



**Veeda Clinical Research Private Limited**  
**15<sup>th</sup> Annual Report**  
**2018-2019**

**DIRECTORS' REPORT**

To,  
**THE MEMBERS,**  
**VEEDA CLINICAL RESEARCH PVT. LTD.**

Your Directors take pleasure in presenting the 15<sup>th</sup> Annual Report on the business and operations of the Company together with the audited accounts for the year ended 31<sup>st</sup> March, 2019.

**FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY**

During the year under review, the Company has earned sales income of Rs. 21844.43 Lakhs as compared to Rs. 18245.39 Lakhs for the previous year.

Particulars	STANDALONE (Rs. In Lakhs)	
	Year ended 31 March 2019	Year ended 31 March 2018
Total Income	22,378.18	18,323.13
Expenses	14,796.16	13,546.20
Profit before taxation	7,582.03	4,776.93
Net Profit	5262.07	3091.09

The company has reported an increase in total income by 22.13% and a corresponding increase in net profit by 70.23% in the current year compared to the previous year.

**DIVIDEND**

The Directors has recommended and declared the accumulated dividend on Compulsorily Convertible Cumulative Preference Shares of Class - B after seeking member's approval during the year under consideration. With a view to conserve resources for the future growth of the company, the Directors do not recommend the dividend on Equity shares and Compulsorily Convertible Cumulative Preference Shares of Class - A for the year ended on 31<sup>st</sup> March, 2019.

**BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

The Company has so far conducted and completed about 523 studies, representing most of the regulatory jurisdictions.

In continuation of our regulatory track record, we had successfully completed Regulatory Inspections in this financial year by DCGI, WHO, ANVISA and NPRA. DCGI inspections got closed with minor findings and also received the approval. There are observations/recommendation given by WHO, ANVISA and NPRA which have already been acted upon and responded successfully. NPRA has issued the facility approval certificate. WHO inspection Closure has been received while ANVISA facility approval certificate has been revalidated.

In addition to the above, we have a diversified clientele with a maximum share of 6.6% for the largest client and having about 157 active clients in the FY 2018-19.





#### **CHANGE IN THE NATURE OF BUSINESS**

There is no change in nature of business compared to last financial year.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2019 AND THE DATE OF THE REPORT**

No material changes and commitments which have direct or indirect impact on financial position of the company have occurred between the end of the financial year and the date of report.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

No significant and material orders have been passed by any Regulators or Courts or Tribunals which have influence to the going concern status and company's operation in future.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control systems in place and has reasonable assurance on authorizing, recording and reporting transactions of its operations in all material respects and in providing protection and safeguard against misuse or loss of assets of the Company. The Company has in place, well documented procedures covering critical financial and operational functions commensurate with the size and complexities of the organization. Some of the salient features of the internal control system in place are:-

1. Adherence to applicable Accounting Standards and Policies.
2. Preparation of annual budget for operation and service functions and monitoring the same with actual performance at regular intervals.
3. Ensuring that assets are properly recorded and procedures have been put in place to safeguard against any loss or unauthorized use or disposal.

In addition, the Company uses the services of an external audit firm (acting as Internal Audit) to periodically review various aspects of the internal control system to ensure that such controls are operating in the way expected and whether any modification is required.

The Company's internal financial controls are deployed through an internally evolved framework that addresses material risks in the Company's operations and financial reporting objectives, through a combination of Entity Level Controls (including Enterprise Risk Management, Legal Compliance Framework and Anti-fraud Mechanisms such as an Ethics Framework, Code of Conduct, Whistle Blower Policy, etc.), Process Controls, Information Technology based controls, period end financial reporting and closing controls and Internal Audit.

#### **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

A report on the performance and financial position of the subsidiaries, step down subsidiaries, associates and joint ventures is annexed to this report as Annexure A in the prescribed Form AOC-1.

During the financial year, company has disinvested 100% stake in wholly owned subsidiary Veeda Clinical Research GmbH.

#### **EMPLOYEES:**

Veeda continues to maintain its focus on attracting, hiring, training and inducting top Industry talent. On the hiring front, the Company recruited exceptional talent from pharmacy colleges and trained the fresh talent. The focus is on optimized training duration, exhaustive coverage of all foundational skills,





greater emphasis and stress on knowledge application, continuous monitoring of trainee performance and exposure to project environment through real-life Training Lab.

Veeda, as a Company, constantly enables and encourages the employees to be empowered, happy and enthusiastic about work. The Company's total rewards program is based on principles of equality and is designed to support its culture of high performance and innovation.

Like every year, Veeda celebrated diversity within the Company and strengthened it further by hosting an array of activities to propagate fun, bonding and celebration at work

#### **DEPOSITS**

Your Company has not accepted any Deposits during the year under review.

#### **STATUTORY AUDITORS**

M/s. SRBC & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the Company. Your directors propose to re-appoint them as auditors of the company in the ensuing Annual General Meeting.

#### **AUDITORS' REPORT**

Auditors' Report for the present financial year does not contain any qualification, reservation or adverse remark or disclaimer which require any clarification / explanation.

#### **EXTRACT OF THE ANNUAL RETURN**

Extract of the annual return of the Company in Form No. MGT-9 is annexed to this report as Annexure B.

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

##### **A. Conservation of Energy**

The company is engaged in testing of various materials and different types of tests are carried out depending on the nature of material and quality of standards such as IP, USP, BP, etc. Testing is done using different testing equipments. Most of the tests equipments are microprocessor based and draw only requisite power. Power is drawn by different equipments from a common source in the laboratories.

Improvement in energy efficiency is a continuous process and is given a high priority. Efforts have also been made to identify potential energy saving opportunities in all our operations, endeavors to optimize the process parameters and to modernize and upgrade the technology and equipment with the objective of increasing Energy Productivity.

Designed and installed the power distribution system to utilize the power at optimum level of requirement. As a result the energy consumption is reduced to the lowest minimum requirement.

##### **B. Technology Absorption**

The tests / studies are carried out as per the prescribed national / international standards and regulations. The Company undertakes clinical research under international guidelines such as DCGI, USFDA, ICH ANVISA, MHRA etc. In the same way, the technology involved in testing is only testing of products as per the prescribed standard procedure / manuals. Testing technology is absorbed to the extent permitted by the appropriate guidelines.





