

STATEMENT OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2018

(Rs. In millions)

S. No.	PARTICULARS	STANDALONE QUARTER ENDED			STANDALONE YEAR ENDED		CONSOLIDATED YEAR ENDED	
		31/03/2018	31/12/2017	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
		Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1	Income							
	(a) Revenue from Operations	932.07	931.30	798.21	3550.72	3754.45	3724.14	4000.40
	(b) Other Income	3.34	1.37	3.09	7.20	7.90	22.55	22.70
	Total Income	935.41	932.67	801.30	3,557.92	3,762.35	3,746.69	4,023.10
2	Expenses							
	(a) Cost of Material Consumed	572.24	555.97	424.56	2057.22	2211.24	2048.39	2235.80
	(b) Changes in Inventories of finished goods, work-in-progress, Stock in Trade	8.51	-11.06	-2.14	-2.96	5.07	2.40	34.93
	(c) Employee benefits expense	74.19	65.88	62.25	278.24	250.24	393.09	342.66
	(d) Finance Cost	97.90	87.27	80.03	349.77	335.61	354.27	343.72
	(e) Depreciation & amortization expense	61.50	88.82	79.51	327.27	393.16	338.33	402.57
	(f) Other expenses	159.47	143.37	125.95	563.26	536.76	666.17	601.54
	(g) Research & Development Expenses	23.74	47.63	50.82	219.35	278.26	219.35	278.26
	Total Expense	997.55	977.88	820.98	3,792.15	4,010.34	4,022.00	4,239.48
3	Profit before exceptional items and taxes (1-2)	(62.14)	(45.21)	(19.68)	(234.23)	(247.99)	(275.31)	(216.38)
	EBIDTA (3+2d+2e-1b)	93.92	129.51	136.77	435.61	472.88	394.74	507.21
4	Exceptional items							
5	Profit before tax (3 +/- 4)	(62.14)	5.42	(19.68)	(234.23)	(247.99)	(275.31)	(216.38)
6	Income Tax Expense [Deferred Tax]	31.6	-	(45.57)	31.60	(45.57)	31.60	(45.57)
7	Profit for the period (5 +/- 6)	(93.74)	5.42	25.89	(265.83)	(202.42)	(306.91)	(170.81)
8	Other Comprehensive Income							
A	(i) Items that will not be classified to profit & loss	4.73	(0.06)	(0.98)	3.44	(0.35)	3.44	(0.35)
B	(ii) Items that will be classified to profit & loss	-	-	-	-	-	-	-
	Total other comprehensive Income Net of Income Tax	4.73	(0.06)	(0.98)	3.44	(0.35)	3.44	(0.35)
9	Total comprehensive Income for the period (7+/-8)	(89.01)	5.36	24.91	(262.39)	(202.77)	(303.47)	(171.16)
10	Paid up equity share capital (Face Value of Equity Shares)	123.42	123.42	123.42	123.42	123.42	123.42	123.42
11	Earning per share (of Rs. 10/- each) (Not annulized)	10	10	10	10	10	10	10
	(a) Basic	(7.60)	0.44	2.10	(21.54)	(17.64)	(24.87)	(14.88)
	(b) Diluted	(7.60)	0.44	2.10	(21.54)	(17.64)	(24.87)	(14.88)

For VENUS REMEDIES LIMITED
Raajay
CHAIRMAN & MANAGING DIRECTOR

Statement of Assets and Liabilities

Particulars	(Rs. In Millions)			
	Standalone		Consolidated	
	As at 31/03/2018 (Audited)	As at 31/03/2017 (Audited)	As at 31/03/2018 (Audited)	As at 31/03/2017 (Audited)
ASSETS				
Non-current assets				
(a) Property, Plant & Equipment	1906.23	1975.05	2085.72	2131.62
(b) Capital work in progress	647.64	662.53	647.64	662.53
(c) Intangible assets	1793.04	1918.76	1806.32	1930.17
(d) Intangible assets under development				
(e) Financial Assets				
(i) Investment in subsidiary	287.36	287.36	—	—
(f) Other non-current assets	331.11	331.65	331.11	331.65
Total non current assets	4965.38	5175.35	4870.79	5055.97
Current assets				
(a) Inventories	1359.76	1396.92	1381.74	1405.99
(b) Financial Assets				
(i) Trade receivables	441.51	419.06	472.73	472.86
(ii) Cash and cash equivalents	36.37	31.49	39.82	35.59
(iii) Other financial assets	682.73	651.83	743.39	679.62
Total current assets	2520.37	2499.30	2637.68	2594.06
Total Assets	7485.75	7674.65	7508.47	7650.03
EQUITY AND LIABILITIES				
(a) Equity Share capital	123.42	123.42	123.42	123.42
(b) Other Equity	3556.51	3818.90	3495.67	3763.27
Total equity	3679.93	3942.32	3619.09	3886.69
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	1368.58	1618.19	1374.39	1618.19
(ii) Other financial liabilities	5.02	5.36	5.02	5.36
(b) Deferred tax liabilities (net)	160.33	128.73	160.33	128.73
(c) Provisions	44.97	42.93	44.98	42.93
Total non-current liabilities	1578.90	1795.21	1584.72	1795.21
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	1172.27	1156.97	1212.58	1191.59
(ii) Trade payables	271.87	305.57	293.33	297.30
(iii) Other financial liabilities	769.58	456.97	785.55	461.63
(b) Provisions	13.20	17.61	13.20	17.61
Total Current liabilities	2226.92	1937.12	2304.66	1968.13
Total equity and liabilities	7485.75	7674.65	7508.47	7650.03

