storage issues.

**TECHNOLOGY ABSORPTION**

**EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION**

The company's philosophy right from its inception has always remained focused on in-house product development and launching the same for domestic or overseas market. The company is pioneer in most of the products being currently manufactured by it. The R&D centre of the company not only works on development of new products but is also focused on continuous up gradation of processes for improving in quality and costing. The cost reduction is brought about by improving process efficiency, use of innovative catalysts, savings in utilities and energy cost.

The company also focuses on enhancing the value addition by way of backward and forward integrations. The manufacturing facilities at all locations are designed in such a manner that there is a total fungibility for manufacturing various products as per the market requirements. This leads to a reasonably high level of capacity utilization.

**EXPENDITURE ON R&D**

(₹ in Lakhs)

Particulars	2017-18	2016-17
Capital Expenditure	1231.37	208.15
Recurring Expenditure	21.53	16.98
<b>Total</b>	<b>1252.90</b>	<b>225.13</b>

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	2017-18	2016-17
Foreign Exchange Earned	473.20	642.13
Foreign Exchange Used	1303.31	387.43

## MANAGEMENT DISCUSSION AND ANALYSIS

### Forward looking statement

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

### About Lasa Supergenerics Ltd.

Lasa Supergenerics Limited ('Lasa') is a vertically integrated group spanning the entire veterinary, animal and human healthcare value chain—from discovery-to-delivery, with established credentials in research, manufacturing and global marketing.

The Company is a veterinary API manufacturing entity, which was acquired in April 2012. The manufacturing facility is located at Mahad & Chiplun, Maharashtra. It specialises in 'catalyst chemistry' and manufactures anthelmintic / veterinary API products with largest production capabilities and product categories in India. The Company exports APIs to countries like Australia, Bangladesh, Middle East, China, Turkey, Egypt, Jordan, Korea, Pakistan etc.

To efficiently control the supply chain, the Company is fully backward integrated for its key molecules—from discovery research up to full-scale bulk production.

The Company's marketing footprint is entrenched across developing markets in multiple countries. Similarly, the group expects to augment its export footprint significantly in width and depth in the future.

The Company has alliances with leading Indian and global animal health care conglomerates and uses Good Manufacturing Practice (GMP) and world-class technologies in its operations. The Company is managed by a consortium of technocrats, including its Chairman and Managing Director Dr. Omkar P. Herlekar who are impelled by passion and propelled by niche innovation. Our leadership team, which is guided by these values, is well positioned to lead into the future

The Company is determined to achieve its goal of becoming a leading force in the niche animal health care solutions. The objective on which it was founded have always inspired sustainable growth through innovation in the last four years, and shall continue to do so in times to come.

Today, Lasa Supergenerics Ltd. is the leading manufacturer player in Veterinary APIs in India. The Company is listed entity on National Stock Exchange of India & Bombay Stock Exchange (BSE: 540702 & NSE: LASA).

### Strong Product Portfolio



- Leader in Veterinary API products, Animal feed ingredients, Reagents for therapeutic Use & other API products
- No Product Dependency - Top seven products contributes to 80% of Top-line

### Outlook

#### Global Industry Snapshot

##### Prologue

Since time immemorial, animals have helped humans in innumerable ways: whether through service and companionship or as nutriment for strength and sustenance. Over time, they have become an integral part of laboratory research settings for studying and combating diseases through targeted drug therapies. Every human interaction with pets has invariably led to some or the other form of animal health care practice, although veterinarians as we know them today did not emerge until the 20th century. Today, veterinary medicine and animal health care focus on the provision of health care, surgery, and preventive services for a variety of animal species. Veterinarians and veterinary technicians address health emergencies and provide routine medical care. They help combat famine caused by livestock diseases and control zoonotic disease-induced pandemics through vaccination programs.

On average, the world spends only about one-fortieth of the amount it devotes to human medicines on animal medicines. But that investment is used to cover animal health innovations for the world's 24 billion chickens, more than 1 billion cattle and sheep, 750 million pigs and goats, 500 million dogs and 400 million cats. The time, care and investment put into the research and development of animal medicines ensures a steady stream of new and innovative products that improve the health and well-being of all these animals. (Source: Animal Health Institute)

##### Industry Snapshot

The global veterinary industry is making rapid strides across the globe, ripe with potent possibilities on the back of a pronounced tech-enablement of products and services, penetrating R & D initiatives of industry players and potent market inroads into hitherto untapped regions of the world, especially the developing economies.

Veterinary R&D is reasonably predictable and cost effective, as most animal health drugs originate from human health or crop protection products. This industry is predominantly branded

## Lasa Supergenerics Ltd

generic in nature, as patented products comprise less than 20% of total market offerings, and most corporate players are typically subsidiaries of pharma majors that are focused on human healthcare. Notably enough, even the fringe players have grown at higher than industry rates.<sup>d</sup>

Hitherto, animal health manufacturing was stationed in and focused on domestic shores in most countries, but today pharma heavyweights are increasingly exploring outsourcing options to rationalise production costs and benefit from lower overheads. This presents a humungous opportunity to Indian companies to become leading global sourcing hubs equipped with compliant facilities.

One of the most visible, recent changes in the animal health industry is the financial sector's acknowledgement of animal health as an attractive investment opportunity. According to the American Pet Products Association, the animal health industry has grown 20% since 2010, far outpacing many other industries. As a result, significant funds have been invested into companies focused exclusively on animal health products and services. While it was once standard for animal health businesses to be integrated into much larger human health parent companies, animal health companies capable of operating successfully as stand-alone entities have been fast emerging in recent times. The most publicized event of this type occurred in February 2013, when Pfizer spun out its animal health business into a new entity, Zoetis. This move garnered significant interest from the investment community and raised the profile of the animal health industry to broader markets. The mounting demand of high-quality meat and milk, rampant disease outbreaks and growing affinity and concern for companion animals have provided a big boost to the veterinary industry across the globe.

The Global Animal Healthcare market revenues are projected to expand at a CAGR of 4.3% during the 2017-2027 and reach a value of US\$ 54,548.0 Mn by the end of 2027. (Source: Future market Insights, 2017)

The global veterinary vaccines market is expected to grow at a CAGR of 7.9 per cent from 2017 to reach USD 10439 million by 2022. The global animal vaccines market is valued at USD 6147 million in 2017 and is expected to grow at a CAGR of 5.8 per cent between 2017 and 2022 to reach USD 8125 million. Vaccination has now emerged as one of the most used medical products, protecting animals and livestock from various diseases irrespective of whether these animals are domestic or wild. These vaccinations not only help in preventing diseases but also in minimising the use of antimicrobials. Increased demand in emerging global markets, coupled with a relatively low risk of developing health products, make the animal health industry a lucrative investment opportunity. The trend is dominated by the increasing importance of poultry and livestock animals. Apart from the population explosion, rising income levels and increasing urbanisation, there is an ascent in the global demand for meat, especially in the developing countries. Another factor contributing to the bright prospects of the industry is the upsurge in the number of pets and increasing awareness about animal health among people. Asia-Pacific is one of the major producers of animal meat and estimated to be the fastest-growing region during the forecast period.

(Source: Animal health Asia, Market data forecast)

The global Animal Healthcare market is segmented into seven major regions: North America, Latin America, Western Europe, Eastern Europe, Asia Pacific excluding Japan (APEJ), Japan, and

Middle East & Africa (MEA). North America dominates the global market for Animal Healthcare and is expected to reach US\$ 18,186.4 Mn by 2027 end. The Western Europe market is expected to account for the second largest market value share, followed by APEJ. North America and Europe collectively constitute more than 60% of the market share over the forecast period. Japan is expected to be the least attractive region for animal healthcare due to less pet adoption.

(Source: Future market Insights, 2017)

### Global Market Specifics, Size and Scope

The global animal healthcare market is fragmented with the top three players accounting for a mere 37% of the market share. Bayer, Novartis, Virbac, Ceva, Boehringer, Elanco and Vetoquinol are some of the established global players. Prominent regional players in different countries include Vallee and Ouro Fino in Brazil, China Animal Husbandry Industry Co. Ltd and Yebio Bioengineering Co. Ltd in China, Venky's in India, and Provimi Animal Nutrition in Netherlands.

The market is highly volatile with a lot of mergers, acquisitions and joint ventures taking place in the last few years. Competition is expected to diminish eventually due to snowballing consolidation.

The entry of global human health market players is a looming threat to existing players, given the former's access to economies of scale and competitive prices. The generic drug manufacturers and small-scale innovative start up enterprises emerging from research institutions pose a low-level threat as entrants, as they lack capital and expertise. Animal drug competition is less susceptible to generic influences, compared to human drugs, due to lack of intervening insurance and employer programs that require the selection of generic alternatives. In case of new product development, the threat of entering the market is primarily faced from small-scale innovative start-ups launched by universities and other research institutions. However, regulatory risks put a strong barrier before them to enter the market.

The market is characterised by varying customer needs across regions due to (a) different standards of living across regions, (b) dietary preferences for different animal proteins, pet ownership preferences and pet care standards, (c) prevalence of certain bacterial and viral strains and disease dynamics, (d) Seasonality, climate and availability of arable land and fresh water and (e) different regulatory standards for product approval and manufacturing.

Pet owners, animal farm proprietors and retail stores constitute the buying populace of the animal health care market. The plethora of market choices in terms of brand names and product variants boost the bargaining propensity of buyers which is often driven by the recommendations of veterinarians and animal nutritionists. The specific priorities and preferences circuitously end up affecting product pricing and profitability. Overall, suppliers have limited control over the market as drug producers are the providers of basic raw materials. Having said that, speciality chemicals with high QA standards enable suppliers to exercise some influence. Also, there's little pricing pressure from insurance companies and the government which make margins reasonably attractive.

Growth in this segment is a function of growth in pet care and livestock production segments. As livestock production and the rate of pet ownership both continue to increase in response to rising demand and increased standard of living, animal health medicines and vaccines will also be needed in



## Lasa Supergenerics Ltd

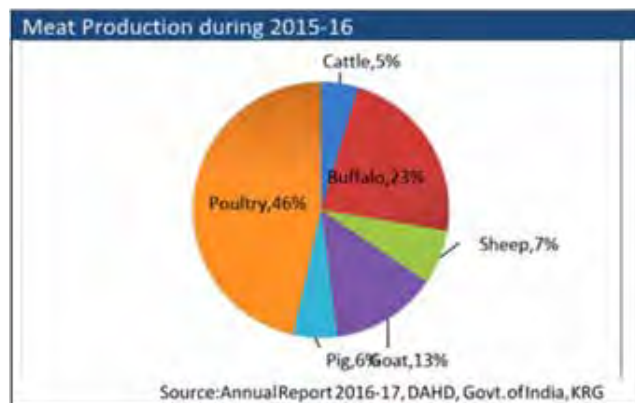


greater volumes. Key growth countries are the Americas (driven by LatAm countries, primarily Brazil) while growth for rest of the markets is driven by China, MENA region, Turkey and India.

In terms of segments, feed additives had the largest share among the product segments in the animal healthcare market. The other two segments included pharmaceuticals and vaccines. While the feed additives market is growing mainly due to the increasing production of animal population, the pharmaceuticals and vaccines segments are being driven by the increasing incidence of animal diseases and increasing concern for animal immunization against diseases. By animal type, production animals had a larger share, compared to companion animals, in the animal healthcare market which is increasing due to increasing meat and milk consumption globally. The demand for meat is increasing in developing countries including India and China.

### Indian Industry Snapshot

The Indian Animal Health Industry has played a vital role in safeguarding the animal husbandry interests of the nation. The Indian animal healthcare market is around USD688 million by 2017. The species share in AH market is 50% for livestock, 40% for poultry, 5% for companion animals and rest 5% for other remaining animals. Though there are no published data, INFHA anticipates the contribution of various categories of animal health products as 40% for feed supplements, 17% for antibacterials, 15% for biosecurity, 13% for antiparasitics, 5% for hormones and biologicals and 10% for other categories. There are nearly 50 major companies operating in Animal health market in India, though top 10 players dominate the market.



The regulation of Animal health products in India is under Department of Animal Husbandry under the Ministry of Agriculture (MOA). The Drug Controller General of India (DCGI) regulates and licenses, products for Veterinary use. Department of AYUSH is responsible for bringing regulations for herbal and contemporary medicines meant for animal use.

Animal Husbandry in India has undergone magnificent changes over the years, thanks to the adoption of innovative technologies used for prevention and cure of farm and companion animals. There has been a paradigm shift in the business approach of Animal health companies that have evolved from therapeutics to preventive to productivity enhancement and now to overall healthcare of the animals.

Through new approaches and paradigm, the animal health industry has evolved and propelled the animal husbandry to new heights of glory. India's surge to the top of milk and egg production reinforces the significance of Animal Health Industry. The Animal health industry is working together and strengthening the Animal Husbandry in the country. (Source:

Indian Federation of Animal Health Companies)

The animal healthcare market in India has a great potential for growth, owing to the rising consumption of animal protein by Indians, increase in veterinary professionals and a number environment-related factors. The Indian market for animal healthcare is pegged to expand at a healthy CAGR of 8 per cent between 2017 and 2022. Rising at this pace, the market is expected to reach a value of USD1011 million by the end of 2022 from USD688 million in 2017. South India dominates this market with a share of 37 per cent. Andhra Pradesh and Karnataka have emerged as the most prominent local markets for animal healthcare in South India and are expected to present a substantial scope for growth. Among other zonal markets, North India is anticipated to witness a healthy rise over the near future. This will be due to the growing awareness about animal health, changing climatic conditions and dietary patterns leading to an increasing veterinary population. (Source: MRRSE, Transparency Market Research)



Natural Remedies, Ayurved, The Himalaya Drug Co., Zydus Animal Health, Venky's India, Cargill Inc., Cipla Inc., Intas Pharmaceuticals Ltd., Vetoquinol, Ceva Santé Animale, Virbac, Boehringer Ingelheim GmbH, Merial, Elanco, Bayer AG, Zoetis Inc., and Merck are some of the leading animal health care players.

With a share of 37%, South India has dominated the overall Indian market in 2015. Experts expect this zonal market to be driven by the rising consumption of animal protein and remain on the top over the next few years. The growing trend of keeping companion animals as pets is also propelling the animal health care market in South India. Andhra Pradesh and Karnataka have emerged as the most prominent.

Local markets for animal health care in South India and are expected to present substantial scope for future growth. The soaring demand for antibiotics, dewormers, analgesic drugs, and other high-quality animal health care products in this zone is projected to create lucrative opportunities for market players over the coming years.



## Lasa Supergenerics Ltd

Over the forthcoming years, the escalating demand for feed additives, vaccines, and various veterinary drugs, such as antibiotics and NSAIDs, is expected to boost the North India zone.

The Indian government is actively providing mass animal vaccination service to Indian farm animals. There are numerous small animal farms in India and the farm owners are now focusing more on the health of the animals, due to peoples' increasing concern for healthy meat. One of the biggest restraints for the animal healthcare industry in India is the lack of skilled veterinarians in the country. This accounts for fewer sales of many prospective drugs, due to the lack of awareness about the target drug for any disease. A large portion of veterinary drugs marketed in India are generic, which is a major growth restraint for the animal healthcare market in the country.

In terms of the distribution channel, the India animal health care market is classified into veterinary hospitals, veterinary clinics, drug stores, pharmacies, and various other channels like direct distribution and pet shops. Veterinary clinics are the leading distribution channel for animal health care products in India and are expected to continue to be over the next few years. The increasing population of animals, growing prevalence of veterinary diseases, and the massive market penetration are the key factors behind the progress of veterinary clinics in India.

### SWOT ANALYSIS

#### STRENGTHS

- Presence in growth driven verticals – Veterinary APIs
- The veterinary API vertical has attained a respectable size
- Presence in veterinary API segment
- DMFs filed and number of APIs under development
- Strong research, development and Catalyst Chemistry skills
- Qualified and experienced team of professionals and management
- State-of-the-art units having flexible and vertically integrated production capacity
- Continuous innovation and quality control
- Financially stable
- Preferred supplier to a world-class clientele

#### WEAKNESS

- **Multiple non-global scale plants**

#### OPPORTUNITIES

- Huge outsourcing opportunity in Indian and global veterinary API industry
- One of the few Indian players in a fast-growing veterinary segment
- Increased thrust on product partnerships by global pharma companies
- In the next two years, patent worth US\$ 80 billion are expiring, resulting in a huge potential opportunity

### THREATS

- Regulatory Risks

### RISK & CONCERNS

- 1. The veterinary API manufacturing of the Company includes domestic and international business exposures. If governmental regulations affecting our business change, we may need to incur additional cost to comply with the required regulatory changes.**

There may be additional cost for complying with government regulations since our business units are supplying veterinary API products in the regulated markets in the various developed countries. There are stringent requirements and audit mechanism regulating the manufacturing, research & development, testing and safety of API products on an on-going basis. There may be changes in the regulations regulating our existing and future products, and we shall have to comply with the changed regulations from time to time. The time frame in obtaining required clearances from regulatory authorities in India or from any other country cannot be predicted. Our veterinary API products require extensive quality control, trials, several stringent purity testing and government approvals before we can market these products, globally. All these uncertainties may affect operations of the business of our Company.

The operating results of the Company will depend upon the ability to successfully develop and license out the new products being developed through various R&D activities. We must develop, test and manufacture new products, which must meet stringent regulatory standards and receive requisite regulatory approvals. The decisions by regulatory authorities regarding whether and when to approve our API products, the speediness of regulatory authorizations, pricing approvals and product launches may be achieved and competitive developments could affect the availability or commercial potential of our products. The development and commercialization process is complex, time consuming and costly.