### C. Foreign Exchange Earning and Outgo

Foreign Exchange earned: Rs. 12,495.02 Lakhs

Foreign Exchange used : Rs. 3,262.30 Lakhs

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

As required under Section 135 of the Companies Act, 2013, the Board of Directors have constituted a CSR Committee. The primary function of the committee is to assist the Board of Directors in formulating a Corporate Social Responsibility (CSR) Policy and review its implementation and progress from time to time.

Company is required to comply with Corporate Social Responsibility in this financial year. For that purpose, company has spent an amount of Rs. 21,84,000/- towards the specified purpose. The Annual Report on Corporate Social Responsibility activities is annexed herewith as "Annexure D".

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year, there are following changes in Directors and Key Managerial Personnel.

Sr. No.	Name of Director	Activity undertaken	Date of Activity	Designation
1	Vivek Chhachhi	Appointment	21/11/2018	Director
2	Vinayak Shenvi	Appointment	21/11/2018	Alternate Director to Mr. Vivek Chhachhi
3	Ajay Tandon	Appointment	21/11/2018	Director
4	Saurabh Mehta	Appointment	21/11/2018	Director
5	Aparajita Ahuja	Appointment	29/11/2018	Director
6	Nirmal Bhatia	Appointment	26/10/2018	Company Secretary

Directors are not required to retire by rotation in your company as the same is not applicable being private limited company.

#### B) DECLARATION BY AN INDEPENDENT DIRECTOR(S)

This clause is not applicable to your company since it is private limited company.

#### C) FORMAL ANNUAL EVALUATION

Your company being private limited company, provisions relating to Formal Annual Evaluation are not applicable.

#### NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Twelve (12) Board meeting were held during the financial year ended 31<sup>st</sup> March, 2019.

#### DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your company being a private limited company, provisions relating to the establishment of vigil mechanism for directors and employees are not applicable.

Nevertheless, Veeda's Code of Business Conduct requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Company, they must practice honesty and integrity in fulfilling





their responsibilities and comply with all applicable laws and regulations. The Company has a Whistle Blower Policy to enable persons who observe unethical practices (whether or not a violation of law), to approach the Whistle Blower Custodian without revealing their identity, if they choose to do so. This Policy governs reporting and investigation of allegations that are in breach of the Code of Business Conduct.

The company has established a program named "MD Connect Program" which facilitates newly recruited employees to get connected with the Directors of the Company. The main aim of such a program is to make the newly recruited employees aware of the principles and value system of the company. Moreover, the employee is made aware of the whistle blowing policy and its importance in the organization.

#### NOMINATION AND REMUNERATION COMMITTEE

Your company being a private limited company, provisions relating to Nomination and Remuneration Committee are not applicable.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details are as below:

##### i) Details of Loans

Sr. No.	Details of Loan	Name of Borrower	Purpose for which the loan is proposed to be utilized by the recipient	Principal Amount (Rs.)	Rate of Interest
1	Unsecured Loan given	Omsav Pharma Research Pvt. Ltd.	Business Purpose	28,00,000/-	12.75% p.a.

\* The loan provided was fully repaid by the borrower during the year under consideration.

##### ii) Details of Investments

Sr. No.	Details of investment	Name of Investee	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Principal Amount (Rs.)
1	Various Investments in Mutual Fund.	Aditya Birla Sunlife Banking & Financial Services Fund	Investment	30,00,000/-







2	Various Investments in Mutual Fund.	ICICI Prudential Banking & Financial Services Fund	Investment	22,50,000/-
4	Various Investments in Mutual Fund.	IDFC Cash Fund - Growth	Investment	35,75,00,000/-
5	Various Investments in Mutual Fund.	UTI Liquid Cash Plan	Investment	15,00,00,000/-
6	Various Investments in Mutual Fund.	IDFC Classic Equity Fund	Investment	30,00,000/-
7	Various Investments in Mutual Fund.	IDFC Infrastructure Fund	Investment	22,50,000/-
8	Various Investments in Mutual Fund.	L&T Infrastructure Fund	Investment	30,00,000/-
9	Various Investments in Mutual Fund.	UTI Pharma & Healthcare Fund	Investment	18,00,000/-

Note: Investment in IDFC Cash Fund Growth (Sr. No.4) and UTI Liquid Cash Plan (Sr. No.5) were disposed during the year.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 as Annexure C.





## **PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND RELATED DISCLOSURES**

- A) Details of ratio of the remuneration of each director pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your company being a private limited company.
- B) Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request.
- C) No director of the company who is a Managing Director or whole time director is in receipt of any commission from the company.
- D) The requirement under the heading "Corporate Governance" is not applicable since company is a private limited company. However, the Company is complying with most of the requirements.

## **SECRETARIAL AUDIT REPORT**

The requirement of Secretarial Audit Report is not applicable since company is not listed company.

## **COST RECORDS**

The company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013,

## **PREVENTION OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE**

The Company's Code of Business Conduct (COBC) provides broad directions as well as specific guidelines for all business transactions. The emphasis is on human rights, prevention of fraudulent and corrupt practices, avoidance of conflict of interest, prevention of Sexual Harassment and unyielding integrity at all times.

Veeda is committed to the provision of a workplace, free of Sexual Harassment ("SH") and to provide a redressal mechanism for all complaints of SH without fear or threat of reprisals in any form or manner whatsoever. The work place in context of SH is not restricted to the office but includes extended work areas such as Client's place, work related travel, cafeterias and Company sponsored events, to name a few.

It is confirmed that the company has duly complied with applicable provisions and have a policy in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 including the provisions relating to the constitution of Internal Complaints Committee under the said Act.

## **CORPORATE GOVERNANCE CERTIFICATE**

The requirement of Corporate Governance Certificate is not applicable to the company since it is not a listed company.

Nevertheless, Governance at Veeda encompasses structures, practices and processes adopted in every sphere of the Company's operations to provide long-term value to its stakeholders through ethical and transparent business standards. The company has a definite Value System established which includes Humility, Honesty and Integrity, Openness, Excellence, Innovation, and Nurturing individual growth. These values are the core elements of governance at Veeda. The Company, as a responsible corporate citizen, believes that the spirit of Corporate Governance stretches beyond statutory acquiescence to meet the ethical, legal, economic and social responsibilities and is centric to stakeholder trust and







confidence. While the letter of the law is paramount in all its activities, the spirit in which it is followed, keeps in view the interests of the stakeholders, viz, shareholders, clients, employees, suppliers, society and regulatory bodies.

