



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ERIS HEALTHCARE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Eris Healthcare Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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



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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year, hence reporting under section 197 (16) is not applicable to the company.
 - h) 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. As informed to us the Company does not have any pending litigations which would impact its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R.R.S. & ASSOCIATES
Chartered Accountants
FRN.118336W

Hitesh Kriplani



HITESH V. KRIPLANI
(PARTNER)
MEMBERSHIP NO. 140693

PLACE :Ahmedabad,
DATE : 17/05/2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Eris Healthcare Private Limited of even date)

1. In respect of Fixed Assets:
 - a. The company has maintained proper records showing full particulars of the fixed assets;
 - b. The Company did not have tangible fixed assets during the year and hence the requirements regarding physical verification of fixed assets are not applicable;
 - c. The company did not own any immovable properties during the year.
2. The company did not carry any inventories during the year and hence reporting under this clause is not applicable.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and therefore, the provisions of clause (iii) of the Order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has not entered into any transactions of the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, and hence this clause is not applicable.
5. During the year, the company has not accepted any deposits from public within the meaning of provisions of section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and therefore, the provisions of clause (v) of the Order are not applicable to the company.
6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of the section 148 of the Companies Act; hence this clause is not applicable to the company.
7. In respect to statutory dues:
 - a. According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues, including Provident Fund, Goods and Service Tax, Cess and other material Statutory dues with the appropriate authorities to the extent applicable. There were no undisputed statutory dues as on 31st March 2019, which were outstanding for more than six months from the date on which they became payable.
 - b. According to information and explanation given to us, there are no material dues of Good and service Tax, cess and other material Statutory dues which have not been deposited with the appropriate authorities on account of any disputes.
8. In our opinion and according to the information and explanation given to us, the Company has not taken any loan from banks and financial institutions nor issued any debentures, hence is the Para 3(viii) of the said order not applicable to the company.



9. In our opinion and on the basis of information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. The Company is a private limited company and therefore the provision of paragraph 3(11) i.e. payments of managerial remuneration are not applicable to the company.
12. According to the explanation given to us, the company is not a Nidhi Company and therefore the provisions of clause (xii) of the Order are not applicable.
13. According to the information and explanations given to us, and based on our examinations of the records of the company, transactions with related parties are in compliance with section 177 and section 188 of the Act, where applicable and the details of the transaction have been disclosed in Ind AS financial statement as required by the applicable accounting standards.
14. The company has not made any preferential allotment of shares to the parties covered in the register maintained u/s 189 of the Companies Act, 2013.
15. According to the explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transaction with directors or connected with them. Accordingly, paragraph 3 (15) of the Order is not applicable.
16. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR, R R S & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 118336W**



**(HITESH V. KRIPLANI)
PARTNER
MEMBERSHIP NO. 140693**



**PLACE : AHMEDABAD
DATE : 17/05/2019**

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Eris Healthcare Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial report of **ERIS HEALTHCARE PRIVATE LIMITED** (**‘the company’**) as on 31st March 2019 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 or 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 the 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

Auditors’ Responsibility

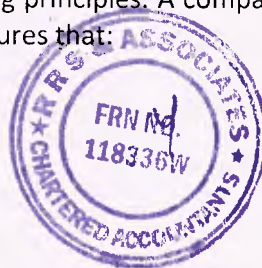
Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (‘the Guidance Note’) issued by the Institute of Chartered Accountants of India and the Standard on Auditing prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. Those Standards and Guidance Note require that we comply with the 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 the internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of risks of material misstatement of 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 systems 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 the financial statements for external purpose in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting included 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 transaction are recorded as necessary to permit preparation of financial statement 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 company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Control over Financial Reporting

Because of the inherent limitation 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 , projection of any evaluation of the internal financial controls over financial reporting to future periods are subjects to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial reporting issued by the Institute of Chartered Accountants of India.