- 2. The Veterinary API manufacturing of the Company includes Research & Development activities. The research & Development activities involve high risk as the costs are certain and the result uncertain.**

The Research & Development activities will have high risk & high return compared to manufacturing and marketing of API products. The resource requirements in the R&D activities also can be difficult to predict. However, given the right resource base and focus, the R & D activities offer strong potential. Delays in any part of the R&D activity, our inability to obtain necessary regulatory approvals for our products or failure of a product to be successful at any stage and therefore not realized could harm our operating results.

- 3. If we are unable to comply with the conditions of our licences and approvals, our licences may be cancelled resulting in an adverse effect on our business.**

In respect of the Veterinary API manufacturing business, the de-merged Company has obtained licenses from several regulatory authorities for the operations of its business. There are a number of conditions in these licences, which require us to comply with. Any non-compliance may result in the cancellation of relevant licenses, which may adversely affect our API manufacturing business.

**4. If we fail to comply with laws relating to environment, employees, health & safety, and other regulations that standardize manufacturing activities, research & clinical trials or face litigation related to any of these, our costs may increase and our gross margin and PAT may decrease.**

The Veterinary API manufacturing undertaking transferred to the Company includes manufacturing of niche Anthelmintic APIs, R&D, trials etc. There are stringent regulatory requirements relating to environment, employees, health & safety etc. Hence, we may incur substantial cost in order to comply with various requirements of environmental laws and regulations. In addition, we may discover unfamiliar environmental problems or conditions. We are subject to significant national and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of hazardous chemical substances that may be used in or result from our manufacturing operations. Environmental laws and regulations are not as extensive in India as they are in other countries such as the United States of America and Europe. They have, however, been increasing in stringency and it is possible that they will become significantly more stringent in the future. We are also subject to laws and regulations governing relationships with employees in various areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees, contract labour and work permits. Furthermore, the success of our business is contingent upon, among other things, receipt of all required licences, permits and authorisations, including local land use permits, building and zoning permits, environmental, health and safety permits. Changes or concessions required by regulatory authorities could also involve significant costs and delay or prevent completion of the construction or opening or operations of expansions, renewals of existing facilities. In case of any injury or life of any worker in case of any clinical trial conducted by us, we may be required to compensate the worker for the same. Even when in case of any injury or loss of life of any worker during manufacturing or any clinical trial conducted by us due to the fault of the worker and not our fault or due to medical aid administration, we may be sued for compensation by the worker or the family members for the same. Even when in case of any injury or loss of life of any worker while manufacturing or trial conducted by the Contractor due to the fault of the Contractor and not our fault or due to medical aid administration, we may be sued for compensation by the worker or the family members for the same. The insurance taken may not sufficient to cover damages in case injury or loss of life.

**Performance Review**

*The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Accounting Standards notified under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015. The management of the Company has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit for the year*

*The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in*

*the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "Your Company", "the Company", "Lasa", "Lasa Supergenerics Ltd." are to Lasa Supergenerics Ltd.*

**STANDALONE FINANCIAL OVERVIEW**

The consolidated performance of the Company for the financial year ended March 31, 2018, is as follows:

**Financial Highlights**

Particular	Amount (₹ in Lakhs)	
	March 31, 2018	March 31, 2017
<b>As at Year end</b>		
Income from operations	24,583.88	21,822.92
Other Income	348.66	217.41
Total Income	24,932.54	22,040.33
Expenditure	20,458.20	17,270.44
Profit/ (Loss) before Depreciation, Interest and Tax	4474.34	4769.89
Less: Depreciation	1816.66	768.81
Profit/ (loss) before Interest and Tax	2657.68	4001.08
Less: financial Charges	1,134.35	1,167.72
<b>Profit/ (Loss) Before Extraordinary Items &amp; Tax</b>	<b>1523.33</b>	<b>2833.37</b>
<b>Less: Exceptional Items</b>	<b>-</b>	<b>2619.10</b>
Add Excess Depreciation due to change in Depreciation method from WDV to SLM.	-	-
Less: (Excess)/ Short Tax Provision	-	2.71
Less: Provision for Taxation	316.33	-
Add : Deferred Tax	(26.99)	(24.68)
<b>Profit / (Loss) After Tax</b>	<b>1233.99</b>	<b>236.24</b>
Add: Prior Period Income / (Expenditure) (Net)	-	-
<b>Add: Other Comprehensive Income</b>	<b>(1.42)</b>	<b>(1.13)</b>
<b>Profit / (Loss) for the Year</b>	<b>1232.58</b>	<b>235.11</b>

**• INCOME**

Your company's performance in the current Financial Year, in terms of total income stood at ₹ 24932.54 Lakhs as compared to ₹ 22,040.33 Lakhs in the previous year.

Company has earned net revenue growth of over 18.39% and increase in overall profit by over 400%.

**• PROFIT / LOSS BEFORE TAX**

Your Company's Profit before Tax for the current year was ₹ 1523.33 Lakhs as against 214.26 Lakhs in the previous year.

**• PROFIT / (LOSS) AFTER TAX**

Your Company's Profit after Tax for the current year was ₹ 1233.99 Lakhs as against ₹ 236.24 Lakhs in the previous year.

**Following are Factors which had major impact on the Financial Performance of the Company during FY 2017-18**

- The Company has adopted Indian Accounting Standard (Ind As) effective from April 1, 2017.
- Impact on EBITDA is mainly due to high volatility and increase in petroleum prices, the overall raw material prices of the industry has been impacted.



## Lasa Supergenerics Ltd

- Other expense increased mainly on account of expense incurred in demerger process.
- Post implementation of Goods and Services Tax ("GST") in India with effect from 1st July, 2017, revenue are disclosed net of GST. Revenues for the earlier periods included excise duty which is now subsumed in the GST. Revenues for the year ended 31st March, 2018 include excise duty up to 30th June, 2017. Accordingly, revenues for the quarter and year ended 31 March 2018 are not comparable with those of the previous periods presented.
- The company is focusing on the backward integration to add value to its operations and yield better performance. The focus on the backward integration is enabling the company to become most competitive. We have made tremendous use of the skill and have developed different class of catalyst which resulted into great economic model for our operations. This results into lower cost as well as lower emission and increased output. The basic raw material for the company is organic derivatives which are derived either from crude molasses or petrochemicals. Over a period of time, management realized that raw material price fluctuations were resulting in a lot of margin fluctuations. At the same time, dependence on the suppliers for the raw materials was also putting a lot of pressure. Hence company decided to move into a backward integration space.

### Exports

The Company's exports on consolidated basis marginally decreased from ₹ 642.13 lakhs. In FY 2016-17 to ₹ 473.20 Lakh. In FY 2017-18.



### Working Capital Cycle

The Company is continuously reviewing the status of working capital cycle and taking the necessary steps to reduce the cycle by maintaining minimum inventories, bring down the receivables by focusing more on the exports etc. The progress on the working capital cycle is captured herein below:



### Progress of Expansion Work

- 1) Made tremendous use of the skill and developed different class of catalyst.
- 2) Filed CEP Application for VET API range of products with EDQM-Europe.
- 3) Commencement of Trial productions at Unit IV at Chiplun.
- 4) Received WHO-GMP Certificate for MAHAD unit, which shall remain valid until April 2020.
- 5) Entered into agreement for Acquisition of Abhinandan Rasayan Private Limited which is in the same line of business i.e. involved in manufacturing of Human and Vet APIs but lacks backward integration and process expertise, Lasa with its strength of backward integration and catalytical process can utilise facilities with greater efficiencies.

#### Note

The said acquisition is under dispute with lender.

- 6) Recognized by CIDIC as their 'First Choice Customer'.
- 7) Grant of Patent named "AN IMPROVED PROCESS FOR THE PREPARATION by the Patents Office, Govt of India.

### RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

Though it is not possible to completely eliminate various risks associated with the business of the Company, efforts are made to minimize the impact of such risks on the operations of the Company. For this, the Company has established a well-defined process of risk management which includes identification, analysis and assessment of various risks, measurement of probable impact of such risks, formulation of the risk mitigation strategies and implementation of the same so as to minimize the impact of such risks on the operations of the Company. An enterprise wide risk evaluation and validation process is carried out regularly and the review of the risk management policy is also carried out at regular intervals by the Board of Directors so as to ensure that the new risks which might have arisen or the impact of the existing risks which might have increased are identified and a proper strategy is put in place for mitigating such risks. The Company has put in place various internal controls for different activities so as to minimize the impact of various risks. Also, as mandated by the Companies Act, 2013, the Company has implemented the Internal Financial Control (IFC) framework to ensure proper internal controls over financial reporting. Apart from this, a well-defined system of internal audit is in place so as to independently review and strengthen these internal controls. The Audit Committee of the Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of the internal controls.

### INTERNAL CONTROL SYSTEMS AND ADEQUACY

In view of the amendments in the Companies Act, the Company has taken additional measures to strengthen its internal control systems. Additional measures in this regard are fraud risk assessment, mandatory leave for employees, strengthening background verification process of new joiners, Vigil Mechanism and strengthening the process of risk management. The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.



## Lasa Supergenerics Ltd

The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported.

The Company also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

Recognizing the important role of internal scrutiny, the Company has an internal audit function which is empowered to examine the adequacy of, and compliance with, policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process.

Periodical unit audit and verification of the systems enables the various business groups to plug any shortcomings in time. As stated earlier the Company has improved effectiveness of the risk management process wherein it evaluates the Company's risk management system and suggests improvement in strengthening risk mitigation measures for all key operations, controls and

governance process. In addition, the top management and the Audit committee of the Board periodically review the findings and ensure corrective measures are taken.

### HUMAN RESOURCES

The Company has Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Human Relations team continually conducts training programs for the development of employees.

The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a work culture that enables cross- pollination of ideas, ensures high performance and remains empowering. On the Industrial Relations front, a cordial relationship has been maintained with the workmen in the manufacturing units.

As of March 31, 2018, the Company has 171 numbers of employees on its payroll.

**Annexure III**  
**CORPORATE GOVERNANCE REPORT**

**[Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

**COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

Corporate Governance is essentially the management of an organisation's activities in accordance with policies that are value-accretive for all stake holders. Company's management strongly believes in fostering a governance philosophy that is committed to maintaining accountability, transparency and responsibility, which are integral to the company's day to day operations.

In order to keep up the highest level of standards regarding Corporate Governance and Disclosures, The management has instituted several committees which includes statutory as well as non-statutory committees that oversee various internal and external aspects of the organisation administration. The main role of the committees is to overview respective activities of the company, inspect and resolve issues that may arise and subsequently providing recommendation to the Board.

A well informed Board is an important factor of responsible organisation. On regular basis, the Board members of the company are apprised of all the vital issues that it comes across and remedial action taken in this regards. The company aims to work by following strict principles of corporate governance in all its interaction with stakeholders, shareholders, employees, bankers, vendors, customers and all other statutory authorities to achieve long term sustainability.

A Report on compliance with the principles of corporate Governance as prescribed by the Securities and exchange Board of India in Chapter No. IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations, 2015") is given below.

**BOARD OF DIRECTORS:**

The Board of Directors of the company comprises of an optimum combination of executive and non-executive Directors, with varied professional background. With a view to achieving a sustainable and balanced development, the company witnesses diversity at the Board level, supporting the attainment of its strategic objectives and its sustainable development. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. As on March 31, 2018, the Board comprised of 8 (Eight) Directors out of which 4 (Four) were Executive Directors and of which 4 (four) Directors were independent Directors. The board is chaired by full time Executive Director Except Managing and independent Directors, all other Directors are liable to retire by rotation. At present the Board is comprised of 7 (Seven) Directors out of which 3 (three) executive Directors and of which 4 (Four) Directors are independent Directors.

**Category and Attendance of Directors:**

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and committee positions held by them in public limited companies are given below:

Name of Director	Category #	No. of Directorship(s) (excluding the company)	No. of Committee Membership (excluding the company)@		Board Meetings		Attendance at last AGM
			Member	Chairman	Held	Attended	
^Mr. Pravin Shivdas Herlekar, Executive Director	E.D	2	Nil	Nil	16	1	No
^Mr. Rishikesh Pravin Herlekar, Executive Director	E.D	2	Nil	Nil	16	1	No
Dr. Omkar Pravin Herlekar, Chairman & Managing Director	P.D & E.D	2	Nil	Nil	16	16	Yes
Mr. Shivanand Gajanan Hegde, Whole-Time Director	E.D	Nil	Nil	Nil	16	15	Yes
*Mr. Sumant Madhusudan Kharasambale, Whole-Time Director	E.D	1	Nil	Nil	16	15	Yes
**Mr. Vishnu Gupta	A.D/E.D	Nil	Nil	Nil	16	3	No
***Mr. Mithun Jadhav	A.D/E.D	Nil	Nil	Nil	16	0	No
Mr. Hardesh Tolani	I.N.E.D	Nil	Nil	Nil	16	15	Yes
Mr. Ajay Sukhwani	I.N.E.D	Nil	Nil	Nil	16	15	Yes
Ms. Ekta Gurnasinghani	I.N.E.D	Nil	Nil	Nil	16	15	Yes
****Ms. Manali Bhagtani	I.N.E.D	Nil	Nil	Nil	16	3	No

**NOTES:**

^Resigned w.e.f. May 02, 2017

# P.D – Promoter Director, E.D – Executive Director, N.E.D – Non-Executive Director, A.D - Additional Director

I.N.E.D – Independent Non-Executive Director.

@ Includes Audit Committee and the Stakeholders Relationship Committees of other companies only

\* Mr. Sumant Madhusudan Kharasambale resigned from the Board of our Company on June 16, 2018.

**\*\*Mr. Vishnu Gupta** was appointed as Additional Director in the capacity of Whole-time Director. His appointment was not ratified by Shareholders vide the Postal ballot result submitted by Scrutinizer (Amit R. Dadheech & Associates) on May 15, 2018.

**\*\*\*Mr. Mithun Mohan Jadhav** was appointed as Additional Director in the Capacity of Whole-time Director in the Board of our Company on 13.08.2018.

**\*\*\*\*Ms. Manali Bhagtani** was appointed as Additional Director in the Capacity of Independent Director in the Board of our Company on 12.02.2018.

None of the Directors of the Board holds office in more than twenty (20) Companies and in more than ten (10) Public Companies. None of Directors of the Board is a member of more than ten (10) Committees and Chairman of more than five Committees (committees being Audit committee and Stakeholders Relationship committee, as per Regulation 26 of the SEBI Listing Regulations, 2015), across all the companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

### Independent Directors

Independent Directors are Non-Executive Directors as defined under Regulations 16(1) (b) of the SEBI Listing Regulations, 2016 read with Section 149(6) of the companies Act, 2013. They help to maintain the independence of the Board and separate the Board functions of governance from business management.

All independent Directors of the company have been appointed as per the provisions of the companies Act, 2013. Formal letters of appointment have been issued to the independent Directors. The terms and conditions of their appointment are disclosed on the company's website. The maximum tenure of independent Directors is in compliance with the Act. None of the independent Directors serve as Independent Directors in more than seven (7) listed companies, complying with the requirements of SEBI Listing Regulation, 2015. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations, 2015 read with Section 149(6) of the Act. They have also confirmed their Directorship in other companies and their committees

### Familiarization Programme

During appointment all Independent Directors are made aware of their roles and responsibilities which are also specified in their formal letter of appointment with terms and conditions thereon. At the Board and various committees meetings, independent directors are regularly being familiarized on the business model, operations, updates, changes, policies, new policies, process implementation of the company. Familiarization programme is probably attended by all the directors as these are scheduled to coincide with the date of Board Meetings.

Details of Familiarization Programs for independent Directors are available on the website of the company and can be accessed at [www.lasalabs.com](http://www.lasalabs.com).

### Separate Independent Directors Meetings

A separate meeting of Independent Directors of the company, without the attendance of non-independent Directors and members of management, was held on May 19, 2018, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 of SEBI Listing Regulations, 2015. The Independent Directors at the meeting evaluated:

- Performance of Non-Independent Directors and the Board of Directors as a whole;
- Performance of the Chairman of the Company taking into account the views of the Executive and Non-Executive Directors;
- Quality, content and timelines of flow of information between the Management and Board that is necessary for the Board to

effectively and reasonably perform its duties.

All the Independent Directors were present throughout the Meeting and CA Hardesh Tolani chaired the meeting. Their suggestions were discussed at the Board Meeting and are being implemented to ensure a more robust interaction at a Board level.

### Meetings of the Board

The Board meets in executive session, at least 4 (four) times during a Financial Year, mostly at the quarterly intervals inter alia to review quarterly financial statements and other items on the Agenda. Additional meetings are held, if deemed necessary, to conduct the business. 16 (Sixteen) Board Meetings were held during the year and the gap between two meetings did not exceed 120 (One Hundred And Twenty) days. The necessary quorum was present for all the meetings. During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, 2015, has been placed before the Board for its consideration.