#### **RISK MANAGEMENT POLICY**

The Company has a Risk Management Policy to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

#### **CORPORATE IDENTITY NUMBER**

The Corporate Identity Number (CIN), allotted by the Ministry of Corporate Affairs, Government of India, is U73100GJ2004PTC044023 and the Company's Registration Number is 44023.

The Company's Master Data and details of the compliance filings by the Company with the Ministry of Corporate Affairs, Government of India, may be viewed by the members and other stakeholders at [www.mca.gov.in](http://www.mca.gov.in) (MCA21eServices) using the above mentioned CIN.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **ACKNOWLEDGEMENTS**

The Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by customers, suppliers, financial institutions, banks, Government authorities to the Company. The Directors also wish to place on record their appreciation for the overall support and co-operation received from the employees without whom the growth of the Company is unattainable. Your directors look forward to the long term future with confidence. An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

Place: Delhi  
Date: 25<sup>th</sup> July, 2019

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**CHAIRMAN**



ANNEXURE A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sl. No.	Particulars	Details
1	Name of the subsidiary	Veeda Clinical Research GmbH
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 April 2018 to 18 July 2018
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	EURO 77.7024
4	Share capital	25,000.00
5	Reserves & surplus	(5394.81)
6	Total assets	66,679.23
7	Total Liabilities	66,679.23
8	Investments	0.00
9	Turnover	0.00
10	Profit before taxation	(9,271.13)
11	Provision for taxation	0.00
12	Profit after taxation	(9271.13)
13	Proposed Dividend	-
14	% of shareholding	100%

# The Company has disinvested its 100% stake in wholly owned subsidiary Veeda Clinical Research GmbH during the year.

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: None

Part "B": Associates and Joint Ventures

NIL

For and on Behalf of the Board of Directors

Vivek Chhachhi  
Director  
DIN: 00496620

Ajay Tandon  
Director  
DIN: 02210072



Nirmal Bhatia  
Company Secretary



Place: Delhi  
Date: 25<sup>th</sup> July, 2019

Place: Delhi  
Date: 25<sup>th</sup> July, 2019

Place: Ahmedabad  
Date: 25<sup>th</sup> July, 2019

**Annexure B**

**Form No. MGT-9**

EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

1	<b>REGISTRATION AND OTHER DETAILS:</b>	
i)	CIN	U73100GJ2004PTC044023
ii)	Registration Date	23rd April, 2004
iii)	Name of the Company	Veeda Clinical Research Private Limited
iv)	Category / Sub-Category of the Company	Private Limited Company
v)	Address of the Registered office and contact details	Shivalik Plaza - A, Nr. I.I.M., Ambawadi, Ahmedabad 380015 Tel: 30013000
vi)	Whether listed company	NO
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-101, 247 Park, LBS Marg, Vikroli(West)- 400083 Phone: +91 22 49186000

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

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Clinical Research	74220	100%

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

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1.	Basil Private Limited	157069 C1/GBL	Holding	63.88%	2(46)
2.	Bondway Investments Inc.	633756	Associate	27.20%	2(6)
3.	Veeda Clinical Research GmbH #	HRB 25764	Subsidiary	100.00%	2 (87)

# The Company has disinvested its 100% stake in Veeda Clinical Research GmbH (Subsidiary) during the year.



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

i. Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other (AIF)	-	-	-	-	21,261	-	21,261	3.62%	100%
Sub-total(A)(1):-									
<b>2) Foreign</b>									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.	-	547,775	547,775	100%	565,902	-	565,902	96.38%	3.31%
j) Banks / FI									
k) Any Other....									
Sub-total (A)(2):-									
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1)									
<b>2. Non institutions</b>									
a) Bodies Corp.									
(i) Indian									



(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others(Specify)									
Sub-total (B)(2)									
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	-	547,775	547,775	100%	587,163	-	587,163	100%	

## ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Bondway Investment inc.	349,900	63.88%	-	159,708	27.20%	-	54.36%
2	Stevey International Corp.	100	36.11%	-	-	-	-	100%
3	Arabelle Financial Services Ltd.	197,775	0.02%	-	-	-	-	100%
4	Basil Private Limited	-	-	-	406,194	69.18%	-	100%
5	CX Alternate Investment Fund	-	-	-	21,261	3.62%	-	100%
	<b>Total</b>	<b>547,775</b>	<b>100%</b>		<b>587,163</b>	<b>100%</b>		





iii. Change in Promoters' Shareholding ( please specify, if there is no change)

Sr. No	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	547,775	100%	547,775	100%
Add:	Conversion of CCPS Class B dated 27/10/2018	39,388	100%	587,163	100%
	At the End of the year	587,163	100%	587,163	100%

iv. Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
			Nil		Nil
	<b>Total</b>				

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	155,895,907	-	-	155,895,907
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>155,895,907</b>	<b>-</b>	<b>-</b>	<b>155,895,907</b>
Change in Indebtedness during the financial year				
- Addition	18,016,991	-	-	18,016,991



- Reduction	(119,086,820)	-	-	(119,086,820)
Net Change	(101,069,829)	-	-	(101,069,829)
Indebtedness at the end of the financial year				
i) Principal Amount	54,826,078	-	-	54,826,078
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	54,826,078	-	-	54,826,078

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Mr. Apurva Shah	Mr. Binoy Gardi	Mr. Nirmal Bhatia	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,300,556	17,490,222	4,370,270	30,161,048
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	13,936	13,936
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- Others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>8,300,556</b>	<b>17,490,222</b>	<b>4,384,206</b>	<b>30,174,984</b>

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u>					
	- Fee for attending board committee meetings					
	- Commission					



	· Others, please specify	-	-	-	-	-
	Total (1)					
	Other Non-Executive Directors					
	· Fee for attending board committee meetings					
	· Commission					
	· Others, please specify	-	-	-	-	-
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

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

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty	NONE				
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty	NONE				
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board of Directors