**FOR, R R S & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 118336W**

**(HITESH V. KRIPLANI)
PARTNER
MEMBERSHIP NO. 140693**



**PLACE: AHMEDABAD.
DATE : 17/05/2019.**

ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)
Balance sheet as at MARCH 31, 2019

(₹ in millions)

Particulars	Note No.	As at	As at
		March 31, 2019	March 31, 2018
I. ASSETS :			
(1) Non current assets			
(a) Intangible assets	2	503.44	513.78
(b) Income tax assets (net)	3(c)	0.87	3.10
(c) Deferred tax assets (net)	3(d)	37.10	41.53
Total Non current assets		541.41	558.41
(2) Current assets			
(a) Financial asset			
Trade receivables	4	1.78	-
Cash and cash equivalents	5	0.27	0.47
(b) Income tax assets (net)	3(c)	1.26	-
(c) Other current asset	6	0.01	0.02
Total current assets		3.32	0.49
Total		544.73	558.90
II. EQUITY AND LIABILITIES :			
(1) EQUITY			
(a) Share capital	7	43.33	43.33
(b) Other Equity	8	501.36	513.78
Total equity		544.69	557.11
(2) Current liabilities			
(a) Financial liability			
Trade payables	9	0.04	0.55
(b) Other current liabilities	10	-	1.24
Total current liabilities		0.04	1.79
Total Liabilities		0.04	1.79
Total		544.73	558.90

See accompanying notes forming part of the financial statements

In terms of our report attached

For RRS & Associates
Chartered Accountants
Firm Reg. No.118336W

Hitesh V. Kriplani
Partner
M.No.140693

Place: Ahmedabad
Date: May 17, 2019



For and on behalf of the Board of Directors

Kaushal Shah
Director
DIN: 01229038

Place: Ahmedabad
Date: May 17, 2019

Sachin Shah
Director
DIN: 06688639



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)
Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in millions)

Particulars	Note No.	For the Year ended	For the Year ended
		March 31, 2019	March 31, 2018
REVENUE:			
Revenue from operations	11	1.74	6.92
Other income	12	0.33	0.05
Total Revenue (I)		2.07	6.97
EXPENSES:			
(a) Employee benefits expenses	13	-	0.88
(b) Other expenses	14	0.13	1.05
Total (II)		0.13	1.93
Profit before interest, tax, depreciation and amortisation (I - II)		1.94	5.04
Finance costs	15	-	1.16
Depreciation and amortisation expense	2	10.34	32.65
Profit before tax		(8.40)	(28.77)
Tax expenses / (benefit):	3(a)		
(a) Current tax expense		(0.41)	-
(b) Deferred tax		4.43	(8.86)
Net tax expense		4.02	(8.86)
Profit for the year		(12.42)	(19.91)
Other Comprehensive Income		-	-
Total Comprehensive Income		(12.42)	(19.91)
Earnings per equity share of face value ₹ 10 each			
Basic and Diluted (₹)		(2.87)	(4.59)
See accompanying notes forming part of the financial statements			

In terms of our report attached

For R R S & Associates
Chartered Accountants
Firm Reg. No.118336W

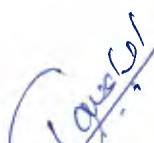


Hitesh V. Kriplani
Partner
M.No.140693

Place: Ahmedabad
Date: May 17, 2019




For and on behalf of the Board of Directors



Kaushal Shah
Director
DIN: 01229038

Place: Ahmedabad
Date: May 17, 2019



Sachin Shah
Director
DIN: 06688639



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)

Statement of Changes in Equity for the year ended 31st March, 2019

A. Equity Share Capital

(₹ in millions)

Particulars	Amount
As at 1st April, 2017	43.33
Change in Equity Share Capital	-
As at 1st April, 2018	43.33
Change in Equity Share Capital	-
As at 31st March, 2019	43.33

B. Other Equity

(₹ in millions)

Particulars	Retained Earnings	Security Premium	Total Equity
As at 1st April, 2017	(73.08)	606.77	533.69
Add: Profit for the period	(19.91)	-	(19.91)
As at 1st April, 2018	(92.99)	606.77	513.78
Add: Profit for the period	(12.42)	-	(12.42)
As at 31st March, 2019	(105.41)	606.77	501.36

In terms of our report attached

For R R S & Associates

Chartered Accountants

Firm Reg. No.118336W

For and on behalf of the Board of Directors

Hitesh V. Kriplani
Partner
M.No.140693

Place: Ahmedabad
Date: May 17, 2019



Kaushal Shah
Director
DIN: 01229038

Place: Ahmedabad
Date: May 17, 2019

Sachin Shah

Sachin Shah
Director
DIN: 06688639



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)
Cash Flow Statement for the year ended 31st March, 2019