Board meeting held during the Financial Year 2017-18 are detailed below:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	20-04-17	3	3
2	02-05-17	6	6
3	05-05-17	6	6
4	02-06-17	6	6
5	05-06-17	6	6
6	16-06-17	6	6
7	04-07-17	6	6
8	12-07-17	6	6
9	31-08-17	6	6

10	18-09-17	6	6
11	11-12-17	6	6
12	06-01-18	6	6
13	09-01-18	6	6
14	12-02-18	8	8
15	21-02-18	8	8
16	07-03-18	8	8

#### **BOARD COMMITTEES**

Your company has eight (8) committees of the Board of Directors as on March ,31 2018 out of which 4 are statutory committees and other 4 are committees considering the need of best practices in corporate governance of the company :

##### **Statutory Committees**

- Audit committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

##### **Other Committees**

- Allotment Committee
- Enquiry Committee
- Advisory Committee
- Fund Raising Committee

The Board committees are represented by a judicious mix of Executive and Non-Executive Directors. The Committees deliberate on the matters assigned or referred to them by the Board or as mandated by the statutes. Recommendations of the committees are submitted to the Board for Board's decision. The minutes of all committee meetings are circulated to the Board members for noting.

#### **AUDIT COMMITTEE**

The Audit Committee of the Company is duly constituted as per Regulations 18 of the Listing Regulations read with the provisions of Section 177 of the Companies Act, 2013. All the members of the Audit Committee are financially literate and capable of analyzing Financial Statements of the company.

##### **Terms of reference**

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Act.
- ii. The terms of reference of the audit committee are broadly as under:
  - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  - Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
  - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  - Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
    - Changes, if any, in accounting policies and practices and reasons for the same.
    - Major accounting entries involving estimates based on the exercise of judgment by management.
    - Significant adjustments made in the financial statements arising out of audit findings
    - Compliance with listing and other legal requirements relating to financial statements
    - Disclosure of any related party transactions
    - Qualifications in the draft audit report
  - Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;



- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
  - Approval or any subsequent modification of transactions of the Company with related parties;
  - Scrutiny of inter-corporate loans and investments;
  - Examination of the financial statement and the auditors' reports thereon;
  - Valuation of undertakings or assets of the Company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Establish a vigil mechanism for director and employment to reports genuine concerns in such manner as may be prescribed;
  - The audit committee may call for the comments of the auditor about internal control systems, the scope of the audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the company;
  - The audit committee shall review the information required as per SEBI Listing Regulation.
- i. The audit committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.
- ii. In terms of the Insiders Trading Code adopted by the company in FY 2016-17, the Committee considers the following matters:
- To approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the Insider Trading Code.
  - To note and take on records the status reports detailing the dealings by Designated Persons in Securities of the company, as submitted by the Compliance officer on a quarterly basis.
  - To provide directors on any penal action to be initiated, in case of any violation of the Regulations by any person.

#### Composition and other Details of Audit Committee

As on March 31, 2018 the Audit committee comprised of Three (3) Members of which Two (2) is Independent Directors and (1) is executive Director

In FY 18, 6 Audit Committee Meetings were held. The dates are as below

02-05-2017	11-12-2017	21-02-2018
11-08-2017	12-02-2018	07-03-2018

The details of composition of Audit committee and attendance of each Committee Member are as follows:

Sr No.	Name of Members	Designation in Committee	Particulars of attendance	
			Date of Meeting Held	No. of meetings attended by the Member
1.	Mr. Hardesh Tolani	Chairman	6	6
2.	Ms. Ekta Gurnasinghani	Member	6	6
3.	Dr. Omkar Herlekar	Member	6	6

In addition to the Audit Committee members, Chief Financial Officer, Heads of Finance and Accounts, Internal Auditors, Cost Auditors, Statutory Auditors and other executives are invited to the Audit Committee Meetings, on need basis. The Company Secretary of the company acts as the Secretary of the committee.

#### NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations read with the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration committee recommends the Nomination of Directors and carries out evaluation of performance of Individual Directors. Besides, it recommends remuneration policy for Directors, Key Managerial Personnel and the Senior Management of the Company.

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

#### Terms of reference

- ii. The broad terms of reference of the Nomination and Remuneration Committee are as under:
- Recommend to the board the set up and composition of the Board and its Committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director". The committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

- Recommend to the board the appointment or reappointment of directors.
- Devise a policy on board diversity.
- Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors. This shall include "formulation of criteria for evaluation of independent directors and the board". Additionally the Committee may also oversee the performance review process of the KMP and executive terms of the Company.
- Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- Oversee familiarization programmes for directors.
- Oversee the Human Resource philosophy, Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, Key Managerial Personnel and executive team).
- Provide guidelines for remuneration of directors on material subsidiaries.
- Recommend to the board on voting pattern for appointment and remuneration of directors on the boards of its material subsidiary companies.

Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

As on March 31, 2018, the Nomination and Remuneration Committee comprised of Three (3) Members of which all are independent Directors:

In FY 18, First Nomination and Remuneration Committee Meetings was held on February 12, 2018

The details of composition of Nomination and Remuneration Committee and attendance of each committee Member are as follows:

Sr No.	Name of Members	Designation in Committee	Particulars of attendance	
			Date of Meeting Held	No. of meetings attended by the Member
1.	Mr. Hardesh Tolani	Chairman	1	1
2.	Ms. Ekta Gurnasinghani	Member	1	1
3.	Mr. Ajay Sukhwani	Member	1	1

The Company Secretary of the company acts as the Secretary of the committee.

#### **Performance Evaluation of the Board, its Committees and Individual Directors**

Pursuant to the provisions of the Act and the SEBI Listing Regulations, 2015 (as may be applicable), the nomination and Remuneration committee and the Board of Directors (Board) had carried out an annual evaluation of its own performance and that of its committees and individual Directors.

The performance evaluation criteria were determined by the Nomination and Remuneration Committee. A structured questionnaire was prepared by nomination and Remuneration committee after taking into consideration the various aspects such as participation at Board/ Committee Meetings, Board functioning, knowledge and skill, personal attributes, Board composition and quality, Board Meetings and procedures, Board strategy and risk management, Board and Management Relations etc. The nomination and Remuneration committee reviewed the performance of the Board, its committees and of the Directors. The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance evaluation of the independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performances of the committees were evaluated by the Board seeking inputs from the committee members.

Further, the independent Directors had their separate meeting without the attendance of non-independent directors and members of management wherein they reviewed the performance of the Board as whole, its chairman and non-executive Directors and other items as stipulated under the Act. Recommendations and suggested areas of improvement for the Board, its various committees were considered by the Board.

#### **REMUNERATION OF DIRECTORS**

##### **Nomination And Remuneration Policy**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The nomination and remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The compensation of the Executive Directors comprises of fixed component, perquisites and commission. The compensation is determined based on

the remuneration prevailing in the industry and the performance of the company. The remuneration package of the executive Directors is periodically reviewed and suitable revision is recommended to the Board by the committee. The non-executive Directors are paid sitting fees for attending meetings of Board/ committees.

## REMUNERATION OF DIRECTORS

### Remuneration to Non-Executive/ Independent Director

#### Sitting Fees

The Non-Executive Directors of the Company are entitled to sitting fees for attending the Meetings of Board of Directors and Committees thereof. Sitting fees paid to non-executive Directors are within the prescribed limits under the Companies Act, 2013 and evaluated by the Board of Directors from time to time.

#### Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

#### Reimbursement of expenses

The non-executive directors are also entitled to reimbursement of expenses for participation in the Board and other meetings in terms of the Companies Act, 2013.

The details of sitting fees paid for the financial year 2017-18 are as under:

Name of Non-Executive Directors	Sitting Fees Paid (in Lakhs)
Mr. Hardesh Tolani	1.35
Mr. Ajay Sukhwani	0.75
Ms. Ekta Gurnasinghani	1.35
Ms. Manali Bhagtani*	NIL

\*Appointed w.e.f. February 12, 2018

### Remuneration to Director, Key Managerial Personnel and Senior Management

- Fixed pay:** Managing Director, Whole Time Director, Executive Director, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders wherever required.
- Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director, Whole Time Director or Executive Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Shareholder and Central Government.
- Provisions for excess remuneration:** If any Managing Director, Whole Time Director or Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/ she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

The Details of Remuneration paid to Managing Director and Whole Time Directors are as under :

(₹ in Lakhs)

Name of Director	Designation	Equity Shares held	Salary & Perquisites	Commission	Total Remuneration
Dr. Omkar Herlekar !	Chairman & Managing Director	6809500	38.50	-	38.50
Mr. Shivanand Hegde	Whole Time Director	-	22.21	-	22.21
*Mr. Sumant Kharsamble	Whole Time Director	-	8.04	-	8.04
**Mr. Vishnu Gupta	Additional Director	-	4.50	-	4.50
***Mr. Mithun Jadhav	Additional Director	-	-	-	-

#### Notes

! 342000 Equity shares were under encumbrance and not reflected in beneficiary position hence not considered above.

\*Resigned w.e.f. June 16, 2018

\*\*Appointment not ratified by Shareholders vide postal ballot result dated May 15, 2018

\*\*\* Appointed as Additional Director in the capacity of whole-time Director in Board meeting held on Aug 13, 2018 and recommended to shareholder for ratification in the 3rd AGM Notice.

Your company has no stock option plans and hence, such instrument does not form part of the remuneration package payable to any executive Director and/ or non-executive Director. The company does not have any policy for severance fees or any other payment to the directors. No pension will be paid by the company to any of the Directors. Your company did not advance any loans to any of the executive and/ or non-executive Directors during the period under review.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship committee of the Board was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. This Committee deals with the stakeholder relations and grievances raised by the Investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

Ms. Nidhi Kulshrestha is the Compliance officer of the company pursuant to Regulation 6 of the Listing Agreement.

#### Terms of reference:

- The Stakeholders Relationship committee, inter alia, is primarily responsible for considering and resolving grievances of security holders of the company. The additional terms of reference of the Stakeholders Relationship committee are:
- The Stakeholders' relationship committee is constituted in line with the provision of Regulation 20 of SEBI Listing Regulation read with section 178 of the Act
- The Board terms of reference of the stakeholder relationship Committee are as under:
- Consider and resolve the grievances of security holders of the company including redressal of investor complaints such as transfers or credit securities, non- receipt of dividend/notice/annual reports, etc. And all other securities – holder related matters.
- Consider and approved issued of share certificates (included issues of renewed or duplicate share certificates), transfer and transmission of securities, etc.

As on March 31, 2018, the Stakeholders' Relationship committee comprised of Three (3) Members of which (1) is Independent Director and other (2) are Executive Directors.

In FY 18, 1 Stakeholders' Relationship committee Meetings was held on March 07, 2018

The details of composition of Stakeholders' Relationship committee and attendance of each committee Member are as follows:

Sr No.	Name of Members	Designation in Committee	Particulars of attendance	
			Date of Meeting Held	No. of meetings attended by the Member
1.	Mr. Ajay Sukhwani	Chairman	1	1
2.	Mr. Shivanand Hegde	Member	1	1
3.	Mr. Sumant Kharsambale*	Member	1	1
4.	Mr. Mithun Jadhav**	Member	-	-

The company Secretary of the company acts as the Secretary of the committee.

#### NOTE

\*Resigned w.e.f June 16, 2018

\*\* Appointed w.e.f August 13, 2018

The Board had reconstituted the composition of the Stakeholders Relationship committee due to resignation of member on August 13, 2018.

#### Investor Grievances

Complaints as on 01.04.2017	Received during the year	Resolved during the Year	Pending as on March 31, 2018
0	3	3	0

The Securities exchange Board of India has initiated a platform for redressing the investor grievances through SCORES, a web based complaints redressal system. The system processes complaints in a centralized web based mechanism. The company is in compliance with this system. Further, the company has periodically filed a statement detailing investor complaints with Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

#### Name, designation and address of the Compliance Officer

Nidhi Kulshrestha Company Secretary & Compliance Officer

1/301, Sheesh Mahal Building, Cabin Road, Bhayendar (East) – 401105

Email: [nidhi@lasalabs.com](mailto:nidhi@lasalabs.com)

#### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to provisions of Sub Section 1 of Section 135 of the Companies Act, 2013. the companies having Net worth of INR 500 crore or more; or Turnover of INR 1000 crore or more; or Net Profit of INR 5 crore or more during any financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board "hereinafter CSR Committee" with effect from 1st April, 2014.



In view of the above provision Section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014 is applicable to the company in the Financial Year 2018-19 and company is liable to do expenditure on CSR Activity as per CSR Policy.

The CSR Policy as approved by the Board has been placed on the company's website and can be accessed at [www.lasalabs.com](http://www.lasalabs.com)

The Corporate Social Responsibility (CSR) Committee of the Board was constituted in Compliance with the provisions of Section 135 of the Companies Act 2013. The Company is focused on value creation of communities by contributing to the social and environmental needs.

## • Terms of reference

The purpose of the committee is to formulate CSR Policy of the company and monitor its implementation. CSR Committee of the Company is constituted in line with the provision of Section 135 of the Act. The Board term of reference of CSR committee is as follows:

- Formulate and recommend to the board, a CSR Policy indicating to be undertaken by the Company as specified in schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR Policy of the Company from time to time;

As on March 31, 2018, the Corporate Social Responsibility (CSR) Committee comprised of Three (3) Members of which (1) is Independent Director and other (2) are Executive Directors.

The details of composition of Corporate Social Responsibility (CSR) Committee and attendance of each committee Member are as follows:

Sr No.	Name of Members	Designation in Committee
1.	Mr. Ajay Sukhwani	Chairman
2.	Mr. Omkar Herlekar	Member
3.	Mr. Sumant Kharsambale*	Member
4.	Mr. Mithun Jadhav**	Member
5.	Ms. Manali Bhagtanj***	Member

The company Secretary of the company acts as the Secretary of the committee.

## NOTE

\*Resigned w.e.f June 16, 2018

\*\* Appointed w.e.f August 13, 2018

\*\*\* Appointed w.e.f February 12, 2018 in Company and August 13, 2018 in CSR Committee

The Board had reconstituted the composition of the Stakeholders Relationship committee due to resignation of member on August 13, 2018.

## MEANS OF COMMUNICATION

### Quarterly Results

The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes from the conclusion of the Board Meeting in which the same is approved. The Results are usually published in Business Standard, Free Press Journal, Dainik Lakshdeep (Marathi) and Nav Shakti (Marathi) having the wide circulation where in registered office of the Company is situated.

The Results are also placed on website of the Company i.e. [www.lasalabs.com](http://www.lasalabs.com)

### Website

All the Information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Companies Act, 2013 are being posted at company's website [www.lasalabs.com](http://www.lasalabs.com).

The official news releases and presentations to the institutional investors or analysts (if any) are disseminated to the stock exchanges at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and the same is being also uploaded on the website of the company [www.lasalabs.com](http://www.lasalabs.com).

### Concall

In addition to the above, the Company holds conference call with stakeholders and financial analysts as and when required.

The Transcript of the said calls are disseminated to the stock exchanges at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) and the same is being also uploaded on the website of the company [www.lasalabs.com](http://www.lasalabs.com).

### Designated email address for investor services

To serve the investors better and as required under Listing Regulations, the designated email address for investors services investor@lasalabs.com

**GENERAL SHAREHOLDER INFORMATION**

<b>Date, Time and Venue of AGM</b>	Tuesday, September 25, 2018 09:00 a.m. at Registered Office i.e. C-105, MIDC, Mahad, Dist-Raigad, Maharashtra 402309.	
<b>Financial Year</b>	April 1, 2017 to March 31, 2018	
<b>Name &amp; Address of Stock Exchanges</b>	<b>Stock Code/ Symbol</b>	<b>ISIN Number for NSDL/ CDSL (Dematerialized shares)</b>
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	540702	INE670X01014
The National Stock exchange of India Limited (NSE) exchange Plaza, Bandra-Kurla complex, Bandra (east), Mumbai – 400 051	LASA	

Annual Listing Fees have been paid to the respective Stock Exchanges.

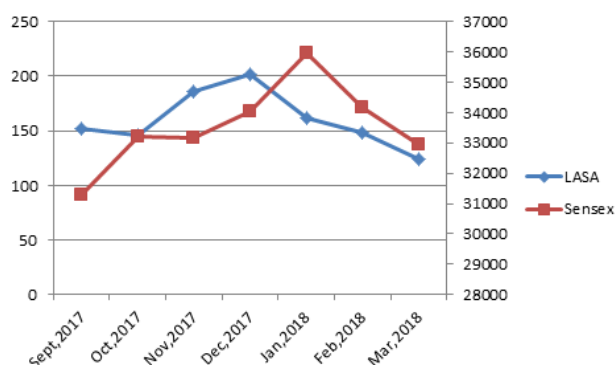
**Market Price Data**

The high and low prices and volumes of your Company's shares at BSE and NSE for the Financial Year 2017-18 are as under

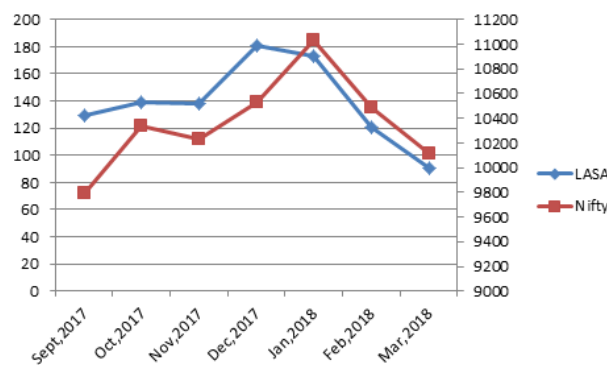
Month	BSE		NSE	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
September 2017	157.80	125.80	156.00	126.00
October 2017	155.80	127.50	155.65	127.10
November 2017	148.00	130.10	145	131.80
December 2017	188.05	130.00	188.50	130.10
January 2018	214.90	169.10	214	169
February 2018	177.00	110.90	177	110.10
March 2018	121.40	83.80	121.25	83.30

Graphical presentation of movement of Company's Stock Price as compared to Nifty and Sensex from September 2017 to March 2018 is as follows

Stock Price Data BSE Ltd (Sensex)



Stock Price Data NSE (Nifty)


**Depositories of the Company**  
**National Securities Depository Limited**

4th and 5th Floor, 'A' Wing, Trade World,  
Kamala Mills compound, Lower Parel,  
Mumbai 400 013, India

**Tel.:** +91 (22) 2499 4200

**Fax:** +91 (22) 2497 6351

**E-mail:** [info@nsdl.com](mailto:info@nsdl.com)

**Website:** [www.nsdl.com](http://www.nsdl.com)

**Central Depository Services (India) Limited**

Marathon Futurex, A-Wing, 25th floor,  
NM Joshi Marg, Lower Parel, Mumbai 400013

**Tel.:** +91 2305-8640/8624/8639

**E-mail:** [investors@cdslindia.com](mailto:investors@cdslindia.com)

**Website:** [www.cdslindia.com](http://www.cdslindia.com)

**Registrar and Share Transfer Agent ("RTA")**
**Bigshare Services Private Limited**

1st Floor, Bharat tin Works Building,  
Opp. Vasant oasis, Makwana Road, Marol, Andheri (east)  
Mumbai - 400 059.