Chairman



Place: Delhi  
Date: 25<sup>th</sup> July 2019

ANNEXURE C

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Applicable
2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Particulars	Details	Details	Details	Details
1	Name (s) of the related party & nature of relationship	Dura Paper Corporation (Concern in which Director has substantial Interest)	Dura Paper Corporation (Concern in which Director has substantial Interest)	Apurva Shah (Director of the Company)	Binoy Gardi (Director of the Company)
2	Nature of contracts/ arrangements/ transaction	Vehicle Hire	Vehicle Hire	Rent	Rent
3	Duration of the contracts/arrangements/transaction	01.01.2018 to 31.12.2021	01.12.2016 to 30.11.2020	01.04.2018 to 31.03.2023	01.04.2018 to 31.03.2023
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Prevailing Market Rate  Rs. 63,000/- p.m.	Prevailing Market Rate  Rs. 52,500/- p.m.	Prevailing Market Rate  Rs. 50,000/- p.m.	Prevailing Market Rate  Rs. 25,000/- p.m.
5	Date of approval by the Board	24.11.2017	21.10.2016	24.11.2017	24.11.2017
6	Amount paid as advances, if any	Nil	Nil	Nil	Nil

Notes:

1. The contract with Dura Paper Corporation and Binoy Gardi were terminated with effect from 01<sup>st</sup> October 2018.

For and on behalf of the Board of Directors

Place: Delhi  
Date: 25<sup>th</sup> July, 2019

  
Chairman



## Annexure D to the Directors' Report

### Annual Report on CORPORATE SOCIAL RESPONSIBILITY (CSR) Activities

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Rules made there under, the Board has constituted a Corporate Social Responsibility (CSR) Committee. During the year under review, one meeting of CSR Committee was held on 29<sup>th</sup> January, 2019.

The terms of reference of the CSR Committee includes formulating and recommending to the Board, a Corporate Social Responsibility Policy which indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, recommending the amount of expenditure to be incurred on the CSR activities, providing guidance on various CSR activities to be undertaken by the Company and monitoring the CSR Policy of the Company from time to time.

Pursuant to the recommendation of the CSR Committee, the Board has approved a Corporate Social Responsibility (CSR) Policy.

The details required pursuant to Section 135 of the Act are provided in Annexure II to this Report.





**ANNEXURE II TO THE BOARDS'S REPORT  
REPORT ON CSR ACTIVITIES**  
[Pursuant to Section 135 of the Act and Rules made thereunder]

**1. A brief outline of the Company's CSR policy**

Pursuant to the requirement of the Companies Act, 2013 and the Rules made thereunder, the Company has framed a CSR Policy.

The Company's CSR vision & mission is to contribute to the social, economic and environmental development of the community in which the Company operates. The Company may undertake any one or more CSR activities as specified in the CSR Policy.

As permitted under Rule 4(2) of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has identified following institutes through which it has decided to carry out CSR activities:

Sr. No.	Name of Implementing Agency
1	Rotary Club of Mumbai Queen's Necklace Charitable Trust
2	Rotary Club Vejalpur Jodhpur Charitable Trust
3	Jivdaya Charitable Trust
4	The Akshaya Patra Foundation

Brief Background of the implementing agencies and the projects undertaken are as below:

**Rotary Club of Mumbai Queen's Necklace Charitable Trust**

Rotary is an international humanitarian service organization. The men and women of Rotary are business and professional leaders who volunteer their time and resources to help others in their local communities and throughout the world. Rotary clubs carry out a variety of service projects that address critical issues including poverty, hunger, illiteracy, substance abuse, and pollution.

Service to youth, especially children at risk, is a major emphasis. Working with and for tomorrow's leaders, Rotary sponsors service clubs for youth and young adults and offers career development and mentoring programs.

The Object of Rotary is to encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:

FIRST. The development of acquaintance as an opportunity for service;

SECOND. High ethical standards in business and professions, the recognition of the worthiness of all useful occupations, and the dignifying of each Rotarian's occupation as an opportunity to serve society;

THIRD. The application of the ideal of service in each Rotarian's personal, business, and community life;

FOURTH. The advancement of international understanding, goodwill, and peace through a world fellowship of business and professional persons united in the ideal of service.

The project undertaken on behalf of Veeda Clinical Research Private Limited covers providing help to the Martyrs of CRPF and Indian Army.



### Rotary Club Vejalpur Jodhpur Charitable Trust

The world's first archetype voluntary organization is dedicated in the service of mankind. Though the organization is 107 years old but still the presence of it is felt by association of professional leaders creating 34,000 clubs conjuring out of 1.2 million volunteers spread across 174 countries. Every Rotarian is working assiduously to combat hunger, improving health and sanitation, provide education, promote peace and eradicate polio, not only in their region but in international platform raising self above narcissism with a motto "service above self."

The Rotary Foundation - "Transforming dreams into reality"

A charitable and philanthropic arm of "Rotary International" is responsible for decorously supporting underprivileged through various grants, in the welfare of humanity.

Municipal School Board Ahmedabad has 290 schools approx. for free education upto 8th Standard to children across the city and district.

As per the MOU signed between the Rotary Club of Ahmedabad West and the Municipal School Board, we have been assigned to provide free sanitary napkins to approximately 17000 girl child in Classes 7 and 8 for the entire year or 12 months.

The project undertaken on behalf of Veeda Clinical Research Private Limited covers providing free sanitary napkins to approximately 17000 girl child in Classes 7 and 8 for the entire year or 12 months.

### Jivdaya Charitable Trust

Jivdaya Charitable Trust is a non-government animal welfare organization that provides medical care to un-owned domestic animals and also runs a rehabilitation centre for wild birds and small mammals. Our objective is to help animals in pain and suffering and we try our best to nurture them back to a healthy and happy life. Our facility is located in the centre of the city and very well connected by roads. Animal lovers from all over the city routinely bring in injured and ill stray animals to our hospital. Similarly we receive a variety of wild birds and small mammals at our rehabilitation centre. We also run a mobile treatment van that attends to cases not requiring hospitalization.

Our facility is situated inside the Ahmedabad Parjrapole Campus, Ambawadi. It was set up in 2008 and has treated well over 100,000 animals since then.

The project undertaken on behalf of Veeda Clinical Research Private Limited covers providing free animal welfare through medical care to un-owned domestic animals and also to run rehabilitation centre for them.

### The Akshaya Patra Foundation

The Akshaya Patra Foundation is a non-profit organization that operates on a Public-Private-Partnership model. As an implementing partner of the Mid-Day Meal scheme, there is a steady support from the Government of India, the various State Governments and associated organizations. This has enabled the programme to grow from feeding 1,500 children in the year 2000 to more than 1.7 million children in 2019 in 12 states and 41 locations across India. In 2019, the Foundation served its three billionth meals. Akshaya Patra's work is ground breaking in terms of philosophy, technology and the strategic initiatives of harnessing the capacities of the government, the corporate world and individuals.