Notes to the financial results :-

1. The above standalone and consolidated financial results of the company have been reviewed by the Audit Committee and approved by the Board of directors at their respective meetings held on 28-05-2018.
2. The company adopted Indian Accounting Standards (IND – AS) with effect from 1st April 2017 and accordingly these results have been prepared in accordance with the recognition and measurement principles laid down in the IND AS 34, interim Financial Reporting. Financial results for all the period presented have been prepared in accordance with the recognition and measurement principles as laid down in IND AS 34.
3. Reconciliation of Net Profit / loss reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is as under:

Particulars	Net Profit	
	Quarter ended 31-03-2017 (Rs. In Millions) (Audited)	Year ended 31-03-2017 (Rs. In Millions) (Audited)
Net Profit / (Loss) for the quarter as per Previous GAAP	45.25	47.47
Add / (Less) : Adjustment for GAAP Difference		
Changes in Employee benefits	3.85	0.77
Change in Deferred Tax	8.53	8.53
Change in policy effect	(31.74)	(259.19)
Other Comprehensive income , net of income tax	(0.98)	(0.35)
Total Comprehensive Income for the period Under IND AS	24.91	(202.77)

4. Reconciliation of Total Equity between IND AS compliant result as reported above with result previous reported in accordance with Indian GAAP are given below .

(Rs. In Millions)

Particulars	As at 31.03.2017
Equity reported under IGAAP	4571.65
Change in retained earnings	629.33
Equity reported under Ind AS	3942.32

5. The company has changed its policy to expense all Research and Development expenditure as incurred, w.e.f. April 1, 2017. The company believes that this change presents a more reliable and prudent view of the company's financial position, especially its cash flows. This change has no material impact on the cash flow position of the company. The effects of the changes in accounting policy on previous reported results are as under :

(A) Financial year 2017-18 .

(Rs. In Millions)

Quarter Ending on	Previous Reported Net Profit / (Loss)	Revised Net Profit / (Loss)	Change in Profit / Loss due to change in Accounting Policy
30th June 2017	8.47	(30.38)	(38.85)
30 th September 2017	8.30	(100.83)	(109.13)
31 st December 2017	5.36	(42.27)	(47.63)

(B) Financial year 2016-17 .

(Rs. In Millions)

Quarter Ending on	Previous Reported Net Profit / (Loss)	Revised Net Profit / (Loss)	Change in Profit / Loss due to change in Accounting Policy
30th June 2016	12.08	(70.72)	(82.80)
30 th September 2016	8.81	(56.57)	(65.38)
31 st December 2016	(20.94)	(100.21)	(79.27)



6. Figures for the previous period have been regrouped / reclassified wherever necessary to conform to the current period classification .

7. Company has only reportable segment namely "Pharmaceuticals"

8. The figures of last quarter of the year March 31, 2017 and March 31 2018 are the balancing figures between the full financial year and the unaudited published year to date figures upto the 3rd quarter ended Dec. 31 2016 and Dec.31 2017.

For and on behalf of Board Of Directors

For VENUS REMEDIES LIMITED

CHAIRMAN & MANAGING DIRECTOR

Date : 28-05-2018

Pawan Chaudhary
(Chairman & Managing Director)
Din : 00435503



Prem Garg & Associates

CHARTERED ACCOUNTANTS

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Independent Auditor's Report

TO
THE MEMBERS OF
VENUS REMEDIES LIMITED
PANCHKULA

Report on the Standalone Indian Accounting Standards('Ind AS') Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of M/s **Venus Remedies Limited**, which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss(including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.(herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, 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, read with rule 7 of Companies (Accounts) Rules, 2014.

This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.

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. We conducted our audit of standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Subject to the following:

The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal repayments amounting Rs. 3709.31 lacs to financial institution, bank or debenture holders.