**Tel:** 022 62638200

**Fax:** 022 62638299

**E-mail :** [investors@bigshareonline.com](mailto:investors@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

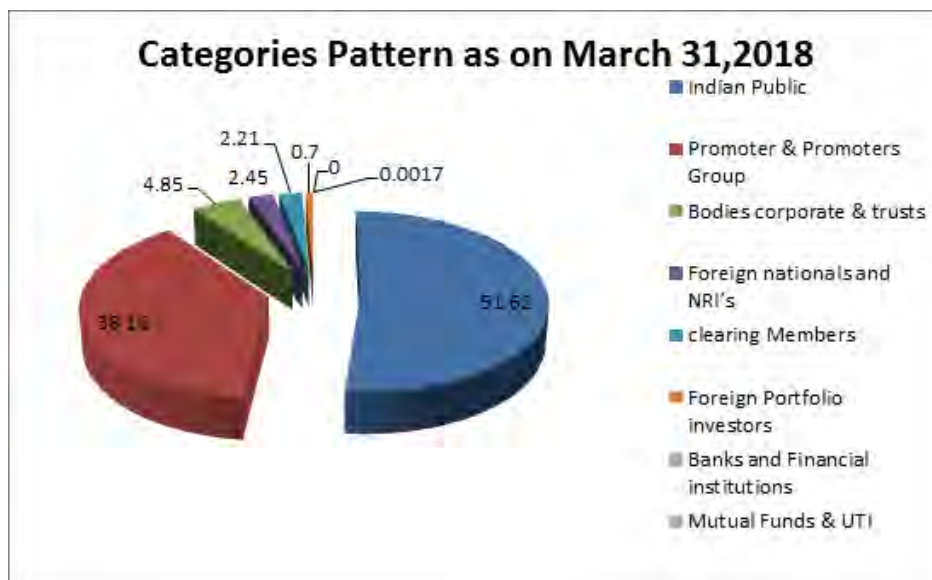
**Distribution of Shareholding as on March 31, 2018**

SHAREHOLDING OF NOMINAL		NUMBER OF SHAREHOLDERS	% TO TOTAL	SHARES	% TO TOTAL
1	500	17998	82.5899	2540151	11.1096
501	1000	1785	8.1911	1425858	6.2361
1001	2000	909	4.1713	1404614	6.1432
2001	3000	354	1.6244	912209	3.9896
3001	4000	190	0.8719	681505	2.9806
4001	5000	143	0.6562	669965	2.9302
5001	10000	223	1.0233	1651194	7.2217
10001	999999999	190	0.8719	13578953	59.3889
		<b>21792</b>	<b>100.0000</b>	<b>22864449</b>	<b>100.00</b>

**Categories of shareholders**

Category	Shares As on March 31, 2018		Shares As on March 31, 2017	
	No.	%	No.	%
Promoter & Promoters Group#	8726171	38.16	50000	100.00
Mutual Funds & UTI	0	0	-	-
Banks and Financial institutions	395	0.0017	-	-
Foreign Portfolio investors	161914	0.70	-	-
Bodies corporate & trusts	1110140	4.85	-	-
Foreign nationals and NRI's	560442	2.45	-	-
Indian Public	11799030	51.62	-	-
clearing Members	506357	2.21	-	-
<b>Total</b>	<b>22864449</b>	<b>100</b>	<b>50000</b>	<b>100</b>

# 342000 shares of Dr. Omkar P. Herlekar were under encumbrance not yet received back in his account and hence, are not reflected in his beneficial positions, as provided by depositories however not considered above



• **Statement showing Shareholding more than 1% of the Share Capital as on March 31, 2018**

Sr. No.	Names of Shareholders	Number of Shares	Percentage of Capital
1.	Omkar Pravin Herlekar*	6809500	29.73
2.	Pravin Shivdas Herlekar**(**)	540226	2.37
3.	Omkar Speciality Chemical Ltd**(**)	1186445	5.19
4.	Anil Vishanji Dedhia	260000	1.13
5.	Vishanji Sham Dedhia	240000	1.05

**NOTE:** \* Promoters & Promoters Group

\*\* Promoter Entity as on March 31, 2018 presently reclassified as "Public" vide approval dated April,16 2018 from both the Exchanges.

• **Dematerialization of Shares and Liquidity**

The Company's Equity Shares have been dematerialised with the Central Depository Services (India) Limited (CDSL) and the National Securities Depository Limited (NSDL). The International Security Identification Number (ISIN) is an identification number for traded shares. This number is to be quoted in each transaction relating to the dematerialised shares of the company. The ISIN of the company for its shares is mentioned above. The company also periodically undertakes audit of share capital by Practicing Company Secretary and submits the same with BSE & NSE.

The statuses of shares held in physical and dematerialized forms, as on March 31, 2018, are given below:

Shares held	Shareholders		Shares Held	
	No.	%	No.	%
<b>Physical Form</b>	27	0.12	4606	0.02
<b>Electronic Form with NSDL</b>	12388	56.85	12175947	53.25
<b>Electronic Form with CDSL</b>	9377	43.03	10683896	46.73
<b>Total</b>	<b>21792</b>	<b>100.00</b>	<b>22864449</b>	<b>100.00</b>

• **Outstanding GDR/ ADR/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity**

As on March 31, 2018, the company has no GDR/ ADR/ Warrants or any such convertible Instruments outstanding.

• **Commodity Price Risks and Commodity Hedging Activities: Not Applicable to the Company**

**Plant locations**

- **Manufacturing Unit – I:** Plot no. C-105 and C-105/1, Mahad Industrial Area, M.I.D.C., Village Khair Airwandi, Sub Dist. - Mahad, Dist.: Raigad, Maharashtra.
- **Manufacturing Unit – II:** Plot no. C-4 and C-1, C-43, Lote Parshuram Industrial area, Taluka Khed, Dist.: Ratnagiri, Maharashtra.
- **Manufacturing Unit – III:** B-15, B-16 Lote Parshuram Industrial area, Taluka Khed, Dist.: Ratnagiri, Maharashtra.
- **Manufacturing Unit – IV:** D 27/5 Lote Parshuram Industrial Area, Taluka Khed, Dist.: Ratnagiri, Maharashtra.
- **Address for Correspondence**  
Investors and shareholders can correspond with the company at the following address: Lasa Supergenerics Limited B-207, Citi Point, Near Kohinoor Continental Hotel, J.B. Nagar, Andheri East, Mumbai 400 059 Tel No. +91 22 4970 1092 E-mail address: [investor@lasalabs.com](mailto:investor@lasalabs.com) Website: [www.lasalabs.com](http://www.lasalabs.com)

**OTHER DISCLOSURES**

• **MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

Related party transactions in the ordinary course of business are reported to the Audit committee. None of them were (i) not in the normal course of business, or (ii) not on arm's length basis, or (iii) in conflict with the interests of the Company at large, including the related party transactions that are disclosed under note no.26 of the Standalone Financial Statements. There are no materially significant related party transactions of the Company, which have potential conflict with the interest of the company at large. The Register of contracts containing transactions, in which Directors are interested, is placed before the Board regularly. The Board has received disclosures from the Senior Management relating to material, financial and commercial transactions, where they and / or their relatives have personal interest.

The Board has approved a policy on dealing with related party transactions, and the same has been uploaded on the company's website of the company [www.lasalabs.com](http://www.lasalabs.com)

• **STATUTORY COMPLIANCE, PENALTIES AND STRICTURES**

There have been no instances of any penalties or strictures imposed on the company on any matter relating to the capital market, either by Stock exchanges, Securities and exchange Board of India or any statutory authority during the last three (3) years.

• **ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS**

The Company has complied with the Accounting Standards specified under section 133 of the Companies Act, 2013 (the "2013 Act") and the relevant provisions as applicable in the preparation of the financial statements of the company.



**CEO/ CFO CERTIFICATION**

The Managing Director and Finance Manager have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the company's affairs.

**RISK MANAGEMENT PROCEDURE**

The Company has adequate risk assessment and minimization system in place. The risk management procedure is reviewed periodically.

**MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements of SEBI Listing Regulations, 2015, relating to corporate Governance.

**DISCRETIONARY REQUIREMENTS**

Status of implementation of Discretionary Requirements of Reg. 27(1) of SEBI Listing Regulations, 2015 read with Schedule II -Part e is as follows:

Sr. No.	Requirement	Status of Implementation
1	A non- executive chairman may be entitled to maintain a Chairman's office at the company's expense and also allowed reimbursement of expenses incurred in Performance of his duties.	Not applicable as the company has an Executive Chairman.
2	A half-yearly declaration of financial performance including summary of the significant events in last six- months, may be sent to each household of shareholders.	As the quarterly and half yearly financial performance are published in the newspapers and are also uploaded on the company's website, the same are not being sent to the Shareholders separately.
3	Company may move towards a regime of financial statements with unmodified audit opinion.	The company has constantly endeavored towards this and until now the company's Audit Reports are all 'Clean Reports.'
4	company may appoint separate persons to the post of chairman and Managing Director or chief executive Officer.	The company does not have separate post of chairman and Managing Director or Chief Executive Officer.
5	The internal Auditor may report directly to the Audit committee.	The Internal Auditor directly reports to the Audit Committee as and when required.

**DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34 (3) READ WITH PARA (D) OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Dr. Omkar Pravin Herlekar, Chairman & Managing Director of Lasa Supergenerics Limited, declare that all the Members of the Board of Directors and Senior management personnel have affirmed the Compliance with the Code of Conduct for the period from April 1, 2017 to March 31, 2018.

**For and on behalf of the Board of Directors  
Lasa Supergenerics Limited**

**Dr. Omkar Pravin Herlekar  
Chairman & Managing Director**

**Date:13.08.2018**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
Lasa Supergenerics Limited

We have examined the compliance of conditions of corporate Governance by Lasa Supergenerics Limited ('company') for the year ended on March 31, 2018, as stipulated in in chapter IV of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, pursuant to the Listing Agreement with the Stock Exchange.

The compliance of conditions of corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate Governance as stipulated in the above-mentioned Listing Agreement/ Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For, Thanawala & Co.  
Chartered Accountants  
Firm Registration No: 110948W

Place: Mumbai  
Date : 28<sup>th</sup> May, 2018

CA Vijay Thanawala  
(Proprietor)  
Membership No.: 15632

**Annexure IV**  
**DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES**

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the Performance of the Company are as under:** (Explanation:(i)The expression "median" means the numerical value separating the higher half of the population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii)If there is even number of observations, the median shall be average of the two middle values.)

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2017-18 (In Rs.)	% increase in Remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director/ KMP to median remuneration of employees
1.	Dr. Omkar Herlekar Chairman & Managing Director	4200000	--	18.98%
2.	Mr. Shivanand Hegde Executive Director	2220000	--	9.90%
3.	Mr. Sumant Kharasambale Executive Director	825600	--	4.0%
4.	Mr. Vishnu Gupta Executive Director	2400000	--	2.19%
5.	CA Haradesh Tolani Non-Executive and Independent Director	135000	--	0.65%
6.	CA Ekta Gurnasinghani Non-Executive and Non-Independent Director	135000	--	0.65%
7.	Mr. Ajay Sukhwani Non-Executive and Independent Director	85000	--	0.41%
8.	CA Manali Bhagtani Non-Executive and Independent Director	--	--	00
9.	CS Hitesh Wadhwani Company Secretary & Compliance Officer	1200000	40%	4.38%
10.	Minesh Bhosle CFO	840000	--	3.06%

**Notes:**

1. Percentage increase in remuneration not reported as they were for the part of the Financial Year.
  2. Calculated on annualized basis.
  3. Remuneration includes commission paid to Executive Director and sitting fees paid to Non-Executive Directors.
  4. The remuneration to Directors is within the overall limits approved by the shareholders.
- 2. The numbers of permanent employees on the rolls of the Company** - 171 (As on March 31,2018)
- 3. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**
- There is no change / increase in remuneration.
- 4. Affirmation that the remuneration is as per the remuneration policy of the Company**
- It is hereby affirmed that the Remuneration paid to the Directors is as per the Remuneration Policy of the Company.

**DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES**

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended on March 31, 2018

1. Details of employees employed throughout the year and in receipt of remuneration at the rate of not less than ₹ 120,00,000/- p.a: None
2. Details of employees employed for a part of the financial year and in receipt of remuneration for any part of the year, at a rate which, in aggregate, was not less than Eight Lakh Fifty thousand rupees per month: None
3. Details of employees employed throughout the financial year or part thereof and was in receipt of remuneration in the year and is in excess of the remuneration of the Managing Director or Whole Time Director: None

**For and On behalf of the Board of Directors  
of Lasa Supergenerics Limited**

**Date: August 13, 2018  
Place: Mumbai**

**Omkar P. Herlekar  
Chairman & Managing Director  
(DIN: 01587154)**

**Annexure V**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Lasa Supergenerics Limited**  
C-105, MIDC Mahad, Mahad  
Raigad, MH – 402301.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lasa Supergenerics Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period)

I have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



## Lasa Supergenerics Ltd



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Company has listed with BSE Limited and National Stock Exchange on 21st September, 2017.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The appointment of Company Secretary was in compliance with the provisions of the Act. Further the Company has appointed Mr. Minesh C. Bhosle as CFO w.e.f. 02nd May, 2017 and he resign w.e.f. 31st January, 2018.

Adequate notice is given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except in few cases and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, quarterly financial results under Regulation 33 of SEBI (LODR) Regulations, 2015 and the annual financial statements, Cost Records has not been reviewed in this audit report, since the same have been subject to the statutory financial audit/cost audit by other designated professionals. This report is to be read with our letter of even date and forms an integral part of this report.

**For Shivam Sharma & Associates  
Company Secretaries**

**Shivam Sharma  
Proprietor  
M.No.: 35727  
Cp.No.: 16558**

**Date: August 13, 2018  
Place: Mumbai**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Lasa Supergenerics Limited

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of Lasa Supergenerics Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. 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 state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. 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 these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Emphasis of Matter**

We draw attention to the fact that figures for the corresponding year ended 31st March 2017 included in the statement are based on the previously issued financial results that were audited by the predecessor auditors vide their unmodified audit opinion dated 5th May, 2017.

**Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. 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 purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report;
  - 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company, has no pending litigations on its financial position;
    - 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, Thanawala & Co.**  
**Chartered Accountants**  
**Firm Registration No: 110948W**

**CA Vijay Thanawala**  
**(Proprietor)**  
**Membership No.: 15632**

**Place: Mumbai**  
**Date : 28<sup>th</sup> May, 2018**

**ANNEXURE – 1 TO THE INDEPENDENT AUDITOR'S REPORT**

**The annexure referred to in independent auditors report to the members of the Company on the financial statements for the year ended March 31, 2018. We report that:**

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year ended and no material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loans to company covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, The Company has not granted any loans to directors including entities in which they are interested or provided any guarantees, and securities to the parties covered under section 185 of the Companies Act 2013 nor the company has given any loans, made investments, given guarantees or provided any security as covered under section 186 of the Companies Act 2013.
- v. The Company has not accepted any deposits from the public.
- vi. Accordingly to the information and explanation given to us, cost records were maintained by the company pursuant to the order of the central government under section 148(1) of the Companies Act, 2013.
- vii. a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, except employees' state insurance & Current year income tax amounting to Rs.3,16,138, & Rs.1,47,80,178/- respectively for the year end, for a period of more than six months from the date they became payable.

- b) According to the records of the Company, There is no dues outstanding of income-tax, sales-tax, wealth tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute for the year ended March 31, 2018.
- viii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.