It aims to provide unlimited nutritional midday meals for Government school going children to prevent drop out, to increase the attendance and to tackle the malnutrition among school going children. This project covers 500 children in the government schools together in the Ahmedabad and its near rural areas.

The project will support organization's ongoing efforts of providing mid-day meals to children studying in Govt primary schools of Ahmedabad, Gandhinagar, Surat, Vadodara, Bhavnagar and its near rural areas having the total student strength of approx. 3,99,112 children in Gandhinagar, Surat, Vadodara, Bhavnagar and its near rural area



The project undertaken on behalf of Veeda Clinical Research Private Limited aims to ensure and maintain the hygienic and nutritional quality standards of MDM cooked food to be provided to the children in the government schools of Gandhinagar, Surat, Vadodara, Bhavnagar and its near rural areas. The objective is to provide unlimited nutritional midday meals for Government school going children to prevent drop out, to increase the attendance and to tackle 500 children studying in Govt. Schools in Ahmedabad and its near rural areas.

**2. The Composition of the CSR Committee:**

As on the date of this report, the CSR Committee comprises of Mr. Apurva Shah, Director and Mr. Binoy Gardi, Director.

**3. Average Net Profit of the Company for last 3 financial years:**

Average net Profit of the Company for the last three financial years as per Section 198 of the Companies Act, 2013 was Rs. 23.89 Crores.

**4. Prescribed CSR expenditure (2% of the amount as in item 3 above):**

Rs. 47,78,522/-

**5. Details of CSR spent during the year:**

a) Total amount to be spent for the financial year: Rs. 47,78,522/-

b) Amount un-spent, if any: 25,94,522/-

c) Manner in which the amount spent during financial year is detailed below:

During the year the Company has paid Rs. 21,84,000/- to the said Institutions for the purposes as described above in detail.

Amount in Rs. (Lakhs)

Sr. No.	CSR Project or activity identified	Sector in which project is covered	Project or Programs 1)Local Areas or other 2)Specify the state and district where projects or programs was undertaken	Amount outlay(budget) project or program wise	Amount spent on the projects or programs		Cumulative Expenditure up to the reporting date	Amount spent Direct or through Implementing Agency
					Direct Expenditure on projects or programs	Overheads		
1	Rotary Club of Mumbai Queen's Necklace Charitable Trust	Measures for the benefit of armed forces veterans, war widows and their dependents	Helping Martyrs and CRF Army Within India	10.00	10.00	-	10.00	Implementing Agency
2	Rotary Club Vejalpur Jodhpur Charitable Trust	Promoting health care including preventive health care	Providing Sanitary pads to girl child in Ahmedabad Municipal School	3.50	3.05	0.46	13.50	Implementing Agency



3	Jivdaya Charitable Trust	Animal Welfare	Measures for Animal Welfare within the Ahmedabad	2.84	2.84	-	16.34	Implementing Agency
4	The Akshaya Patra Foundation	Mid-Day Meal Scheme- Eradicating hunger, poverty and malnutrition	Mid-day Meals within Ahmedabad and nearby rural areas	5.50	0.00	5.50	21.84	Implementing Agency
	<b>Total</b>			<b>21.84</b>				

6. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years of any part thereof, reasons for not spending the amount in its Board Report:

The CSR committee has spent of Rs. 71,31,000/- towards CSR expenses during the FY 17-18 against requirement under Companies Act, 2013 of Rs. 21,30,533/-. Out of total amount spent of Rs. 71,31,000/- during FY 17-18, Rs. 50,00,000/- was donated to Bhansali Trust [Bombay Public Trust Reg. No., E 3995] at the end of the year i.e. 27th March 2018. The said amount spent was accounted in financial year 2017-18 with the intention to conduct the activity/ projects for the upcoming FY 2018-19. Considering the same, the excess spending in last FY 17-18 relates to current FY 18-19 for CSR expenditure. The position is shown in below table.

Particulars (Amount in INR)	(Amount in Rupees)	
	FY 17-18	FY 18-19
Amount required to be spent as per Companies Act, 2013	21,30,533	47,78,522
Amount actually spent	71,31,000	21,84,000
Excess / (Deficit)	50,00,467	(25,94,522)

From the above table, the company has already spent Rs.24.05 lakhs (Rs.50,00,467- Rs.25,94,522) in excess in current financial year 18-19. Hence the company has very well complied with the requirements of CSR contribution laid down in the Companies Act, 2013.



Ajay Tandon  
Director  
DIN: 02210072  
Place: Delhi  
Date: 25<sup>th</sup> July, 2019




Apurva Shah  
Chairman CSR Committee  
DIN: 00378260

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Veeda Clinical Research Private Limited

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of Veeda Clinical Research Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after 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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit 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 (SAs), as specified under section 143(10) of the Act. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director'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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.





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## **Responsibilities of the Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended). This responsibility also 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; and the 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.

Those Board of Directors are also 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 omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control 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



## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements (continued)**

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 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.

We communicate with Board of Directors 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 Board of Directors 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.

### **Other Matter**

The financial statements of the Company for the year ended March 31, 2018, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on June 15, 2018.

### **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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended);
  - (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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



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## **Report on Other Legal and Regulatory Requirements (continued)**

- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019 and
- (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. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Sukrut Mehta  
Partner

Membership Number: 101974  
UDIN: 19101974AAAABB8240  
Place of Signature: Ahmedabad  
Date: July 25, 2019



# **S R B C & CO LLP**

Chartered Accountants

**Annexure 1 referred to in Paragraph of Report on Other Legal and Regulatory Requirements of our report of even date of Veeda Clinical Research Private Limited for the year ended March 31, 2019.**

- i. (a) The Company has maintained proper records showing full, including quantitative details and situation of property, plant and equipment.  
  
(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification 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) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, professional tax, cess and other statutory dues are generally regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.



