

INDEPENDENT AUDITOR'S REPORT

To The Partners of Zullinc Healthcare LLP

1. Report on the Financial Statements

We have audited the accompanying Financial Statements of **Zullinc Healthcare LLP**, which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss and the Cash Flow Statement for the period ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the LLP in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). This responsibility includes design, implementation and maintenance of adequate internal financial controls 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

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 control relevant to the LLP's preparation and fair presentation of the Financial in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the LLP as at 31st March, 2017;
- b) In the case of the Profit and Loss Account, of the Loss for the period ended on that date and,
- c) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

5. Report on Other Legal and Regulatory Requirements

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 LLP so far as it appears from our examination of those books.
- C. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- D. In our opinion, the aforesaid financial statements comply with the Accounting Standards by the Institute of Chartered Accountants of India.

**For K. P. Sompura & Co.
Chartered Accountants
(FRN: 131641W)**

**Place: Ahmedabad
Date: 30/05/2017**

**K. P. Sompura
Proprietor
(M. No. 045155)**

ZULLINC HEALTHCARE LLP
BALANCE SHEET AS AT MARCH 31, 2017

Particulars	Note No.	As at 31-Mar-2017	As at 31-Mar-2016
A CAPITAL AND LIABILITIES			
1 CAPITAL ACCOUNT			
(a) Partner's Capital	2	5,00,000	5,00,000
(b) Reserves and surplus	3	84,87,470	75,10,180
2 NON CURRENT LIABILITIES			
(a) Long-term borrowings			—
3 Current liabilities			
(a) Trade payables		13,81,79,914	44,55,051
(b) Other current liabilities	4	1,75,680	1,53,867
(c) Short term Provisions		4,37,023	—
TOTAL		14,77,80,087	1,26,19,098
B ASSETS			
1 Non-current assets			
(a) Non-current investments	5	15,000	15,000
(b) Long-term loans and advances	6	7,503	72,19,130
2 Current assets			
(a) Trade Receivable	7	14,21,58,861	—
(b) Cash and Bank Balance			
Cash and cash equivalent	8	8,89,890	9,13,147
(c) Short-term loans and advances	9	47,08,833	44,71,821
TOTAL		14,77,80,087	1,26,19,098
ACCOUNTING POLICIES & OTHER NOTES TO ACCOUNT	1		

As per our report of even date
For K. P. Sompura & Co.
Chartered Accountants
FRN: 131641W

FOR ZULLINC HEALTHCARE LLP

Mahendra G. Patel (Designated Partners)
(DPIN : 00104706)

(K. P. Sompura)

Proprietor
M. No. 045155
Date: 30/05/2017
Place : Ahmedabad

Hasmukhbhai I. Patel (Designated Partners)
(DPIN : 00104834)
Date: 30/05/2017
Place : Ahmedabad

ZULLINC HEALTHCARE LLP

STATEMENT OF PROFIT AND LOSS FOR THE YEARENDED ON MARCH 31, 2017

Particulars	Note No.	For the year ended on 31-Mar-2017	For the year ended on 31-Mar-2016
Revenue from operations	10	39,17,34,758	—
Other income	11	3,55,166	—
TOTAL REVENUE		39,20,89,924	—
Purchases of Stock-in-Trade	12	39,04,05,620	—
Finance costs	13	53,411	630
Other expenses	14	2,16,580	—
TOTAL EXPENSES		39,06,75,611	630
Profit before tax		14,14,313	– 630
Tax expense:			
Current tax		4,37,023	—
Deferred tax		—	—
Total Tax Expense		4,37,023	—
Profit (Loss) for the period		9,77,290	– 630

As per our report of even date
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FOR ZULLINC HEALTHCARE LLP

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M. No. 045155

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(DPIN : 00104706)

Date: 30/05/2017
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Hasmukhbhai I. Patel (Designated Partners)
(DPIN : 00104834)
Date: 30/05/2017
Place : Ahmedabad

2 Partner's Capital

Partner's Capital	As at 31-Mar-2017	As at 31-Mar-2016
Lincoln Pharmaceuticals Limited-Capital	5,00,000	5,00,000
TOTAL	5,00,000	5,00,000

3 Reserves & Surplus

Reserves & Surplus	As at 31-Mar-2017	As at 31-Mar-2016
	-	-
General Reserve	35,00,000	35,00,000
	35,00,000	35,00,000
Profit & Loss Account	40,10,180	40,10,810
Add : Profit during the year	9,77,290	- 630
	49,87,470	40,10,180
TOTAL	84,87,470	75,10,180