- ix. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way term loans were applied for the purposes for which those were raised.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has made allotment in perusal to the scheme of arrangement.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For, Thanawala & Co.**  
**Chartered Accountants**  
**Firm Registration No: 110948W**

**CA Vijay Thanawala**  
**(Proprietor)**  
**Membership No.: 15632**

**Place: Mumbai**  
**Date : 28<sup>th</sup> May, 2018**

**ANNEXURE - 2 TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members Lasa Supergenerics Limited on the financial statements for the year ended March 31, 2018**

**Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act**

We have audited the internal financial controls over financial reporting **Lasa Supergenerics Limited** ('the Company') as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's responsibility for internal financial controls**

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

**Auditors' responsibility**

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

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

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

**Meaning of internal financial controls over financial reporting**

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

A company's internal financial control over financial reporting includes those policies and procedures that:

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

**Inherent limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Thanawala & Co.  
Chartered Accountants  
Firm Registration No: 110948W**

**Place: Mumbai  
Date : 28<sup>th</sup> May, 2018**

**CA Vijay Thanawala  
(Proprietor)  
Membership No.: 15632**

**Balance Sheet as at March 31, 2018**

(Rs. In Lakhs)

Particulars	Note No.	As at 31 March 2018	As at 31 March 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	16,364.77	11,285.57
Capital Work in Progress	3	698.78	2,933.59
Intangible assets	3	599.38	597.76
Intangible assets under development	3	25.10	17.14
<u>Financial Assets</u>			
Non Current Investments	4	0.10	0.10
Loans	5	71.81	49.81
Other non-current assets	6	-	-
		<b>17,759.94</b>	<b>14,883.97</b>
<b>Current assets</b>			
Inventories	7	4,223.45	3,345.85
<u>Financial Assets</u>			
Trade receivables	8	4,215.11	3,497.05
Cash and cash equivalents	9	49.69	14.21
Bank balances other than cash & cash equivalents	10	213.79	102.02
Loans	11	5.60	-
Other current assets	12	2,210.44	981.57
		<b>10,918.09</b>	<b>7,940.69</b>
		<b>28,678.03</b>	<b>22,824.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share capital	13	2,286.44	5.00
Other Equity	14	9,447.64	7,544.43
		<b>11,734.09</b>	<b>7,549.43</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Non Current Borrowings	15	6,026.99	8,068.03
Provisions	16	23.75	13.57
Deferred Tax Liabilities	17	166.58	194.32
		<b>6,217.33</b>	<b>8,275.92</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Current Borrowings	18	2,983.04	2,318.51
Trade payables	19	4,793.52	2,538.40
Other financial liabilities	20	1,711.89	1,228.46
Other current liabilities	21	815.33	496.15
Provisions	22	129.31	210.88
Current tax liabilities (net)	23	293.52	206.92
		<b>10,726.61</b>	<b>6,999.31</b>
		<b>28,678.03</b>	<b>22,824.66</b>

**For Thanawala & Co.**

Chartered Accountants  
Firm Registration No.: 110948W

**CA Vijay Thanawala**

(Proprietor)  
M.No.: 15632

Place : Mumbai

Date : May 28, 2018

**For Lasa Supergenerics Limited**
**Omkar Herlekar**

(Chairman & Managing Director)  
DIN:01587154

**Hitesh Wadhvani**

(Company Secretary)

**Sumant Kharsambale**

(Whole Time Director)  
DIN:07240471

**Shivanand Hegde**

(Whole Time Director)  
DIN:00185508



**Statement of Profit and Loss for the period ended March 31, 2018**

(Rs. In Lakhs)

Particulars	Note No.	Year ended 31 March 2018	Year ended 31 March 2017
<b>INCOME</b>			
Revenue from operations	24	<b>24,583.88</b>	21,822.92
Other income	25	<b>348.66</b>	217.41
<b>Total income</b>		<b>24,932.54</b>	22,040.33
<b>EXPENSES</b>			
Cost of materials consumed	26	<b>17,205.86</b>	14,167.04
Changes in inventories of finished goods, work in process and stock in trade	27	<b>(55.34)</b>	(1,078.36)
Excise Duty		<b>231.29</b>	1,947.79
Employee benefits expense	28	<b>1,027.09</b>	955.46
Finance costs	29	<b>1,134.35</b>	1,167.72
Depreciation and amortisation expense		<b>1,816.66</b>	768.81
Other expenses	30	<b>2,049.30</b>	1,278.51
<b>Total expenses</b>		<b>23,409.21</b>	19,206.96
<b>Profit / (Loss) before Exceptional items &amp; tax</b>		<b>1,523.33</b>	2,833.37
Exceptional Items	31	-	2,619.10
<b>Profit / (Loss) before tax</b>		<b>1,523.33</b>	214.26
<b>Tax expenses</b>			
- Current tax		<b>316.33</b>	-
- (Excess)/Short Tax provision for earlier years		-	2.71
- Deferred tax	17	<b>(26.99)</b>	(24.68)
<b>Total tax expense</b>		<b>289.34</b>	(21.97)
<b>Profit / (loss) for the year</b>		<b>1,233.99</b>	236.24
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of employee defined benefit obligation		<b>(2.16)</b>	(1.64)
Income tax relating to items that will not be reclassified to profit or loss		<b>0.75</b>	0.51
		<b>(1.42)</b>	(1.13)
<b>Total comprehensive income for the year</b>		<b>1,232.58</b>	235.11
<b>Earning per equity share for profit attributable to equity shareholders of Lasa Supergenerics Limited</b>	32		
Basic & Diluted EPS (in Rs.)		<b>5.43</b>	1.15

(Refer Note No.32)

The above statement of profit &amp; loss should be read in conjunction with the accompanying notes.

**For Thanawala & Co.**

Chartered Accountants  
Firm Registration No.: 110948W

**CA Vijay Thanawala**

(Proprietor)  
M.No.: 15632

Place : Mumbai

Date : May 28, 2018

Financial Statements 2017-18

**For Lasa Supergenerics Limited**
**Omkar Herlekar**  
(Chairman & Managing Director)  
DIN:01587154

**Hitesh Wadhvani**  
(Company Secretary)

**Sumant Kharsambale**  
(Whole Time Director)  
DIN:07240471

**Shivanand Hegde**  
(Whole Time Director)  
DIN:00185508

**Statement of Cash flows for the year ended March 31, 2018**

(Rs. In Lakhs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (loss) / profit before tax	<b>1,523.33</b>	214.26
<b>Adjustments for</b>		
Depreciation and Amortisation Expense	<b>1,816.66</b>	768.81
Finance Costs	<b>1,134.35</b>	1,167.72
Interest income	<b>(348.66)</b>	(217.41)
Remeasurement of employee defined benefit obligation	<b>(2.16)</b>	(1.13)
Provision for doubtful debts and advances (net)	-	15.00
<b>Operating profit before working capital changes</b>	<b>4,123.52</b>	1,947.25
<b>Working capital adjustments :-</b>		
(Increase) / Decrease in Trade and Other Receivables	<b>(718.06)</b>	(1,412.54)
(Increase) / Decrease in Inventories	<b>(877.61)</b>	(1,363.66)
(Increase) / Decrease in Loans	<b>(27.61)</b>	11.81
(Increase) / Decrease in Other Current Assets	<b>(1,228.88)</b>	318.07
Increase / (Decrease) in Trade and Other Payables	<b>2,255.12</b>	(651.56)
Increase / (Decrease) in Provisions	<b>(71.39)</b>	153.91
Increase / (Decrease) in Other Financial Liabilities	<b>483.42</b>	807.19
Increase / (Decrease) in Other Current Liabilities	<b>319.19</b>	(77.60)
<b>Cash generated from / (used in) operations</b>	<b>4,257.71</b>	(267.14)
Direct taxes paid (Net of Refunds)	<b>(229.72)</b>	(33.16)
<b>Net cash (used in) / from generated from operating activities</b>	<b>4,027.99</b>	(300.30)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment and intangible assets (including capital work-in-progress and capital advances)	<b>(4,670.63)</b>	(168.78)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	<b>(111.77)</b>	(10.33)
Interest received	<b>348.66</b>	217.41
<b>Net cash (used in) / generated from investing activities</b>	<b>(4,433.74)</b>	38.30

**C. CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from Issue of Share Capital ( Considered as deemed inflow)	<b>2,281.44</b>	-
Proceeds from Capital Reserve	<b>670.63</b>	-
Interest paid	<b>(1,134.35)</b>	(1,167.72)
Proceeds from long-term borrowings (net)	<b>(2,041.03)</b>	618.34
Proceeds from short-term borrowings (net)	<b>664.54</b>	554.85
<b>Net cash (used in) / from financing activities</b>	<b>441.23</b>	5.48
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>35.48</b>	(256.53)
Cash and cash equivalents at the beginning of the year	<b>14.21</b>	270.74
<b>Cash and cash equivalents at the end of the year</b>	<b>49.69</b>	14.21
<b>Components of cash and cash equivalents considered only for the purpose of cash flow statement</b>		
In bank current accounts in Indian rupees	<b>29.13</b>	12.83
Cash in hand	<b>20.55</b>	1.38
	<b>49.69</b>	14.21

**For Thanawala & Co.**

Chartered Accountants  
Firm Registration No.: 110948W

**CA Vijay Thanawala**

(Proprietor)  
M.No.: 15632

**Place : Mumbai**

**Date : May 28, 2018**

**For Lasa Supergenerics Limited**
**Omkar Herlekar**

(Chairman & Managing Director)  
DIN:01587154

**Hitesh Wadhwani**

(Company Secretary)

**Sumant Kharsambale**

(Whole Time Director)  
DIN:07240471

**Shivanand Hegde**

(Whole Time Director)  
DIN:00185508

**Notes to Financial Statement as on 31 March 2018****1. Corporate Information**

Lasa Supergenerics Limited (the Company) is a company registered under Companies Act, 2013 and incorporated on March 11, 2016. The Company is primarily engaged in the business of manufacturing API bulk drugs products. The company's shares got listed on National Stock Exchange & Bombay Stock Exchange as on 21st September, 2017 and has a registered office located at Plot No. C-105, Mahad Industrial Area, Mahad, Dist. Raigad, Maharashtra-402309

**2A. Basis of preparation**

The Statement of Assets and Liabilities of the Company as at March 31, 2018 and the Statement of Profit and Loss, the Statement of Cash flows and the Statement of Changes in Equity for the year ended March 31, 2018 has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015. The financial Statement as at and for the year March 31, 2018 along with financial statement as at and for the year ended March 31, 2017. The Company is in Phase-2 of Ind-AS adoption, accordingly date of transition is April 1, 2016.

The Company has elected to present both periods as per Ind AS, instead of Indian GAAP i.e The financial information for the year ended March 31, 2017 has been prepared on Ind AS basis in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 ("SEBI Circular") and Guidance note on reports in company prospectuses issued by ICAI. For the purpose of Ind AS financial information for the year ended March 31, 2017 the Company has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions) as per Ind AS 101) as initially adopted on transition date i.e. April 1, 2016. Accordingly, suitable adjustments (both re-measurements and re-classifications) in the accounting heads are made to the Ind AS financial information for the year ended and March 31, 2017 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. April 1, 2016). Further, Lasa Supergenerics Ltd. (the Company) came into effect by virtue of scheme of arrangement duly approved and an order was passed by the Hon'ble National Company Law Tribunal, Mumbai on April 13, 2017. In view of the same, comparative figures for the year ended March 31, 2016 have not been given as the same are not applicable. The basis of preparation for specific item where exemptions has applied are as follows:

**Accounting Estimates**

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying

amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Business Combination**

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from the date of transition to Ind AS i.e. April 1, 2016. As such, Indian GAAP balances relating to business combinations entered before that date have been carried forward. Business combination post April 1, 2016 has been accounted for as per the provisions of the Scheme of amalgamation approved by Hon'ble National Company Law Tribunal dated April 13, 2017.

The Board of Directors of Lasa Supergenerics Limited ('LASA') the company, have approved the Composite Scheme of Arrangement ('the Scheme') Veterinary API Undertaking of Omkar Speciality Chemicals Limited ('OSCL') to Lasa Supergenerics Limited for demerger with the Company with effect from appointed date April 1, 2015. The Hon'ble National Company Law Tribunal has approved the Scheme vide its order dated April 13, 2017 and it became effective from May 2, 2017 (being the date of filing with Registrar of Companies).

Appendix C to Ind AS 103 ("Business Combinations") deals with accounting for business combinations of entities or businesses under common control. The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements i.e the appointed date. As the result, the company has restated ₹ 442.19 lacs to the opening balance of retained earnings on April 1, 2016 being the impact representing Profit and Loss for the year of 2015-16 in the terms of the composite scheme of arrangements sanctioned by the hon'ble NCLT Mumbai Bench vide order dated April 13, 2017.

The Company has issued 205.78 lakhs equity shares of ₹ 10/- each, fully paid-up, of the Company to the holders of Equity shares of OSCL whose names will be registered in the register of members on the record date, without payment being received in cash, in the ratio of 1 (one) fully paid-up equity shares of ₹ 10/- each of the Company for every 1 (one) fully paid-up equity shares of ₹ 1 held in LASA.

In terms of the Scheme & provisions of Appendix C of Ind AS 103 all assets, liabilities and reserves of Veterinary API undertaking of Omkar Speciality Chemicals Limited (OSCL) have been vested with the Company with effect from April 1, 2015 and have been recorded at their respective book values in accordance with the Scheme.

Further, as per the Scheme, the excess of book value of assets over the book value of liabilities of the demerged undertaking shall be adjusted against the capital reserve account

Particulars	Amount
<b>Book value of assets, liabilities and reserves of API Undertaking</b>	
<b>Assets</b>	
Property, Plant & Equipment	10,428.72
Intangible assets	402.05
Capital work-in-progress	2,288.08
<b>Non - Current Financial Assets :</b>	
Non-current investments	0.10
Long term loans and advances	61.08
Inventories	3,409.94
<b>Current Financial Assets :</b>	
Trade receivables	1,815.54
Cash and cash equivalents	321.15
Short-term loans and advances	1,516.00
Other current assets	55.85
<b>Total (i)</b>	<b>20,298.51</b>
<b>Liabilities</b>	
<b>Non - Current Financial Liabilities :</b>	
Long-term borrowings	6,768.05
Deferred tax liabilities Net	(145.66)
Long term provisions	27.77
<b>Current Financial Liabilities :</b>	
Short-term borrowings	1,993.16
Trade payables	3,107.53
Other current liabilities	401.23
Short-term provisions	534.93
<b>Total (ii)</b>	<b>12,687.01</b>
<b>Equity</b>	
Equity Share Capital	2,057.80
<b>Other Equity:</b>	
Capital Reserve	5,553.70

The resulting company shall reimburse the demerged company for all liabilities incurred by the demerged company in so far as such liabilities relate to period prior to the appointed date i.e. 1 April 2016 in respect of the demerged undertaking as per the Scheme.

The Financial Statement (including Ind AS financial Statement for the year ended March 31, 2017) have been compiled by the Company from the Audited Financial Statements of the Company prepared under Ind AS and for the year ended March 31, 2017 prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP or Indian GAAP').

For all periods up to and including the year ended March 31, 2017, the Company prepared its audited financial information in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the Year ended March 31, 2018 are the first financial statement the Company has prepared in accordance with Ind AS. The date of transition to Ind AS is April 1, 2016.

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of Financial Information under Accounting

Standards notified under Previous GAAP to Ind AS of Shareholders' equity as at March 31, 2017 of the Statement of Profit and loss and other comprehensive Income for the for the year ended March 31, 2017. The financial statement are presented in Indian Rupees (INR) and all values are rounded to the nearest lacs, except where otherwise indicated.

## 2B. Significant accounting policies

### a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### b) Property, Plant and Equipment

Under the previous GAAP (Indian GAAP), all assets were carried in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any. On the date of transition to IND AS, the Group has applied exemptions of Ind AS 101 to continue the carrying value of all property, plant and equipment as at the date of transition as its deemed cost.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The costs comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT credit and VAT credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.



Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## Depreciation/ Amortisation

- a) Depreciation on tangible assets is provided on straight line basis considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis.
- b) Leasehold improvements are amortised on the basis of primary lease period or their useful lives prescribed under Schedule -II, whichever is lower.
- c) The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.
- d) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## c) Intangible assets

Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit & Loss.

Assets acquired but not ready for use are classified under Capital work-in-progress or intangible assets under development, as the case may be.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2016 of its Intangible Assets and used that carrying value as the deemed cost of the Intangible Assets on the date of transition i.e. 1 April 2016.

## d) Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the assets, recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net

selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For the remaining economic life of the asset or cash-generating unit (CGU), a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

## e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## (i) Financial assets

The Company classified its financial assets in the following measurement categories :-

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

## Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

## Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- (i) Financial Assets at Amortised Cost

(ii) Financial Assets Measured at Fair Value

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

**Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1<sup>st</sup> April 2016 of its equity investments in subsidiaries, Joint Ventures and associates, if any, and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1<sup>st</sup> April 2016.

**Equity investments of other entities**

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL categories are measured at fair value with all changes recognized in the Profit and loss.

**Derecognition**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues

to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Impairment of financial assets**

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortised cost; eg. Loans, Security deposits, trade receivable, bank balance, other financial assets etc. The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for estimates. At every reporting date, the historical observed default rates are updated and changes in the estimates are analyzed. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**(ii) Equity Instruments and Financial liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

## **Financial Liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

#### **Trade Payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

#### **Loans and borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### **Derecognition**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

### **f) Investment in Subsidiaries**

The investments in subsidiaries are carried at cost as per IND AS 27. Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### **g) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sales tax/ Value added tax (VAT)/ GST (Goods and Service Tax) is not received by the Company on its own account. Rather, it is collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

#### **Interest Income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts

over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

#### **Dividend Income**

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

### **h) Taxes: Taxes comprises current income tax and deferred tax**

#### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the income computation and disclosure standards (ICDS) enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

## Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets (including MAT credit) are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside the statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an

asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## Sales/ value added tax/ GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/ GST (Goods and Service Tax) paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included the net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current assets or liabilities in the balance sheet.