# **S R B C & CO LLP**

Chartered Accountants

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, professional tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) The dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount involved (excluding interest and penalty)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax	13,06,380	2008-09	CESTAT, Ahmedabad
Finance Act, 1994	Service tax	1,41,506	2010-11 to 2013-14	CESTAT, Ahmedabad
Finance Act, 1994	Service tax	2,43,36,757	July 2012 to March 2014	CESTAT, Ahmedabad
Finance Act, 1994	Service tax	5,29,94,448	2015-16	Commissioner (appeals)
Finance Act, 1994	Service tax	4,56,43,931	2007-08 to 2011-12	Commissioner (appeals)
Finance Act, 1994	Service tax	2,61,88,870	2014-15	Commissioner
Finance Act, 1994	Service tax	7,14,547	2015-16	Assistant Commissioner
Finance Act, 1994	Service tax	67,72,872	2014-15	CESTAT, Ahmedabad
Customs Act, 1962	Custom duty	27,86,250	2011-12 to 2013-14	Commissioner
Customs Act, 1962	Custom duty	19,65,359	2013-2014 to 2016-17	Commissioner

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to financial institutions and banks. The Company did not have any due payable to debenture holders and government during the year.

ix. According to the information and explanations given by the management, the Company has not raised money by way of initial public offer, further public offer, debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon





# **S R B C & CO LLP**

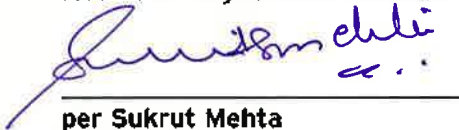
Chartered Accountants

- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provision for Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



**per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 19101974AAAABB8240

Place of Signature: Ahmedabad

Date: July 25, 2019



# **SRBC & CO LLP**

Chartered Accountants

**Annexure 2 to the Independent Auditor's report of even date on the financial statements of Veeda Clinical Research Private Limited**

**Report on the Internal Financial Controls 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 reporting with reference to the financial statement of Veeda Research Clinical Private Limited ("the Company") as of March 31, 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 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.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the financial statement 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 as specified under section 143(10) of the Act, to the extent 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 with reference to the financial statement 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to the financial statement.



# **S R B C & CO LLP**

Chartered Accountants

## **Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statement**

A company's internal financial control over financial reporting with reference to the financial statement 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 with reference to the financial statement 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to the financial statement**

Because of the inherent limitations of internal financial controls over financial reporting with reference to the financial statement, 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 with reference to the financial statement 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 over financial reporting with reference to the financial statement and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Sukrut Mehta  
Partner  
Membership Number: 101974  
UDIN: 19101974AAAABB8240  
Place of Signature: Ahmedabad  
Date: July 25, 2019



Veeda Clinical Research Private Limited  
Standalone Balance Sheet as at March 31, 2019

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I. EQUITY AND LIABILITIES</b>			
Shareholders' funds			
Share capital	3	358,169,430	175,877,870
Reserves and surplus	4	536,933,294	674,080,039
Non-current liabilities			
Long-term borrowings	5	-	99,952,635
Other long-term liabilities	6	22,113,271	15,433,687
Long-term provisions	7	20,797,446	15,282,495
Current liabilities			
Short-term borrowings	8	48,842,890	-
Trade payables	9		
(A) total outstanding dues of micro enterprises and small enterprises		17,209,552	22,680
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		94,896,835	79,210,020
Other current liabilities	10	226,830,493	235,442,498
Short-term provisions	11	10,468,138	7,126,126
<b>TOTAL</b>		<b>1,336,261,349</b>	<b>1,302,428,050</b>
<b>II. ASSETS</b>			
Non-current assets			
Property, plant & equipment		374,338,975	435,324,153
Intangible assets	12	3,192,341	3,913,800
Capital work-in-progress		74,101,729	3,867,658
Intangible assets under development		3,255,200	2,040,125
Non-current investments	13	-	1,429,633
Deferred tax assets	14	44,603,923	45,600,139
Long term loans and advances	15	104,300,199	252,078,058
Other non-current assets	16	4,032,275	4,296,478
Current assets			
Current Investments	17	17,714,953	26,087,021
Inventories	18	47,323,626	49,786,042
Trade receivables	19	436,269,402	375,641,817
Cash and bank balances	20	201,157,908	81,324,967
Short-term loans and advances	21	23,357,790	11,899,100
Other current assets	22	2,613,028	9,139,059
<b>TOTAL</b>		<b>1,336,261,349</b>	<b>1,302,428,050</b>
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date  
For SRBC & Co. LLP  
Chartered Accountants  
ICAI FBN: 324982E/E300003

per Sukrut Mehta  
Partner  
Membership No. 101974  
UDIN: 19101974AAAABB8240

Place : Ahmedabad  
Date : July 25, 2019

For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN : U73100GJ2004PTC044023)

Vivek Chhachhi  
Director  
DIN: 00496620

Ajay Tandon  
Executive Director  
DIN: 02210072

Nirmal Bhatia  
Company Secretary

Ahmedabad  
July 25, 2019

Place : Delhi  
Date : July 25, 2019






Veeda Clinical Research Private Limited  
Statement of Standalone Profit & Loss for the Year ended March 31, 2019


(Amount in Rs.)


Sr. No.	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
(I)	Revenue from operations	23	2,184,443,017	1,824,538,651
(II)	Other income	24	53,375,325	7,774,738
(III)	Total Revenue (I+ II)		2,237,818,342	1,832,313,389
(IV)	Expenses			
	Cost of material consumed	25	143,335,371	154,685,979
	Employee benefit expenses	26	461,838,493	354,841,613
	Finance costs	27	23,849,385	26,961,496
	Depreciation and amortization expenses	12	94,389,657	105,818,970
	Other expenses	28	756,202,663	712,311,859
	Total Expenses		1,479,615,569	1,354,619,917
(V)	Profit before tax (III-IV)		758,202,773	477,693,472
(VI)	Tax expense			
	(1) Current tax		231,000,000	183,800,000
	(2) Deferred tax		996,216	(15,215,908)
	Total tax expense		231,996,216	168,584,092
(VII)	Profit for the year (V-VI)		526,206,557	309,109,380
(VIII)	Earnings per equity share [Nominal value of Rs. 10 (March 31, 2018: Rs. 10)]	30		
	Basic		902.80	504.30
	Diluted		799.03	446.21
	Summary of significant accounting policies	2		
	The accompanying notes are an integral part of the financial statements.			