(₹ in millions)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from Operating Activities :		
Profit / (Loss) before tax	(8.40)	(28.77)
Adjustments for :		
Depreciation and amortisation expense	10.34	32.65
Financial cost	-	1.16
Operating profit before working capital changes	1.94	5.04
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(1.78)	21.33
Other assets	0.01	(0.02)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payable, liabilities & provisions	(1.75)	(7.72)
Cash generated from operations	(1.58)	18.63
Net income tax paid	1.38	(0.68)
Net cash flow from Operating Activities (A)	(0.20)	17.95
B. Cash flow from financing activities		
(Repayment)/Proceeds of/from long-term borrowings	-	(19.83)
Finance costs	-	(1.16)
Net cash flow from / (used in) financing activities (B)	-	(20.99)
Net increase/(decrease) in cash and cash equivalents (A)+(B)	(0.20)	(3.04)
Opening balance of Cash and cash equivalents	0.47	3.51
Closing balance of Cash and cash equivalents (Refer Note 5)	0.27	0.47

Footnotes:

Cash and Cash Equivalents (Refer note- 5)

Balance with banks in Current Account	0.27	0.47
Cash and Cash Equivalents as per Cash flow statement	0.27	0.47

In terms of our report attached

For R R S & Associates

Chartered Accountants

Firm Reg. No.118336W

Hitesh V. Kriplani

Partner

M.No.140693

Place: Ahmedabad

Date: May 17, 2019

For and on behalf of the Board of Directors

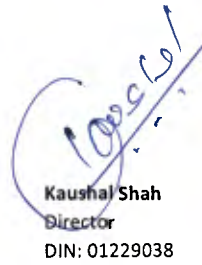
Kaushal Shah

Director

DIN: 01229038

Place: Ahmedabad

Date: May 17, 2019



Corporate Information:

Eris Healthcare Private Limited ("the Company") (Formerly known as Strides Healthcare Private Limited) is a private limited company and was incorporated and domiciled in India having its registered office at Prestige sterling square, 2nd Floor Unit F 104 A & B, F 105 & 106 NO 315 Madras bank road off Bangalore, Bangalore- 560001, India. The Company is engaged in the marketing, selling and distribution of pharmaceutical products. The company owns intellectual property in respect of certain pharmaceutical products.

Note 1: Significant accounting policies

1.1 Basis of preparation :

(A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(B) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount.

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

(C) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/noncurrent basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Use of estimates:

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

1.3 Revenue recognition:

- a. Revenue is measured at the fair value of the consideration received or receivable. The company recognises revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the company's activities.
- b. Other income is recognised when no significant uncertainty as to its determination or realisation exists.

1.4 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortized over their respective estimated useful life which reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortizable intangibles is reviewed at the end of each reporting period and change in estimates if any are accounted for on a prospective basis.

The estimated useful lives of intangibles are as mentioned below:

Type of intangible asset	Useful life
Trademark/Brands (01-04-2016 to 30-11-2017)	Upto 15 years
Trademark/Brands (01-12-2017 to 31-03-2019)	Upto 50 years



1.5 Financial Instruments

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

1.6 Impairment of assets:

Financial Asset

A financials Asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated. An impairment loss is recognised, as an expense in the statement of profit and loss, for the amount by which the asset carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset fair value less cost to sale and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognised.

1.7 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding book overdrafts , if any, as they are considered an integral part of the company's cash management.

1.8 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is the same as basic earnings per share as the company does not have any dilutive potential equity shares outstanding. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.



1.9 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets 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 income tax assets to be utilized.

1.10 Provisions and Contingent Liabilities :

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

- a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or
- b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



Note 2: Intangible Assets :

(₹ in millions)

Particulars	Brand	Total
Gross carrying amount:		
As at March 31, 2017	667.11	667.11
Additions during the year	-	-
As at March 31, 2018	667.11	667.11
Additions during the year	-	-
As at March 31, 2019	667.11	667.11
Accumulated depreciation:		
As at March 31, 2017	120.68	120.68
Additions during the year	32.65	32.65
As at March 31, 2018	153.33	153.33
Additions during the year	10.34	10.34
As at March 31, 2019	163.67	163.67
Net carrying amount		
As at March 31, 2017	546.43	546.43
As at March 31, 2018	513.78	513.78
As at March 31, 2019	503.44	503.44