## i) Borrowing costs

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## j) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

## Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payment are structured to increase in line with expected general inflation to compensate for the losses in expected inflationary cost increase.

## k) Segment reporting

As the Company's business activity primarily falls within a single business and geographical segment, thus there are no additional disclosures to be provided under Ind AS 108 - "Operating Segment".

## l) Provision and Contingent liabilities Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions



are not discounted to their present value (except where time value of money is material) and are determined based on the best estimate required to settle the obligation at the reporting date when discounting is used, the increase in provision due to passage of time is recognised as finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

## Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

## m) Employee benefits

### Provident fund

The Company has defined contribution plan for post employment benefits in the form of provident fund. The Company's contributions to defined contribution plans are charged to the Statement of Profit and Loss as incurred.

### Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. (Refer Note no. 34)

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- (i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- (ii) Net interest expenses or income

### Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current

liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

## Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

## Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an

award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.



## n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## o) Earning per share

Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. (Refer Note No. 32)

## p) Foreign currencies

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

## q) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring and non-recurring fair value measurement measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

The management in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## For Thanawala & Co.

Chartered Accountants

## Firm Registration

No.: 110948W

## CA Vijay Thanawala

(Proprietor)

Membership No.: 15632

Place: Mumbai

Date: May 28, 2018

## For Lasa Supergenerics Limited

**Omkar Herlekar**  
(Chairman & Managing Director)  
DIN: 01587154

**Sumant Kharsamble**  
(Whole Time Director)  
DIN: 07240471

**Shivananad Hegde**  
(Whole Time Director)  
DIN: 00185508

**Hitesh Wadhvani**  
(Company Secretary)

**Statement of Changes in Equity for the year ended 31st March 2018**

(₹ in lakhs)

<b>EQUITY SHARE CAPITAL :</b>	<b>Balance as at 1st April, 2016</b>	<b>Changes in equity share capital during the year</b>	<b>Balance as at 31st March, 2017</b>	<b>Changes in equity share capital during the year</b>	<b>Balance as at 31st March, 2018</b>
Paid up Capital	5.00	-	5.00	2,281.44	2,286.44

**OTHER EQUITY :**

(₹ in lakhs)

<b>Particulars</b>	<b>Share Suspense Account</b>	<b>Capital Reserve</b>	<b>Reserves and Surplus Securities Premium Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
Balance as at April 1, 2016	2,057.80	5,553.70	-	(302.17)	5,251.53
Profit/(Loss) for the year	-	-	-	236.24	236.24
Prior Period Items	-	-	-	-	-
Items of Other Comprehensive Income for the year, net of tax :	-	-	-	-	-
Remeasurements of net defined benefit plans	-	-	-	(1.13)	(1.13)
<b>Balance as at 31st March, 2017</b>	<b>2,057.80</b>	<b>5,553.70</b>	<b>-</b>	<b>(67.07)</b>	<b>7,544.43</b>
Profit/(Loss) for the year	-	-	-	1,233.99	1,233.99
Prior Period Items	-	-	-	-	-
Items of Other Comprehensive Income for the year, net of tax :	-	-	-	-	-
Remeasurements of net defined benefit plans	-	-	-	(1.42)	(1.42)
Share Capital Issued during the year	-	-	2,728.43	-	2,728.43
In Pursuant to the Scheme	(2,057.80)	-	-	-	(2,057.80)
<b>Balance as at 31st March, 2018</b>	<b>-</b>	<b>5,553.70</b>	<b>2,728.43</b>	<b>1,165.51</b>	<b>9,447.64</b>

Note: The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Financial Assets**
**Note 4 : Non Current Investments**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Investment in quoted equity instruments (fully paid-up)		
1000 Equity Shares Investment in Saraswat Bank Co-op Ltd of INR 10/- each	0.10	0.10
(Previous Year 1000 Equity Shares Investment in Saraswat Bank Co-op Ltd of INR 10/- each)		
	0.10	0.10

**Note 5 : Loans (Non-Current)**
**Unsecured, Considered Good**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Security Deposits	75.25	49.81
Less - Advance/Prepaid rent - IND AS	(4.83)	-
	70.42	49.81
Add - Interest expense - IND AS	1.40	-
	71.81	49.81

Notes to financial statements for the year ended 31 March 2018  
Note 3 : PROPERTY, PLANT & EQUIPMENT

Property, Plant & Equipment																		Intangible Assets		
	Lease Hold Land	Factory Building	Plant & Machinery	Effluent Treatment	Air Conditioner	Tank	Electrical & Electrical Equipment	Plant & Machinery - R&D	Laboratory Equipments	Office Equipments	Motor Car	Furniture & Fixture	Computer & Peripherals	Total	Capital Work in Progress	Patent and Process	Computer Software Under Development			
Gross carrying value, at cost																				
Opening as on 1st Apr, 2016	585.00	2,531.95	6,154.86	0.28	1.12	0.52	149.66	1,440.93	17.23	3.52	27.46	28.00	10.93	10,951.46	4,384.78	597.76	17.14			
Additions	14.54	476.46	866.92	-	-	-	0.87	208.15	1.67	4.99	45.98	3.96	2.49	1,626.03	2,679.16	-	-			
Disposal / Transfer	-	-	-	-	-	-	-	-	-	-	14.38	-	-	14.38	4,130.34	-	-			
As at 31st Mar, 2017	599.54	3,008.41	7,021.78	0.28	1.12	0.52	150.53	1,649.08	18.90	8.51	59.06	31.96	13.42	12,563.11	2,933.60	597.76	17.14			
Additions	254.84	967.95	4,412.25	-	-	-	1.03	1,231.37	-	1.35	20.50	0.84	5.71	6,895.84	1,159.92	1.63	7.96			
Disposal / Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,350.74	-	-			
As at 31st Mar, 2018	854.38	3,976.36	11,434.03	0.28	1.12	0.52	151.56	2,880.45	18.90	9.86	79.56	32.80	19.13	19,458.95	698.78	599.39	25.10			
Accumulated Depreciation / amortisation																				
Opening as on 1st Apr, 2016	3.25	82.96	309.01	0.01	0.13	-	16.68	90.78	1.80	0.89	3.49	2.93	5.11	517.04	-	-	-			
Charge for the year	3.37	90.52	494.87	0.01	0.13	0.01	16.70	148.01	1.90	1.06	5.42	3.21	3.60	768.81	-	-	-			
Disposal / Transfer	-	-	-	-	-	-	-	-	-	-	8.33	-	-	8.33	-	-	-			
As at 31st Mar, 2017	6.62	173.48	803.88	0.02	0.26	0.01	33.38	238.79	3.70	1.95	0.58	6.14	8.71	1,277.52	-	-	-			
Charge for the year	8.08	113.85	950.42	0.02	0.13	0.07	17.52	706.15	2.06	2.15	9.40	3.61	3.20	1,816.66	-	-	-			
Disposal / Transfer																				
As at 31st Mar, 2018	14.70	287.33	1,754.30	0.04	0.39	0.08	50.90	944.94	5.76	4.10	9.98	9.75	11.91	3,094.18	-	-	-			
Net Book Value																				
As at 31st Mar, 2018	839.68	3,689.03	9,679.73	0.24	0.73	0.44	100.66	1,935.51	13.14	5.76	69.58	23.05	7.22	16,364.77	698.78	599.39	25.10			
As at 31st Mar, 2017	592.92	2,834.93	6,217.90	0.26	0.86	0.51	117.15	1,410.29	15.20	6.56	58.48	25.82	4.71	11,285.59	2,933.60	597.76	17.14			
As at 31st Mar, 2016	581.75	2,448.99	5,845.85	0.27	0.99	0.52	132.98	1,350.15	15.43	2.63	23.97	25.07	5.82	10,434.42	4,384.78	597.76	17.14			

(a) Property, plant and equipment pledged as security

Refer to Note 15 and 18 for information on property, plant and equipment and other intangible assets pledged as security by the company

(b) Capital work-in-progress

Capital work-in-progress mainly comprises of plant & machinery and factory building.

(c) Intangible Assets - Patents

Intangible assets is assessed with indefinite useful lives hence no depreciation has been charged for the same.

**Note 6 : Other non-current assets**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Preliminary Exp Not W/off	-	28.09
Less : IND AS Adjustment	-	(28.09)
	-	-

**Note 7 : Inventories**

(Valued at lower of cost or Net Realisable Value)

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Raw materials	1,666.29	844.03
Work-in-progress	1,372.34	1,871.70
Finished products	1,184.82	630.12
	4,223.45	3,345.85

**Note 8 : Trade receivables**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Unsecured, Considered Good	4,223.32	3,554.17
Less : Provision for Doubtful Debts	-	(50.00)
Less : Impairment allowance (allowance for doubtful debts) - ECL	(8.21)	(7.12)
	4,215.11	3,497.05

Refer note no. 37 for information about impairment, credit risk and market risk of trade receivable  
There are no outstanding dues from directors or other officers of the company.

**Note 9 : Cash and cash equivalents**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Balance with Banks	29.13	12.83
Cash in hand	20.55	1.38
	49.69	14.21

**Note 10 : Bank balances other than cash & cash equivalents**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Fixed Deposit as a Margin Money	213.79	102.02
	213.79	102.02

\* Margin money deposits are restricted and the same is held towards margin money for letter of credit.

**Note 11 : Loans(Current)**
**Unsecured, Considered Good**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Security Deposits	5.60	-
	5.60	-

**Note 12 : Other current assets**

Particulars	As at	As at
	31 March 2018	31 March 2017
Advances to Suppliers & Other Vendors	919.70	138.27
Advances for Capital Goods	286.57	124.99
Prepaid Expenses	10.31	5.55
Balances with Government Authorities	989.96	712.48
Other Current Assets (TDS Receivables)	0.49	0.28
Advance/Prepaid rent expenses - ind as	4.83	-
Less - Amortisation of rent expense	(1.42)	-
	<b>2,210.44</b>	981.57

**Note 13 : Equity Share capital**

Particulars	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amount	No. of Shares	Amount
<b>(A) Share Capital</b>				
Authorised Capital				
Equity Shares of Rs.10/- each.	35,000,000	3,500.00	350,00,000	3,500.00
	<b>35,000,000</b>	<b>3,500.00</b>	<b>350,00,000</b>	<b>3,500.00</b>
<b>Issues, Subscribed and Paid up:</b>				
Equity Shares of Rs.10/- each.	22,864,449	2,286.44	50,000	5.00
<b>Total</b>	<b>22,864,449</b>	<b>2,286.44</b>	<b>50,000</b>	<b>5.00</b>
<b>(B) Share capital suspense account</b>				
Share capital suspense account	-	-	205,78,000	2,057.80
<b>Total</b>	<b>-</b>	<b>-</b>	<b>205,78,000</b>	<b>2,057.80</b>

**(C) Reconciliation of the Shares outstanding at the beginning and at the end of the year:**

Issued, Subscribed and Paid up capital	As at 31 March 2018		As at 31 March 2017	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
At the beginning of the Year	50,000	5.00	50,000	5.00
Share issued during the Year	22,814,449	2,281.44	-	-
Issued, Subscribed and Paid Up capital at the end of year	22,864,449	2,286.44	50,000	5.00

**(D) Details of Share Holders holding more than 5% shares in the company**

Name of Shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of Share	% Shareholding	No. of Share	% Shareholding
Omkar Pravin Herlekar	6809500	29.78%	5251500	22.97%
Pravin Herlekar	-	-	2290821	10.02%
Omkar Speciality Chemicals Limited	1186445	5.19%	-	-
<b>Total</b>	<b>7,995,945</b>	<b>34.97%</b>	<b>75,42,321</b>	<b>32.99%</b>

(E) The company has one class of Equity Shares having a par value of ₹ 10.00 per share. Each Shareholder is eligible for one vote per share held and has same right to dividend.

(F) No bonus shares have been issued during five years immediately preceding 31st March, 2018.

(G) No dividend Proposed, Declared and paid.

(H) Shares reserved for issue under options and contracts or commitments for the sale of shares of disinvestment, including the terms and amounts - Nil

(I) For the period of five years immediately preceding the date at which the Balance Sheet is prepared-

- 1) aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
- 2) aggregate number and class of shares bought back - Nil



**Note 14 : Other Equity**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016
<b>RESERVE AND SURPLUS</b>			
Capital Reserve			
Opening Balance	5,553.70	5,553.70	5,553.70
Add: Arising pursuant to the scheme	-	-	-
Closing Balance	5,553.70	5,553.70	5,553.70
<b>Securities Premium</b>			
Opening Balance	-	-	-
Add: Addition	2,728.43	-	-
Less: Share Issue Expenses	-	-	-
Closing Balance	2,728.43	-	-
<b>Profit &amp; Loss Account</b>			
Opening Balance	(67.07)	(302.17)	-
Add : Profit for the year	1,233.99	236.24	(302.17)
Remeasurements of net defined benefit plans	(1.42)	(1.13)	-
Closing Balance	1,165.51	(67.07)	(302.17)
	<b>9,447.64</b>	<b>5,486.63</b>	<b>5,251.53</b>

**Note 15 : Non Current Borrowings**

Particulars	As at 31 March 2018	As at 31 March 2017
Secured Loans		
Term Loans		
From Banks	1,591.14	3,154.61
From Others	8.17	8.92
Unsecured Loans		
From Others	4,887.72	5,302.22
Less - Unamortised loan income	(1,005.86)	(606.83)
Add - Interest expense	545.82	209.10
	<b>6,026.99</b>	<b>8,068.03</b>

- Term Loans are secured by way of hypothecation of stocks and book debts and first charge on land building and plant and machinery situated at Plot No. D-27/5, MIDC, Lote Parshuram Industrial Area, Taluka - Khed, Dist. Ratnagiri
- Personal guarantee of the promoter director of the company.
- ECB loan from Bank of Baroda carries interest rate of Base rate 4.7% plus 6 Months Libor 1.41544 % (6.11544% p.a. at 31 March 2018) and is repayable in 28 Quaterly installments commenced from Sep 2014
- Car Loan from Tata Motors Finance Ltd carries interest rate of (9.50% p.a. at 31 March 2018) and is repayable in 60 Monthly installments commenced from March 2015
- Car Loan from Ford Credit India Pvt Ltd carries interest rate of (9.50% p.a. at 31 March 2018) and is repayable in 60 Monthly installments commenced from September 2016

**Note 16 : Provisions**

Particulars	As at 31 March 2018	As at 31 March 2017
Provision For Gratuity	17.72	125.81
Less : IND AS Adjustment (Prior Period)	-	(112.24)
	17.72	13.57
Provision For Leave Encashment	6.03	-
	<b>23.75</b>	<b>13.57</b>

**Note 17 : Deferred Tax Liabilities**
**Movement in deferred tax balances**

Particulars	As at 31 March 2017	Recognised in profit or loss	Deferred tax liability as at 31 March 2018	Deferred tax asset
Deferred tax (Asset)/Liabilities				
Property, plant and equipment & Intangible assets	984.65	853.66	1,838.31	-
ECL	(2.20)	(0.63)	(2.83)	-
Employee benefits	(10.11)	(41.96)	(52.08)	-
Fair Valuation of Non-current Liabilities & Assets	57.75	(58.49)	(0.74)	-
Indexed cost of land	(7.43)	(14.67)	(22.09)	-
MAT	(31.92)	(509.54)	(541.46)	-
Other Items	(796.42)	(255.36)	(1,051.78)	-
Deferred tax (Asset)/Liabilities	194.32	(26.99)	167.33	-
Deferred tax (Asset)/Liabilities-IND AS	-	(0.75)	(0.75)	-

Particulars	As at 31 March 2016	Recognised in profit or loss	Deferred tax liability as at 31 March 2017	Deferred tax asset
<b>Deferred tax (Asset)/Liabilities</b>				
Property, plant and equipment & Intangible assets	791.20	193.45	984.65	-
ECL	(0.34)	(1.86)	(2.20)	-
Employee benefits	(6.65)	(3.46)	(10.11)	-
Fair Valuation of Non-current Liabilities	0.22	57.53	57.75	-
Indexed cost of land	(7.88)	0.45	(7.43)	-
MAT	(31.92)	-	(31.92)	-
Other Items	(525.62)	(270.80)	(796.42)	-
<b>Deferred tax (Asset)/Liabilities</b>	<b>219.00</b>	<b>(24.68)</b>	<b>194.32</b>	-

**Note 18 : Current Borrowings**

Particulars	As at 31 March 2018	As at 31 March 2017
Secured Loans		
Term Loans		
From Banks	2,983.04	2,318.51
	<b>2,983.04</b>	<b>2,318.51</b>

**Working Capital Loans**

- a) From banks were secured by way of hypothecation of stock and book debts and first charge on land building and plant and machinery situated at Plot No C-105. MIDC, MAHAD. Dist: Raigad & C-4, MIDC, Lote Parshuram Industrial Area, Taluka - Khed, Dist. Ratnagiri
- b) Personal guarantee of the promoter directors of the company
- c) Working Capital loan carries interest rate in the range of 10.50% p.a

**Note 19 : Trade payables**

Particulars	As at 31 March 2018	As at 31 March 2017
Due to Others	4,793.52	2,538.40
	<b>4,793.52</b>	<b>2,538.40</b>

There is no outstanding amount overdue as on March 31, 2018 to Micro, small and medium enterprises on account of principal or interest (March 31, 2017 : Nil)

**Note 20 : Other financial liabilities**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Current maturities of long-term debt	<b>1,656.08</b>	1,191.68
Salary and Bonus Payable	<b>55.81</b>	36.78
	<b>1,711.89</b>	1,228.46

Term loan from Axis Bank carries interest rate of 11.40% p.a at March, 31 2018.