7. Other matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements are based on the previously issued statutory standalone financial statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under Section 133 of the Act read with rule 7 of Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 30th May 2017 and 28 May 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters Specified in paragraphs 3 and 4 of the Order.
8. As required by section 143(3) of the Act, we further 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 account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss(including other comprehensive income), Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
 - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors are 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 B"; and



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

- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 40 to the standalone Ind AS financial statements;
- (ii) The Company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 17 to the standalone Ind AS financial statements; and
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Panchkula
Date: 28.05.2018

For Prem Garg & Associates
Chartered Accountants

Monika Bisht



(Monika Bisht)
(Partner)
M. No. 511294
FRN: 014440N

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to Our Report of even date to the members of **Venus Remedies Limited** on the accounts of the company for the year ended 31st March, 2018

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management once in a year, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company. However, company is paying rent for its Regd Office & Guest House Building.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b), iii (c) of the order are not applicable to the Company.
4. In respect of loan, investments, guarantees & security, the company is complying with section 185 & section 186 of Companies Act 2013 as applicable.
5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained but we have not carried out the examination of records.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, GST, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, GST, customs duty and excise duty which have not been deposited on account of any disputes, except as mentioned in Note 40 to Notes on Financial Statements.

8. Based on our audit findings and on the information and explanations given to us by the management, we are of the opinion that, the Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal repayments amounting Rs. 3709.31 lacs to financial institution, banks or debenture holders.
9. Based on our audit procedures and on the information and explanations given to us by the management, we report that no money by way of Further Public Offer & Term Loan has been taken during the year.
10. The company has neither committed any fraud nor has any fraud on the company by its officers/employees been noticed or reported during the year.
11. The company has paid Managerial Remuneration in excess of limits prescribed u/s 197 read with Schedule V of the Companies Act, 2013, however the company has applied to the Central Govt. for its approval in this regard.
12. The company is not a Nidhi company, so the provisions of the same are not applicable.
13. (i) The company has disclosed all the transactions with the related party as prescribed by section 188 of Companies Act, 2013 in Note No 38.
(ii) As per Section 177 of the Companies Act, 2013, the company has constituted the audit committee as required by the applicable accounting standard.
14. According to information and explanations given to us and based on our examination of records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The The company has not entered into any non cash transactions with Directors or persons connected with him and consequentially provisions of section 192 of Companies Act 2013 is not applicable.
16. The company is not required to be registered under section 45 IA of Reserve Bank India Act, 1934.

Place: Panchkula
Date: 28.05.2018

For Prem Garg & Associates
Chartered Accountants

Monika Bisht

(CA Monika Bisht)
(Partner)

M.No. : 511294
FRN: 014440N



"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of M/s Venus Remedies Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

To the Members of Venus Remedies Limited

We have audited the Internal financial controls over financial reporting of "M/s Venus Remedies Limited" ("the Company") as at March 31, 2018 in conjunction with our audit of the standalone Ind AS 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. 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 the 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 Companies Act, 2013 ('the Act').

Auditor's 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 issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 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 standalone Ind AS 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 Internal Financial Controls System over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal financial controls 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.

Place: Panchkula
Date: 28.05.2018

For Prem Garg & Associates
Chartered Accountants

Monika Bisht
(CA Monika Bisht)
(Partner)

M.No. : 511294
FRN: 014440N



Prem Garg & Associates
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

TO

**THE MEMBERS OF
VENUS REMEDIES LIMITED
PANCHKULA**

Report on the Financial Statements

1. We have audited the accompanying Consolidated Ind AS financial statements of **M/s Venus Remedies Ltd.** and its wholly owned subsidiary, **Venus Pharma GMBH** which comprise the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated cash flows and Consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statement by the Directors of the Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We conducted our audit of Venus Remedies Limited, in accordance with the provisions of the Act, the accounting and auditing Standards generally accepted in India and also we have conducted audit of subsidiary, Venus Pharma GMBH according to generally



accepted audit Standards in Germany i.e "International Accounting Standards". Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements..

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with International Accounting Standard (IFRS) issued by International Accounting Standard which are generally accepted in Germany and Ind AS as applicable for Venus Remedies Limited .
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
 - b) in the case of the Consolidated Statement of Profit and Loss, of the profit/ loss for the year ended on that date; and
 - c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.
 - d) in the case of consolidated statement of changes in equity for the year ended on that date.

Subject to the following:

The Parent company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal (FITL) repayments amounting Rs. 3709.31 lacs to financial institution, bank or debenture holders.



Report on Other Legal and Regulatory Requirements

7. As required by section 143(3) of the Act, we further report that:

- a) we have 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 account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Consolidated Statement of Change in Equity comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e) on the basis of the written representations received from the Directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company, 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) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:, we report as
 - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the company.
 - Provisions has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For Prem Garg & Associates
Chartered Accountants

Monika

(Monika Bisht)

(Partner)

M. No. 511294

FRN: 014440N



Place: Panchkula

Date: 28.05.2018