Note 3: Income taxes

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Expense / (benefit) recognised in the statement of profit and loss:		
Current tax:		
Adjustment of current tax of prior period	(0.41)	-
Deferred tax:		
Deferred tax (benefit) / expense for current year	4.43	(8.86)
	4.02	(8.86)
(b) Reconciliation of Effective Tax Rate :		
Profit before income taxes	(8.40)	(28.77)
Enacted tax rate in India	26.00%	30.90%
Expected income tax expenses	(2.18)	(8.89)
Adjustments to reconcile expected income tax expense to reported income tax expense:		
Expense disallowed (net)	-	0.03
Effect of income tax balance due to change in income tax rate	6.58	-
Others	0.03	-
Adjustment of current tax of prior period	(0.41)	-
Adjusted income tax expense	4.02	(8.86)

(c) Income Tax Assets :

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Non current		
Income tax assets	0.87	3.10
	0.87	3.10
Current		
Income tax assets	1.26	-
	1.26	-
Total	2.13	3.10



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)
Notes on financial statement for the year ended 31st March, 2019

(₹ in millions)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
(d) Deferred tax relates to :		
Deferred tax assets		
Carry forward tax losses and accumulated depreciation	119.98	124.12
Other	-	0.07
	119.98	124.19
Deferred tax liabilities		
Depreciation and amortisation	(82.88)	(82.66)
	(82.88)	(82.66)
Total	37.10	41.53

(₹ in millions)

Particulars	Depreciation and amortisation	Employee benefit	Carry forward tax losses and accumulated depreciation	Other	Total
(e) Movement in Deferred tax Assets/(Liabilities) relates to :					
At 31st March, 2017	(67.39)	0.05	99.83	0.18	32.67
Charged/(Credited)					
- To Profit or Loss	15.27	0.05	(24.29)	0.11	(8.86)
At 31st March, 2018	(82.66)	-	124.12	0.07	41.53
Charged/(Credited)					
- To Profit or Loss	0.22	-	4.14	0.07	4.43
At 31st March, 2019	(82.88)	-	119.98	-	37.10

Note 4: Trade receivables

(₹ in millions)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Unsecured		
Considered good	1.78	-
Considered doubtful	-	-
Total	1.78	-

Note 5: Cash and cash equivalents

(₹ in millions)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Balances with banks in current accounts	0.27	0.47
Total	0.27	0.47

Note 6: Other Current Assets

(₹ in millions)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Balances with government authorities		
GST receivable	0.01	0.02
Total	0.01	0.02



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)
Notes on financial statement for the year ended 31st March, 2019

Note 7: Share capital

(₹ in millions)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Authorised:		
5,000,000 Equity shares of ₹ 10/- each with voting rights	50.00	50.00
Total	50.00	50.00
Issued, Subscribed and Fully Paid-up :		
4,333,331 Equity shares of ₹ 10/- each with voting rights	43.33	43.33
Total	43.33	43.33

7.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Equity Shares	As at March 31, 2019		As at March 31, 2018	
	No. of equity shares	₹ in millions	No. of equity shares	₹ in millions
Shares outstanding at the beginning of the year	43,33,331	43.33	43,33,331	43.33
Add: Share subscribed / allotted during the period	-	-	-	-
Shares outstanding at the end of the year	43,33,331	43.33	43,33,331	43.33

7.2 Details of shareholders holding more than 5 % equity shares in the company as at the end of the year

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of equity shares held	% of Shareholding	No. of equity shares held	% of Shareholding
Eris Lifesciences Ltd, The Holding Company	43,33,331	100%	43,33,331	100%

Note 8: Other Equity

(₹ in millions)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Securities Premium	606.77	606.77
Retained earnings	(105.41)	(92.99)
Total	501.36	513.78

Retained Earnings : Retained Earnings are the profits that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

Securities premium : Securities premium account comprises of the premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)
Notes on financial statement for the year ended 31st March, 2019

Note 9: Trade payables

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade payables		
Due to micro and small enterprises (refer note- 18)	-	-
Due to others	0.04	0.55
Total	0.04	0.55

Note 10: Other current liabilities

(₹ in millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory liabilities	-	0.10
Advances from customers	-	1.14
Total	-	1.24



ERIS HEALTHCARE PRIVATE LIMITED (FORMERLY KNOWN AS STRIDES HEALTHCARE PRIVATE LIMITED)

Notes on financial statement for the year ended 31st March, 2019

Note 11: Revenue from operations

(₹ in millions)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Other Operating Income		
Royalty Income	1.74	6.92
Total	1.74	6.92

Note 12: Other income

(₹ in millions)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Miscellaneous income	0.33	0.05
Total	0.33	0.05

Note 13: Employee benefits expenses

(₹ in millions)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Salaries, wages and bonus	-	0.83
Contribution to provident and other funds	-	0.05
Total	-	0.88