4 Other Current liability

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Creditors For Expense	1,52,133	1,53,867
Duties & Taxes	23,547	—
TOTAL	1,75,680	1,53,867

5 Non Current Investments

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Other Investments- NSC	15,000	15,000
TOTAL	15,000	15,000

6 Long Term Loans and Advances

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Loans and Advances to Other Parties		
Secured, considered good		
Unsecured, considered good	7,503	72,19,130
Doubtful		
TOTAL	7,503	72,19,130

7 Trade Receivable

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Outstanding for a period less than six months from the date they are due		
Unsecured, considered good	14,21,58,861	—
Net of provision	14,21,58,861	—
Outstanding for a period exceeding six months from the date they are due		
Unsecured, considered good	—	—
Net of provision	—	—
Total	14,21,58,861	—

8 Cash and Bank Balance

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Balances with banks	1,85,584	1,98,841
Cash on hand	7,04,306	7,14,306
TOTAL	8,89,890	9,13,147

9 Short-term loans and advances

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Balance With Governmet Authorities		
Unsecured, considered good	2,33,782	3,030
Net of provision	2,33,782	3,030
Advance to sundry creditors	44,55,051	44,55,051
Other Advance in Nature of Short term Advance		
Secured, considered good	20,000	13,740
Unsecured, considered good	—	—
Net of provision	20,000	13,740
TOTAL	47,08,833	44,71,821

10 Revenue

Particulars	For the year ended on 31-Mar- 2017 -	For the year ended on 31-Mar- 2016 -
Sale of products	39,17,34,758	—
Total	39,17,34,758	—

11 Other Income

Particulars	For the year ended on 31-Mar-2017	For the year ended on 31-Mar-2016
Duty Drawback Income on Export Sales	1,24,414	—
MEIS Income on Export Sales	2,30,752	—
Total	3,55,166	—

12 Purchase of Stock in Trade

a For company having Stock in Trade

Particulars	For the year ended on 31-Mar-2017	For the year ended on 31-Mar-2016
Purchase of Stock In Trade		
Purchase during the year	39,04,05,620	—
<i>Purchase of Stock In Trade</i>	39,04,05,620	—

12 Purchase of Stock in Trade

a For company having Stock in Trade

Particulars	For the year ended on 31-Mar-2017	For the year ended on 31-Mar-2016
Purchase of Stock In Trade		
Purchase during the year	39,04,05,620	—
<i>Purchase of Stock In Trade</i>	39,04,05,620	—

13 Finance Cost

Particulars	For the year ended on 31-Mar- 2017	For the year ended on 31-Mar- 2016
Interest expense	—	—
Bank Charges	53,411	630
TOTAL	53,411	630

14 Other Expenses

Particulars	For the year ended on 31-Mar- 2017	For the year ended on 31-Mar- 2016
Administrative Expenses		
Legal & Registration Charges	2,875	—
Interest On TDS	430	—
Professional & Consultancy Charges	69,731	—
Miscellaneous Expenses	8,474	—
Total Administrative Expenses	81,510	—
Selling & Distribution Expense		
Export Air Shipment Expense	97,617	—
Export Noor Octroi Expense	34,362	—
Insurance Expense	3,091	—
Total Selling & Distribution Expenses	1,35,070	—
Total Other Expenses	2,16,580	—

15 Related party disclosures

a List of related parties

Sr.	Name of related Party	Nature of relation
1	Lincoln Pharmaceuticals Limited	Partner

b Details of transactions with related party

Sr	Name of party	Nature of Transaction	Transaction during 2016-17	Closing Balance
1	Lincoln Pharmaceuticals Ltd.	Purchase	26,86,64,095	- 13,37,24,863

Note Negative Sign Denotes Credit Balance

c Disclosure on Specified Bank Notes

During the year, the company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs ⁽¹⁾	Other	Total
Closing cash in hand as on 8-11-2016	Nil	7,04,306	7,04,306
Add: Permitted receipts	Nil	Nil	Nil
Add: Amount Withdrawal from Bank	Nil	Nil	Nil
Less: Permitted payments	Nil	Nil	Nil
Less: Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30-12-2016	Nil	7,04,306	7,04,306

⁽¹⁾For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

As per our report of even date
For K.P. Sompura & Co.
Chartered Accountants
FR No. 131641W

(K.P. Sompura)
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