As per our report of even date  
For SRBC & Co. LLP  
Chartered Accountants  
ICAI FRN: 324982E/E300003

For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN : U73100GJ2004PTC044023)

  
per Sukrut Mehta  
Partner  
Membership No. 101974  
UDIN: 19101974AAAABB8240

  
Vivek Chhachhi  
Director  
DIN: 00496620

  
Ajay Tandon  
Executive Director  
DIN: 02210072

  
Nirmal Bhatia  
Company Secretary



Place : Ahmedabad  
Date : July 25, 2019

Place : Delhi  
Date : July 25, 2019

Delhi  
Date : July 25, 2019

Ahmedabad  
Date : July 25, 2019



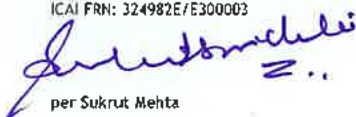


Veeda Clinical Research Private Limited  
Standalone Cash Flow Statement for the year ended March 31, 2019

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>A. Cash flow from operating activities</b>		
Profit before tax	758,202,773	477,693,472
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	94,389,657	105,818,970
Finance cost	23,849,385	26,961,496
Interest income	(5,233,993)	(3,741,927)
(Gain) / loss on sale of mutual fund (net)	(6,235,061)	212,979
Gain on sale of non-current investment	(906,126)	-
(Profit) / Loss on sale of property, plant and equipment	(2,723)	183,227
Credit balance written back	(35,526,035)	-
Discount	7,591,845	-
Unrealized foreign exchange loss	4,501,592	-
Operating profit before working capital changes	840,631,314	607,128,218
Movements in working capital :		
(Increase) in trade receivables	(74,721,718)	(158,481,007)
Decrease / (Increase) in inventories	2,462,416	(7,455,829)
Decrease / (Increase) in long term loans and advances	147,064,626	(32,916,880)
(Increase) in short term loans and advances	(11,458,690)	(650,942)
Increase in current assets	4,371,967	28,854,901
Increase in non-current assets	182,299	-
Increase in other non-current liabilities and long-term provisions	12,194,535	11,547,554
Increase / (Decrease) in other current liabilities, short term provisions and trade payables	61,849,800	(26,573,546)
Cash generated from operation	982,576,549	421,452,469
Direct taxes paid	(230,286,765)	(172,565,419)
Net cash flow from operating activities (A)	752,289,784	248,887,050
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(101,154,396)	(93,968,712)
Proceeds from sale of property, plant and equipment	4,100	215,000
Interest received	4,388,057	3,912,368
Investment in fixed deposits (net)	(9,518,095)	(474,158)
Proceeds from sale of / (Investment in) mutual funds (net)	17,607,129	(29,300,000)
Proceeds from sale of non-current investment	2,335,759	-
Net cash flow used in investing activities (B)	(86,337,446)	(119,615,502)
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowing	(100,369,894)	(29,911,603)
Finance cost paid	(24,287,761)	(26,961,496)
Proceeds from / (Repayment of) short-term borrowing	50,000,000	(7,775,703)
Buy back of preference share capital (Including tax of buy back)	(168,400,000)	-
Dividend paid on preference share capital (Including DDT)	(312,661,742)	-
Net Cash flow used in financing activities (C)	(555,719,397)	(64,648,802)
Net Increase in cash and cash equivalents (A + B + C)	110,232,941	64,622,746
Cash and cash equivalents at the beginning of the year	66,324,967	1,702,221
Cash and cash equivalents at the end of the year	176,557,908	66,324,967
Components of cash and cash equivalent		
Cash on hand	2,927,759	1,147,273
Balance with banks:		
-On Current Accounts and Cash Credit Accounts	108,630,149	65,177,694
-Deposits with original maturity of less than three months	65,000,000	-
Total cash and cash equivalent (refer note 20)	176,557,908	66,324,967
The accompanying notes are an integral part of the financial statements.		
Note: The above Standalone Statement of Cash flow has been prepared under the 'Indirect Method' as set out in AS 3, 'Statement of Cash Flows'.		

As per our report of even date  
For SRBC & Co. LLP  
Chartered Accountants  
ICAI FRN: 324982E/E300003

  
per Sukrut Mehta  
Partner

Membership No. 101974  
UDIN: 19101974AAAABBB240

Place : Ahmedabad  
Date : July 25, 2019

For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN : U73100GJ2004PTC044023)

  
Vivek Chhachhi  
Director  
DIN: 00496620

  
Ajay Tandon  
Executive Director  
DIN: 02210072

Place : Delhi  
Date : July 25, 2019

Place : Delhi  
Date : July 25, 2019

  
Nirmal Bhatia  
Company Secretary



Ahmedabad  
Date : July 25, 2019



## Veeda Clinical Research Private Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2019

### 1. Corporate Information

Veeda Clinical Research Private Limited is a Private Limited Company domiciled in India with its registered office in Ahmedabad, Gujarat, India. The Company was incorporated on April 23, 2004 and is carrying on the business of Clinical Research for various Pharmaceuticals Companies. The Company is a one roof service global CRO specializing in the early clinical development of drugs with state-of-the-art facilities in India. The Company provides a full range of services in phase I and II clinical research with Clinical Data management, delivering expert and cost effective research solutions to the Pharmaceutical and Biotechnology Industries worldwide.

### 2. Summary of significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

#### i. Basis of Accounting

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### ii. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### iii. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:



## Veeda Clinical Research Private Limited

### Notes to the Standalone Financial Statements for the year ended March 31, 2019

a. Income from services

Revenues from contracts are recognized pro-rata over the period of the contract as and when services are rendered. The company collects goods and service tax / service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

b. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss

c. Export incentive income

Income from export incentive is recognised considering the company's ability of filing the application based on certainty of receipt and estimating the amount.

iv. Inventories

Consumables are valued at lower of cost and net realizable value. Cost of consumables is determined on an FIFO basis.

v. Property, plant and equipment

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

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



**Veeda Clinical Research Private Limited**

**Notes to the Standalone Financial Statements for the year ended March 31, 2019**

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

**Depreciation on property, plant and equipment**

Leasehold improvements are amortized on a straight line basis over the period of lease.

Depreciation is provided on the written down value method over the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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

**vi. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**Amortization of intangible assets**

Intangible assets are amortized on a straight-line basis over the period of 3 years.

**vii. Impairment of property, plant and equipment and intangible assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.