Note 14: Other expenses

(₹ in millions)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Rent	-	0.17
Conveyance & Travelling	-	0.01
Support Service Charges	-	0.60
Legal and professional	0.06	0.21
Payment to Auditors	0.07	0.01
Communication expenses	-	0.01
Rates & Taxes	-	0.04
Total	0.13	1.05

Note 15: Finance cost

(₹ in millions)

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Interest on borrowings	-	1.16
Total	-	1.16



ERIS HEALTHCARE PRIVATE LIMITED (Formerly known as Strides Healthcare Private Limited)
Notes on financial statement for the year ended 31st March, 2019

Note 16: Fair Value Measurement

(i) **Financial assets and liabilities**

The carrying value and fair value of financial instruments by category is as follows :

	As at 31-March-2019		As at 31-March-2018 (₹ in millions)	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Financial assets :				
Amortised cost :				
Trade receivables	1.78	1.78	-	-
Cash and cash equivalents	0.27	0.27	0.47	0.47
Total	2.05	2.05	0.47	0.47
Financial liabilities :				
Amortised cost :				
Trade payables	0.04	0.04	0.55	0.55
Total	0.04	0.04	0.55	0.55

(ii) **Financial risk management :**

The Company's activities are exposed to variety of financial risks. These risks include credit risks and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits, controls, continuous monitoring and its compliance.

(A) **Credit Risk**

The Company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the Company. Credit risk arises majorly from cash and cash equivalents as well as credit exposures to customers including outstanding receivables.

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, and arises principally from the Companies receivables from customers.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 2.05 millions and ₹ 0.47 millions as at 31-March-2019 and 31-March-2018 respectively, being the total of the carrying amount of balances with banks, trade receivables and these financial assets are of good credit quality including those that are past due.

(B) **Liquidity Risk**

Liquidity Risk is the risk that the company will not be able to meet its financial obligation as they fall due. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected or encounters difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The company approach to managing liquidity is to ensure, as far as possible, that it always have sufficient liquidity to meet its liabilities when due. The Company generates cash flows from operations to meet its financial obligations and manages liquidity risk by maintaining sufficient cash and bank balance and availability of funding through adequate amount of committed credit facilities.

Contractual maturities of significant financial liabilities are mentioned below. The amounts disclosed in the table are the contractual undiscounted cash flows :

	₹ in millions		
	Less than 1 year	1-3 years	More than 3 years
As at 31-03-2019			
Trade payables	0.04	-	-
	0.04	-	-
As at 31-03-2018			
Trade payables	0.55	-	-
	0.55	-	-



ERIS HEALTHCARE PRIVATE LIMITED (Formerly known as Strides Healthcare Private Limited)
Notes on financial statement for the year ended 31st March, 2019

(iii) **Capital management**

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

Note 17: Related Party Disclosures

A) List of Related Parties and description of their relationship are as follows:

Name of the entity	Nature of Relationship
Eris Lifesciences Limited (From 1st December, 2017)	Holding Company
Strides Shasun limited (Upto 30th Nov, 2017)	Holding Company
Bafna Pharmaceuticals Limited (Upto 30th Nov, 2017)	Enterprise Exercising Control

B) Transactions with related parties are as follows:

(₹ in millions)

Particulars	Nature of Relationship	For the year ended March 31, 2019	For the year ended March 31, 2018
Eris Lifesciences Limited	Holding Company		
Royalty Income		1.74	0.72
Strides Shasun limited	Holding Company		
Royalty Income		-	6.20
Payment for services		-	1.93

(C) Balances with related parties at end of the year:

(₹ in millions)

Particulars	Nature of Relationship	As at March 31, 2019	As at March 31, 2018
Eris Lifesciences Limited	Holding Company		
Trade receivable		1.78	-
Other current liabilities			1.14

Note 18: Micro Small & Medium Enterprises

Based on the information available with the Company, there are no enterprises covered under the definition of Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). This has been relied upon by the Auditors.

For R R S & Associates
Chartered Accountants
Firm Reg. No.118336W

Hitesh V. Kriplani
Partner
M.No.140693

Place: Ahmedabad
Date: May 17, 2019



For and on behalf of the Board of Directors

Kausik Shah
Director
DIN: 01229038

Place: Ahmedabad
Date: May 17, 2019

Sachin Shah

Sachin Shah
Director
DIN: 06688639