**Note 21 : Other current liabilities**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Unamortised loan income	<b>1,005.86</b>	606.83
Less - Amortisation	<b>(543.43)</b>	(212.98)
	<b>462.42</b>	393.85
Statutory liabilities	<b>23.57</b>	48.47
Creditors for capital goods	<b>113.60</b>	51.74
Advance received from customers	<b>215.75</b>	2.09
	<b>815.33</b>	496.15

**Note 22 : Provisions**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Provision For Expenses	<b>129.31</b>	210.88
	<b>129.31</b>	210.88

**Note 23 : Current tax liabilities (net)**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Income Tax Payable ( Net)	<b>293.52</b>	206.92
	<b>293.52</b>	206.92

**Note 24 : Revenue from operations**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Sale of Products	<b>24,352.58</b>	21,822.92
Add :- Excise Duty	<b>231.29</b>	-
	<b>24,583.88</b>	21,822.92

**Note 25 : Other income**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Interest income		
- interest unwinding on financial assets	<b>1.40</b>	-
- on loans	<b>330.45</b>	190.23
- on margin money deposits	<b>9.51</b>	7.29
- on Sales tax & IT Refund	-	19.89
Forex Gain/ Loss fluctuation	<b>7.30</b>	-
Other non-operating income		
- Miscellaneous	-	-
	<b>348.66</b>	217.41

**Note 26 : Cost of materials consumed**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Cost of Raw Material consumed including Packing Material	<b>17,205.86</b>	14,167.04
	<b>17,205.86</b>	<b>14,167.04</b>

**Note 27 : Changes in inventories of finished goods, work in process and stock in trade**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
<b>Opening Stocks</b>		
- Work in Process	<b>1,871.70</b>	403.53
- Finished Goods	<b>630.12</b>	1,019.93
	<b>2,501.82</b>	1,423.46
Less : Closing Stocks		
- Work in Process	<b>1,372.34</b>	1,871.70
- Finished Goods	<b>1,184.82</b>	630.12
	<b>2,557.16</b>	2,501.82
	<b>(55.34)</b>	<b>(1,078.36)</b>

**Note 28 : Employee benefits expense**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Salaries and wages	<b>961.13</b>	867.97
Contribution to provident and other fund	<b>0.16</b>	0.10
Gratuity	<b>49.04</b>	57.11
Leave Encashment	<b>(9.91)</b>	-
Staff welfare	<b>26.66</b>	30.28
	<b>1,027.09</b>	955.46

**Note 29 : Finance costs**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Interest on:		
- Term loans	<b>23.92</b>	10.98
Interest on interest free loan - ind as	<b>336.72</b>	187.06
- Cash credit facilities	<b>584.12</b>	898.16
Other borrowing costs		
- Bank charges	<b>189.59</b>	71.52
	<b>1,134.35</b>	1,167.72

**Note 30 : Other expenses**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Power & Fuel Expenses	574.64	525.88
Water Charges	89.79	77.05
Freight Inward	122.34	61.16
Processing Charges	383.93	50.58
Laboratory Expenses	21.53	16.98
Consumable Stores	13.96	18.75
Other Manufacturing Expenses	157.72	189.01
Sundry Factory Expense	28.47	16.46
Conveyance & Travelling Expenses	24.03	23.16
Sales Promotion Exp	11.14	19.27
Freight & Transportation - Sales	49.76	-
Commission on Sales	23.45	-
Telephone/postage/Internet Charges	17.71	17.63
Insurance	24.85	28.94
Printing & Stationery	16.77	22.03
Professional Charges	127.64	85.67
Repairs & Maintenance	15.60	12.79
Rates & Taxes	12.87	2.42
Rent	52.40	0.92
Misc. Exp	194.18	44.22
Discounts	0.78	-
Forex Gain/ Loss	-	19.10
Office expenses	40.67	16.54
Auditor Remuneration (refer note 30 (a) below)	12.50	1.65
Provision for Doubtful Debts	-	15.00
Demerger Expenses	1.69	5.65
Loss on sale of Motor Car	-	1.65
Advertisement Expenses	11.66	-
Listing Fees	15.86	-
Interest on Excise	0.13	-
Interest on GST Paid	0.43	-
Tds Filling Charges	0.03	-
Expences For EGM	0.26	-
Rent Expense (IND AS)	1.42	-
Impairment allowance (allowance for doubtful debts) - ECL	1.09	6.02
	<b>2,049.30</b>	<b>1,278.51</b>

**Note 30 (a) Details of Payment to Auditors**

<b>Particulars</b>	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Payment to auditors		
Audit Fees	8.00	1.50
Tax audit fee	1.00	0.15
Other Services	3.50	-
	<b>12.50</b>	<b>1.65</b>



**Note 31 Exceptional Items**

Particulars	As at 31 March 2018	As at 31 March 2017
Exceptional Items		
Impairment of Work in Progress Written off	-	2,619.10
	-	2,619.10

Exceptional items consist of the difference between the fair value and book value of assets taken from Demerged company amounting to ₹ 26,19,10,397/- . The Same has been charged to the Profit & Loss Account of the company in the terms of the composite scheme of arrangements as sanctioned by the hon'ble NCLT Mumbai Bench vide order dated April 13, 2017.

**Note 32 : Earning Per Share**

(₹ in Lakhs, except for share data if otherwise stated)

Particulars	As At 31 March 2018	As At 31 March 2017
Profit attributable to equity shareholders for basics & Diluted EPS	<b>1,233.99</b>	236.24
Less : Profit attributable to Preference Shareholders	-	-
Profit attributable to Equity Shareholders	<b>1,233.99</b>	236.24
Weighted average number of Equity Shares: (Refer Note Below)		
-Basic	<b>227,31,015</b>	206,28,000
-Diluted	<b>227,31,015</b>	206,28,000
Earnings per Share (in ₹)		
-Basic	<b>5.43</b>	1.15
-Diluted	<b>5.43</b>	1.15

**Notes**

Basic Earnings Per Share (EPS) is calculated by dividing net profit after tax by weighted average no. of equity shares, including shares allotted in pursuance of schemes of arrangement. Actual allotment of shares took place on June 14, 2017.

**Note 33 : Financial instruments**

(1.) The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables."

**Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at 31st March 2018 were as follows

(₹ In Lakhs)

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in equity shares	4	0.10	-		-	-	0.10	0.10
Trade receivables	8	4,215.11	-	-	-	-	4,215.11	4,215.11
Loans	5,11	75.25	(3.44)	-	-	-	71.81	71.81
Cash and cash equivalents	9	49.69	-	-	-	-	49.69	49.69
Other bank balances	10	213.79	-	-	-	-	213.79	213.79
Other current assets	12	2,207.03	3.41	-	-	-	2,210.44	2,210.44
Liabilities:								
Borrowings	15,18	9,470.07	(460.03)	-	-	-	9,010.04	9,010.04
Trade payables	19	4,793.52	-	-	-	-	4,793.52	4,793.52
Other financial liabilities	20	1,711.89	-	-	-	-	1,711.89	1,711.89
Other current Liabilities	21	352.91	462.42	-	-	-	815.33	815.33

The carrying value and fair value of financial instruments by categories as at 31st March 2017 were as follows

(₹ In Lakhs)

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in equity shares	4	0.10	-		-	-	0.10	0.10
Trade receivables	8	3,497.05	-	-	-	-	3,497.05	3,497.05
Loans	5,11	49.81	-	-	-	-	49.81	49.81
Cash and cash equivalents	9	14.21	-	-	-	-	14.21	14.21
Other bank balances	10	102.02	-	-	-	-	102.02	102.02
Other current assets	12	981.57	-	-	-	-	981.57	981.57
Liabilities:								
Borrowings	15,18	10,784.26	(397.73)	-	-	-	10,386.53	10,386.53
Trade payables	19	2,538.40	-	-	-	-	2,538.40	2,538.40
Other financial liabilities	20	1,228.46	-	-	-	-	1,228.46	1,228.46
Other current Liabilities	21	102.30	393.85	-	-	-	496.15	496.15

**2) Fair Value Hierarchy**

Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

For Assets and Liabilities which are measured at Fair Values as at the Balance Sheet date, the classification of fair value calculations by category is summarized below:

Particulars	(₹ In Lakhs)	
	As at 31 March 2018	As at 31 March 2017
<b>Financial Assets</b>		
<u>Level 2</u>		
Loans	(3.44)	-
Other current assets	3.41	-
<b>Total</b>	(3.44)	-
<b>Financial Liability</b>		
<u>Level 2</u>		
Borrowings	(460.03)	(397.73)
Other current Liabilities	462.42	393.85
<b>Total</b>	2.39	(3.88)

**Measurement of Fair Values:**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of loans taken from banks and other parties, and preference shares is estimated by discounting cash flows using rates currently available for debt/instruments with similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value

The fair values of loans given to employees and other parties, and security deposit given is estimated by discounting cash flows using rates currently available for instruments with similar terms, credit risks and remaining maturities. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value

**Financial Instruments measured at fair value**

Type	Valuation Technique
Loans & Security Deposits given	Discounted Cash Flows :The valuation model considers the present value of expected receipt /payment discounted using appropriate discounting rates
Preference Shares	
Loans from others	

**Note 34 : Employee Benefit**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on retirement / resignation or retirement under VRS at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The service cost and the net interest cost would be charged to the Profit & Loss account. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognises these remeasurements in the Other Comprehensive Income (OCI).

The Company has a defined benefit obligation for Leave encashment which is partly funded. Generally the leave encashment is paid to employees in case of resignation, retirement under VRS or retirement except in some case the same is paid annually .

The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below

Particulars	GRATUITY		LEAVE ENCASHMENT	
	As At	As At	As At	As At
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	%	%	%	%
Discount Rate*	7.55%	7.20%	7.55%	-
Salary Growth Rate	5.00%	5.00%	5.00%	-
Expected rate of return on plan assets*	7.55%	7.20%	7.55%	-
Withdrawal rate	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages	-

\* As per actuary certificate

Basis of Valuation (Assumptions)

#### Discount Rate

As per para 83 of Ind AS 19, the rate used to discount other long term employee benefit obligation (both funded and unfunded) shall be determined by reference to market yield at the Balance Date on high quality corporate bonds. In countries where there is no deep market in such bonds the market yields (at the Balance Sheet Date) on government bonds shall be used. The currency and term of the corporate bond or government bond shall be consistent with currency and estimated term of the post employment benefit obligation.

#### Salary Growth Rate

This is Management's estimate of the increases in the salaries of the employees over the long term. Estimated future salary increases should take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

#### Rate of Return on Plan Assets

This assumption is required only in case of funded plans. Interest income on plan assets is calculated using the rate used to discount the defined benefit obligation. The following tables summarise the funded status and amounts recognised in the balance sheet for gratuity & leave encashment benefits.

#### Funded Status of the Plan

Particulars	GRATUITY		LEAVE ENCASHMENT	
	As At	As At	As At	As At
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Present value of unfunded obligation	17.72	13.57	6.03	-
Present value of funded obligation	-	-	-	-
Fair value of plan assets	-	-	-	-
Net Liability (Assets)	17.72	13.57	6.03	-

Profit & loss account for current period

Particulars	GRATUITY		LEAVE ENCASHMENT	
	As At	As At	As At	As At
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Current Service Cost	5.72	3.94	2.90	-
Past service cost and loss / (gain) on curtailments and settlements	0.22	-	-	-
Net Interest Cost	0.97	0.63	1.24	-
Net value of remeasurments on the obligation			(14.05)	-
Employee Benefit Expenses	6.91	4.57	(9.91)	-
Interest Income	0	0	0	-
Net value of remeasurments on the assets	0	0	0	-
Total charge to P & L	6.91	4.57	(9.91)	-

Past Service cost is on account of increase in Gratuity Ceiling from ₹ 10,00,000 to ₹ 20,00,000

**Other Comprehensive Income for the Current Period**

Particulars	GRATUITY	
	As At 31 March 2018	As At 31 March 2017
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	(0.58)	0.73
Due to Change in demographic assumptions	-	-
Due to experience adjustments	(1.58)	0.90
Return on plan assets excluding amounts included in interest income	-	-
<b>Amounts recognized in Other Comprehensive Income</b>	<b>(2.16)</b>	<b>1.64</b>
Reconciliation of defined benefit obligation		

Particulars	GRATUITY		LEAVE ENCASHMENT	
	As At 31 March 2018	As At 31 March 2017	As At 31 March 2018	As At 31 March 2017
Opening Defined Benefit Obligation	13.57	8.09	16.42	-
Transfer in/(out) obligation	-	-	-	-
Current Service Cost	5.72	3.94	2.90	-
Interest Cost	0.97	0.63	1.24	-
Components of actuarial gain/losses on obligations				-
Due to change in financial assumptions	(0.58)	0.73	-	-
Due to change in demographic assumptions	-	-	-	-
Due to experience adjustments	(1.58)	0.90	(14.05)	-
Past Service cost	0.22	-	-	-
Benefits Paid	(0.60)	(0.72)	(0.48)	-
Closing Defined Benefit Obligation	17.72	13.57	6.03	-

**Reconciliation of net defined benefit liability**

Particulars	GRATUITY		LEAVE ENCASHMENT	
	As At 31 March 2018	As At 31 March 2017	As At 31 March 2018	As At 31 March 2017
Net opening provisions in books of accounts	13.57	8.09	16.42	-
Transfer in/(out) obligation	-	-	-	-
Transfer in/(out) plan assets	-	-	-	-
Employee Benefit Expenses	6.91	4.57	(9.91)	-
Amounts recognized in other Comprehensive Income	(2.16)	1.64	-	-
	18.32	14.29	6.51	-
Benefits Paid by the company	(0.60)	(0.72)	(0.48)	-
Contributions to plan assets	-	-	-	-
Closing provisions in books of accounts	17.72	13.57	6.03	-

**Bifurcation of liability as per schedule III**

Particulars	GRATUITY		LEAVE ENCASHMENT	
	As At 31 March 2018	As At 31 March 2017	As At 31 March 2018	As At 31 March 2017
Current Liability	0.64	0.32	0.84	-
Non-Current Liability	17.08	13.26	5.19	-
Closing provisions in books of accounts	17.72	13.57	6.03	-



**Note 35 : Related Party**
**Note No :- Details of material transactions during the year with Related Party**

Party	Relationship
Dr. Omkar Herlekar	Director
Mr. Shivanand Hegde	Director
Mr. Sumant Kharsambale	Director
Ms. Ekta Gurnasinghani	Independent Director
Mr. Ajay Sukhwani	Independent Director
Mr. Hardesh Tolani	Independent Director
Mr. Hitesh Wadhwani	Company Secretary
Mr. Minesh Bhosle	Chief Finance Officer
M/s Omkar Speciality Chemicals Limited	Related Party
M/s Harishree Aeromatics & Chemicals Pvt Ltd	Associate Company- Common control Exist

(₹ in Lakhs, except for share data if otherwise stated)

Sr. No	Nature of transaction	Relationship	As at 31 March 2018	As at 31 March 2017
<b>1</b>	<b>Transactions with related parties</b>			
	<b><u>Directors Remuneration</u></b>			
	Dr. Omkar Herlekar	Director	38.50	-
	Mr. Shivanand Hegde	Director	22.21	22.21
	Mr. Sumant Kharasambale	Director	8.04	6.84
	Mrs.Ketki Parte	Director	-	4.22
	Mr. Vishnu Gupta	Director	4.50	-
	<b><u>Director Sitting Fees</u></b>			
	Ms. Ekta Gurnasinghani	Independent Director	1.35	-
	Mr. Ajay Sukhwani	Independent Director	0.75	-
	Mr. Hardesh Tolani	Independent Director	1.35	-
	<b><u>Key Management Personnel</u></b>			
	Mr.Hitesh Wadhwani	Company Secretary	10.20	5.50
	Mr.Minesh Bhosle (Up to 31.01.2018)	Chief Financial Officer	6.14	-
	<b><u>Purchase of Goods</u></b>			
	Omkar Speciality Chemicals Limited*	Related Party	6.25	33.80
	<b><u>Sale of Goods</u></b>			
	Omkar Speciality Chemicals Limited*	Related Party	113.73	280.71
	<b><u>Purchase of Fixed Assets</u></b>			
	Omkar Speciality Chemicals Limited*	Related Party	-	269.37
	<b><u>Loan Taken</u></b>			
	Omkar Speciality Chemicals Limited*	Related Party	-	709.81
	Omkar Herlekar	Director	4,773.79	80.00
	Pravin Herlekar*	Related Party	-	100.00
	<b><u>Loan Repaid</u></b>			
	Omkar Speciality Chemicals Limited*	Related Party	2,959.41	-
	Omkar Herlekar	Director	1643.75	53.00
	<b><u>Processing Charges</u></b>			
	Omkar Speciality Chemicals Limited*	Related Party	3.69	-
	Harishree Aeromatics & Chemicals Pvt Ltd	Common Director	380.76	5.20
	<b><u>Processing Charges Paid</u></b>			
	Harishree Aeromatics & Chemicals Pvt Ltd	Common Director	230.60	4.12
<b>2</b>	<b>Outstanding balances of related parties</b>			
	Omkar Speciality Chemicals Limited*	Related Party	4.96	2,959.41
	Harishree Aeromatics & Chemicals Pvt Ltd	Common Director	150.73	1.08
	Omkar Herlekar	Director	3,157.04	27.00
	Pravin Herlekar*	Related Party	100.00	100.00

**Note** - Transaction With Related Party Transactions - Directors Remuneration

Remuneration for FY 2016-17 - Mr.Shivanand Hegde, Mr.Sumant Kharsamble and Mrs.Ketki Parte, - They were directors in M/s Lasa Laboratory Pvt Ltd, however Mr.Shivanand Hegde and Mr.Sumant Kharsamble, were transfer in the M/s. Lasa Supergenerics Limited as per the demerger scheme effective date. This statement is given for, more clarity on related party transactions.

