FORM NO B		
1	Name of the Company	LYKA LABS LIMITED.
2	Annual Financial Statements for the period Ended	30-June-2014
3	Type of Audit Qualification	QUALIFIED
4	Audit Qualification	Management Response
	1. Note No. 38 regarding CWIP Intangible amounting to Rs. 97,257,847. **Frequency of Qualification :** **Repetitive since From FY 2009-10**	This is the standard accounting practice for CWIP Intangibles followed by Company. Research and Development work on New Drug Delivery System is one of the important activities of the Company. We are continuously required to develop new formulations for our P2P partners for marketing. Company recognizes "Intangible Capital Work In Progress" when it is probable that the future economic benefits are attributable to the assets which will flow to the enterprise and the cost of the assets can be measured reliably. Upon completion of product development, the related expenditure incurred shall be recognized as intangible assets.
	N. I. Gandhi Managing Director	
	Y. B. Shah Chief Financial Officer	
	Mukul M. Patel M/s. M. A. Parikh & Co., Chartered Accountants Statutory Auditor	
	Sandeep Parikh Audit Committee Chairman	

Mumbai