\* Reclassified of Promoters &amp; Promoters Group w.e.f. 16 April , 2018

**Notes to financial statements for the year ended March 31, 2018**

**Note 36 : First time adoption of Ind AS**

**Transition to Ind AS**

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**A. Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A.1 Ind AS optional exemptions**

**A.1.1 Deemed cost**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**A.1.2 Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments (other than equity investments in subsidiaries, associates & joint arrangements) at FVPL on the basis of the facts and circumstances at the date of transition to Ind AS.

The company has elected to apply this exemption for its investment in equity investments.

**A.1.3 Leases**

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The company has elected to apply this exemption for such contracts/arrangements.

**A.2 Ind AS mandatory exceptions**

The company has applied the following exceptions from full retrospective application of Ind AS as mandatorily required under Ind AS 101:

**A.2.1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- 1) Investment in equity instruments carried at FVPL or FVOCI;
- 2) Impairment of financial assets based on expected credit loss model.

Consequently, the company has applied the above requirement prospectively.

**B Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of equity as at March 31, 2017

Particulars	As per previous GAAP	Effects of transition to Ind AS	As at 31 March 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	11285.57	-	11,285.57
Capital Work in Progress	2933.59	-	2,933.59
Intangible assets	421.23	(176.53)	597.76
Intangible assets under development	17.14	-	17.14
<u>Financial Assets</u>			
Non Current Investments	0.10	-	0.10
Loans	49.81	-	49.81
Other non-current assets	28.09	28.09	-
	<b>14,735.53</b>	<b>(148.44)</b>	<b>14,883.97</b>
<b>Current assets</b>			
Inventories	3345.85	-	3,345.85
<u>Financial Assets</u>			
Trade receivables	3504.17	7.12	3,497.05
Cash and cash equivalents	14.21	0.00	14.21
Bank balances other than cash & cash equivalents	102.02	-	102.02
Loans	-	-	-
Other current assets	1013.48	31.91	981.57
	<b>7,979.73</b>	<b>39.04</b>	<b>7,940.69</b>
	<b>22,715.26</b>	<b>(109.40)</b>	<b>22,824.66</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share capital	5.00	-	5.00
Other Equity	7548.97	4.54	7,544.43
	<b>7,553.97</b>	<b>4.54</b>	<b>7,549.43</b>
<b>LIABILITIES</b>			
Non-current liabilities			
<u>Financial Liabilities</u>			
Non Current Borrowings	8465.76	397.73	8,068.03
Provisions	125.81	112.24	13.57
Deferred Tax Liabilities	12.87	(181.45)	194.32
	<b>8,604.44</b>	<b>328.52</b>	<b>8,275.92</b>
<b>Current liabilities</b>			
Financial Liabilities			
Current Borrowings	2318.51	-	2,318.51
Trade payables	2538.40	-	2,538.40
Other financial liabilities	1228.46	-	1,228.46
Other current liabilities	102.29	(393.86)	496.15
Provisions	162.27	(48.61)	210.88
Current tax liabilities (net)	206.92	-	206.92
	<b>6,556.85</b>	<b>(442.47)</b>	<b>6,999.32</b>
	<b>22,715.26</b>	<b>(109.41)</b>	<b>22,824.67</b>

Particulars	As per previous GAAP	Effects of transition to Ind AS	Year ended 31 March 2017
<b>INCOME</b>			
Revenue from operations	19966.25	(1,856.67)	21,822.92
Other income	27.18	(190.23)	217.41
<b>Total income</b>	<b>19,993.43</b>	<b>(2,046.90)</b>	<b>22,040.33</b>
<b>EXPENSES</b>			
Cost of materials consumed	14167.04	-	14,167.04
Changes in inventories of finished goods, work in process and stock in trade	-1078.36	-	(1,078.36)
Excise Duty	-	(1,947.79)	1,947.79
Employee benefits expense	978.91	23.45	955.46
Finance costs	932.06	(235.66)	1,167.72
Depreciation and amortisation expense	863.51	94.70	768.81
Other expenses	1370.6	92.09	1,278.51
<b>Total expenses</b>	<b>17,233.76</b>	<b>(1,973.21)</b>	<b>19,206.97</b>
<b>Profit / (Loss) before Exceptional items &amp; tax</b>	<b>2,759.67</b>	<b>(73.69)</b>	<b>2,833.36</b>
Exceptional Items	3,061.30	442.20	2,619.10
<b>Profit / (Loss) before tax</b>	<b>(301.63)</b>	<b>(515.89)</b>	<b>214.26</b>
<b>Tax expenses</b>			
- Current tax	-	-	-
- (Excess)/Short Tax provision for earlier years	2.71	-	2.71
- Deferred tax	(241.80)	(217.12)	(24.68)
<b>Total tax expense</b>	<b>(239.09)</b>	<b>(217.12)</b>	<b>(21.97)</b>
<b>Profit / (loss) for the year</b>	<b>(62.53)</b>	<b>(298.76)</b>	<b>236.24</b>
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of employee defined benefit obligation	-	1.64	(1.64)
Income tax relating to items that will not be reclassified to profit or loss	-	(0.51)	0.51
	-	1.13	(1.13)
<b>Total comprehensive income for the year</b>	<b>(62.53)</b>	<b>(297.63)</b>	<b>235.11</b>

### Note 37 : Financial Risk Management and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the managing board. The details of different types of risk and management policy to address these risks are listed below:

#### (a) Market Risk:-

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs

#### (a)(i) Market Risk - Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates primarily to the Company's borrowings, both short term and long term obligations with floating interest rates.

The company is also exposed to interest rate risk on its financial assets that include fixed deposits (which are part of cash and cash equivalents) since all these are generally for short durations, there is no significant interest rate risks pertaining to these deposits.

**Exposure to interest rate risk**

Particulars	(₹ in Lakhs)	
	As at 31 March 2018	As at 31 March 2017
Fixed-rate instruments		
Financial Liabilities - Borrowings	1,599.31	3,163.54
<b>Total</b>	<b>1,599.31</b>	<b>3,163.54</b>

**Sensitivity analysis to interest rate risk**

The company doesn't account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

**(a)(ii) Market Risk - Price Risk**

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against guarantee issued by bank to company's trade payables. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

**(a)(iii) Market Risk - Currency Risk**

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The company is exposed to currency risk on account of its trade payables in foreign currency. The functional currency of the company is Indian Rupees. The Company follows a natural hedge driven currency risk mitigation policy to the extent possible

**Exposure to Currency risk**

The summary quantitative data about the Company's exposure to currency risk are reported to management of the company are as follows:

(Foreign Currency in lakhs)			
Particulars	Foreign Currency	As at 31 March 2018	As at 31 March 2017
<b>Financial Assets</b>			
Trade and other receivables	USD	1.15	5.59
	EURO	0.07	0.14
<b>Financial Liabilities</b>			
Trade and other payables	USD	7.32	2.60
Sensitivity analysis to currency risk			

(₹ in Lakhs)				
Foreign Currency	As at 31 March 2018		As at 31 March 2017	
	3% increase	3% Decrease	3% increase	3% Decrease
USD	(12.11)	12.11	5.82	(5.82)
EURO	0.17	(0.17)	0.28	(0.28)
	(11.949)	11.949	6.102	(6.102)

**(b) Credit Risk**

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of Financial Assets represents the maximum credit exposure

**Trade Receivables**

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Company has no concentration of Credit Risk as the customer base is geographically distributed in India.

**Expected credit loss for trade receivable:**

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for



## Lasa Supergenerics Ltd



trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof. The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the company are as under:

Particulars	(₹ in Lakhs)	
	As at 31 March 2018	As at 31 March 2017
Opening balance of expected loss provision	57.12	35.00
Add : Provisions made (net)	1.09	22.12
Less : Utilisation for impariment / de-recognition	50.00	-
Closing balance	8.21	57.12

### Other Financial Assets

The company maintains its Cash and Cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

### Expected credit loss on financial assets other than trade receivable:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from whom these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on such financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet

The Company's maximum exposure to credit risk as at 31st March, 2018, 2017 and 1st April, 2016 is the carrying value of each class of financial assets.

### (c) Liquidity Risk

Liquidity Risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any short term surplus cash generated, over and above the amount required for working capital and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

### Exposure to Liquidity Risk

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date

Particulars	(₹ in Lakhs)			
	As at March 31, 2018		As at March 31, 2017	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Long Term Borrowings	1,656.08	6,026.99	1,191.68	8,068.03
Interest accrued but not due on borrowings	42.00	-	48.61	-
Working Capital Loans from Banks	2,983.04	-	2,318.51	-
Trade Payables	4,654.11	139.41	2,508.16	30.24
Other Financial Liabilities	55.81	-	36.78	-
	<b>9,391.04</b>	<b>6,166.40</b>	<b>6,103.74</b>	<b>8,098.27</b>

### (d) Collateral

The Company has pledged its Non-Current as well as Current Assets to a consortium of lenders as collateral towards borrowings by the Company. Refer Note No. 15 and Refer Note No. 18 for the detailed terms and conditions of the collaterals pledged.

#### For Thanawala & Co.

Chartered Accountants  
Firm Registration No.: 110948W

**CA Vijay Thanawala**  
(Proprietor)  
M.No.: 15632

**Place : Mumbai**  
**Date : May 28, 2018**

#### For Lasa Supergenerics Limited

**Omkar Herlekar**  
(Chairman & Managing Director)  
DIN:01587154

**Hitesh Wadhvani**  
(Company Secretary)

**Sumant Kharsamble**  
(Whole Time Director)  
DIN:07240471

**Shivanand Hegde**  
(Whole Time Director)  
DIN:00185508

# PROXY FORM

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

## Lasa Supergenerics Limited

CIN: L24233MH2016PLC274202

Registered office: C-105, MIDC, Mahad, Dist- Raigad, Mahad-402 309

[Email: investor@lasalabs.com ]

[Website: www.lasalabs.com] [Tel No. +91(022) 49701092]

## Annual General Meeting – September 25, 2018

Name of the member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

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

1. Name:..... Address: .....  
..... E-mail Id: ..... Signature: ..... or failing him;
2. Name:..... Address: .....  
..... E-mail Id: ..... Signature: ..... or failing him;
3. Name:..... Address: .....  
..... E-mail Id: ..... Signature: ..... or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Tuesday, September 25, 2018 at 09.00 a.m. at C-105, MIDC, Mahad, Dist.- Raigad, Mahad-402 309 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional*	
		For	Against
Ordinary Business			
1	Adoption of Financial Statement for the Financial Year end March 31, 2018.		
2	Re-appointment of Mr. Shivanand Hegde, (DIN: 00185508) who retires by rotation and being eligible, seeks re-appointment.		
3	Appointment of M/s. Thanawala & Co. as a Statutory Auditor of the Company for a period of five years.		
Special Business			
4	Appointment of Mr. Mithun Mohan Jadhav (DIN 08181048) as Whole-Time Director of the Company, for a period of five years.		
5	Increase in Authorised Share Capital of the Company.		
6	Alteration of Memorandum of Association by virtue of increasing of Authorised Capital of the Company.		
7	Approval of Cost Auditors Remuneration.		

Signed this..... day of..... 2018

.....

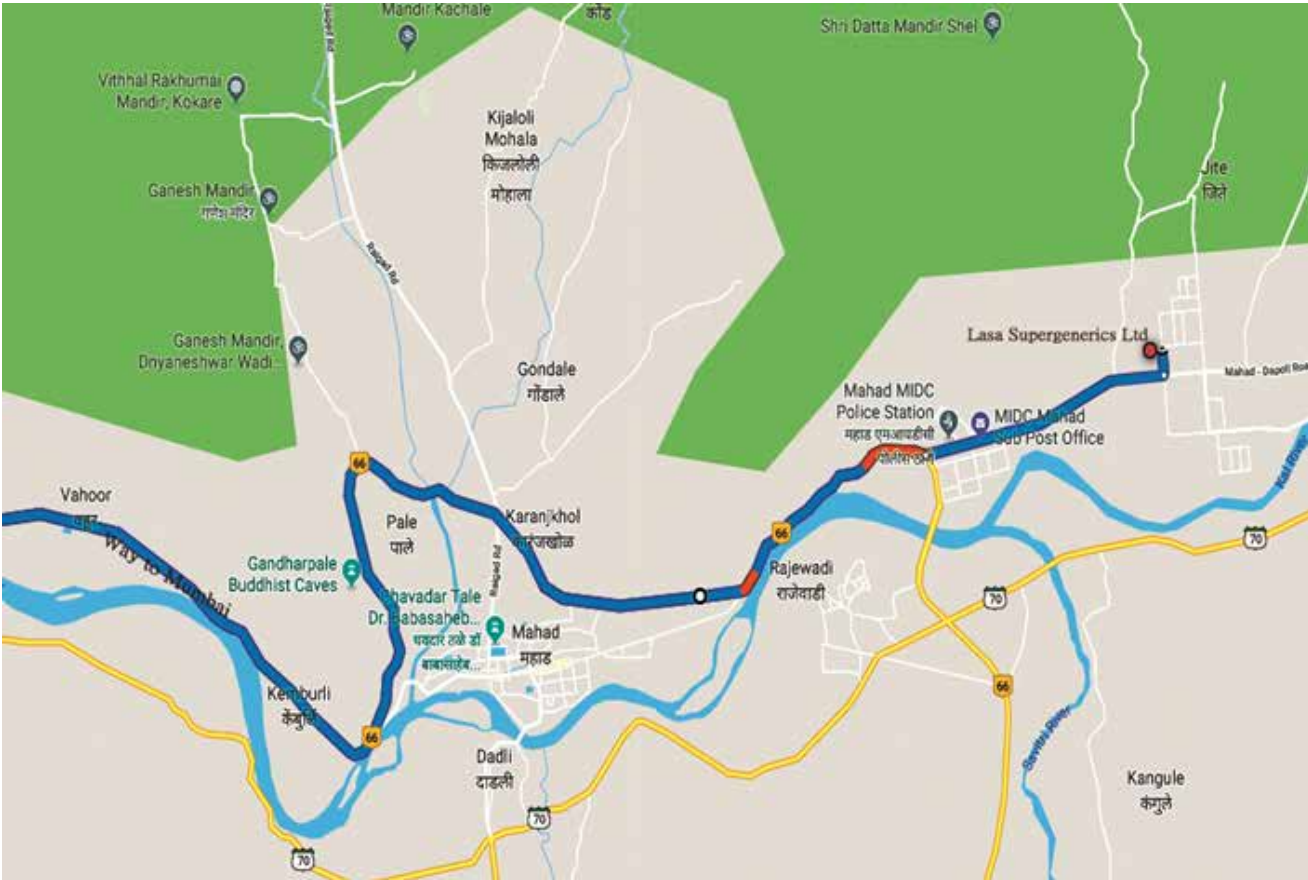
Signature of shareholder Signature of Proxy holder(s)

## Notes:

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

\* it is optional to put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Route Map



**Lasa Supergenerics Limited**

Registered office: C-105, MIDC, Mahad, Dist.- Raigad, Mahad-402 309  
[CIN: L24233MH2016PLC274202] [Email: investor@lasalabs.com ]  
[Website: www.lasalabs.com] [Tel No. +91(022) 49701092]

**ATTENDANCE SLIP**

**Annual General Meeting – September 25, 2018**

Registered Folio No. / DP ID No. / Client ID No.:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Number of shares held:

--	--	--	--	--	--	--	--

DP ID.

Folio No.

Client ID.

No. of Shares

Name and address of Shareholder/Proxy holder

---

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Tuesday, September 25, 2018 at C-105, MIDC, Mahad, Dist.- Raigad, Mahad-402 309 at 09.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Name of Member/Proxy

Member's/proxy Signature

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)

# SENIOR MANAGEMENT TEAM



MR. HIRAL PATEL  
Chief Operating Officer



MR. VIJAY BHAT  
Manager, Marketing



MR. RAMESH SINGH  
Manager, Accounts & Finance



MR. ANIL FARGADE  
Senior Accounts Officer



MR. SUNIL SITALE  
Manager, HR & Admin



MRS. SNEHA SAVANT  
Assistant Manager, HR





**LASA**

## **LASA SUPERGENERICS LTD**

**CIN : L24233MH2016PLC274202**

### **CORPORATE OFFICE**

B-207, Citi Point, Nr. Kohinoor Continental,  
J B Nagar (Chakala), Metro Station,  
Andheri (East), Mumbai - 400059  
Landline - 022-4970 1092

### **REGISTERED OFFICE**

C-105, MIDC, Mahad,  
Dist. Raigad, Maharashtra, India  
Pin Code : 402 309  
Landline - 02145-232101, 232202