Veeda Clinical Research Private Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2019

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

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

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

viii. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

ix. Income tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of





## Veeda Clinical Research Private Limited

### Notes to the Standalone Financial Statements for the year ended March 31, 2019

timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

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

#### x. Foreign currency translation

Foreign currency transactions and balances

##### a. Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

##### b. Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

##### c. Exchange Differences:

All exchange differences arising are recognized as income or as expenses in the period in which they arise.

#### xi. Retirement and other employee benefits

##### a. Gratuity

All the employees are covered under Employee Gratuity Scheme which is a defined benefit plan and is determined on the basis of actuarial valuation at each year-end.



**Veeda Clinical Research Private Limited**

**Notes to the Standalone Financial Statements for the year ended March 31, 2019**

Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

**b. Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

**c. Leave Entitlements**

Leave entitlement benefit is recognized as an expense at the undiscounted amount in the statement of Profit and Loss for the financial year in which the related service is rendered. However, said expense is recognized for the period January to March each year based on last drawn salary. There is no carry forward of privilege leave and casual leave on calendar year basis.

**d. Sick leave**

The Company provides for sick leave covering eligible employees on the basis of actuarial valuation carried out by an independent valuer at the year-end. Actuarial gains and losses in respect of defined benefits are charged to the statement of profit & loss.

The Company accrues Sick leave at the rate of seven days per annum on calendar year basis and maximum of accumulation is restricted to Thirty days. This benefit is available only in the event of employee falling sick during the tenure of his service. No credit is allowed in respect of accumulated sick leave in the event of cessation of service due to any cause.

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

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.



Veeda Clinical Research Private Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2019

xii. Provisions, contingent liability and contingent asset:

**Provisions:**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**Contingent liability**

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

**Contingent asset;**

Contingent asset are neither recognized nor disclosed in the financial statement.

xiii. Cash and cash equivalent

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

xiv. Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xv. Operating lease

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease



**Veeda Clinical Research Private Limited**

**Notes to the Standalone Financial Statements for the year ended March 31, 2019**

payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**xvi. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**xvii. Segment Reporting**

The company is providing services of testing and contract research in the fields of clinical and analytical testing. Since the inherent nature of all these services are inter related and governed by the same set of risks and returns and operating in the same economic environment, the Company falls within a single business segment of clinical research services. The analysis of geographical segments is based on the geographical location of the customer.





3 Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised Share Capital				
a. Equity Shares of Rs. 10 each	600,000	6,000,000	600,000	6,000,000
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	35,640,680	356,406,800	100,000	1,000,000
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	51,020	170,406,800
<b>Total</b>	<b>36,240,680</b>	<b>362,406,800</b>	<b>751,020</b>	<b>177,406,800</b>

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Issued, Subscribed & Paid Up Share Capital				
a. Equity Shares of Rs. 10 each	587,163	5,871,630	547,775	5,477,750
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	35,229,780	352,297,800	-	-
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	51,018	170,400,120
<b>Total</b>	<b>35,816,943</b>	<b>358,169,430</b>	<b>598,793</b>	<b>175,877,870</b>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year  
Equity Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	547,775	5,477,750	547,775	5,477,750
Conversion of preference shares class-B into equity shares during the year	39,388	393,880	-	-
Shares outstanding at the end of the year	587,163	5,871,630	547,775	5,477,750

Preference Share Capital - Compulsorily Convertible (CCPS) Class "A"

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year - Bonus issue	35,229,780	352,297,800	-	-
Shares outstanding at the end of the year	35,229,780	352,297,800	-	-

Preference Share Capital - Compulsorily Convertible (CCPS) Class "B"

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	51,018	170,400,120	51,018	170,400,120
Shares bought back during the year	11,630	38,844,200	-	-
Conversion of preference shares class-B into equity shares during the year	39,388	131,555,920	-	-
Shares outstanding at the end of the year	-	-	51,018	170,400,120

(b) Terms / rights attached to equity shares.

In respect of Ordinary shares (whether fully paid or partly paid), voting rights shall be in the same proportion as the capital paid upon such ordinary share bears to the total paid up ordinary capital of the company.

The Dividend proposed by the board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(c) Terms of conversion / redemption of CCPS - Class B.

i. Dividend at 8.5% per annum of the issue price of such preference shares for the financial year ended March 31, 2009 on pro rata basis;

ii. Dividend at 12.5% per annum of the issue price of such preference shares for the financial year ended on March 31, 2010 ; and

iii. Dividend at 16% or maximum rate as permissible under law per annum (whichever is lower) of the issue price of such preference shares for the financial year ended March 31, 2011 and for each year thereafter.

iv. The Preference Share holders shall be entitled to convert Preference Shares at the option of share holders at anytime during the period commencing from the expiry of 1 year to 20 year from the allotment of preference shares. In case, the same option is not exercised by the preference share holders, it shall be compulsory converted into equity shares automatically at the expiry of 20 years of the date of allotment.

v. Conditions for Dividend :

The preference share shall be entitled to dividend for the full financial year on pro rata basis for the year in which such shares are allotted. If no dividend is paid for any financial year then the same shall stand accumulated and shall be paid before making payment of dividend on equity shares for any financial year.





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Notes to Standalone Financial Statements for the year ended March 31, 2019

The preference shares shall carry right to participate in profits provided the dividend declared / paid on Equity shares exceeds the dividend amount of preference shares for the corresponding financial year.  
On conversion, the dividend accumulated till the date of conversion shall be payable at the time of conversion.

- (d) Terms of conversion / redemption of CCPS - Class A:
- The CCPS A shall be entitled to 0.0001% participatory and cumulative dividend.
  - The CCPS A shall not be entitled to any voting rights.
  - The conversion of CCPS A in to equity shares shall be subject to the approval of the Board of Directors of the Company. The maximum number of equity shares into which the CCPS A can get converted is 93,946 equity shares.
  - The rights of preference shareholders shall be governed in accordance with the provisions of the Companies Act, 2013, including any statutory modification(s) and re-enactment(s), thereof, and the Memorandum and Articles of Association of the Company, as may be amended from time to time.
  - The conversion of CCPS A in to equity shares shall be subject to all rules, regulations prevailing / applicable at the time of such conversion and shall be subject to approvals / conditions of Central Government of India, Reserve Bank of India and such other statutory authority as may be applicable and prevailing at the time of conversion.
- (e) Shares held by holding company

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Basil Private Limited				
a. Equity Shares of Rs. 10 each	406,194	4,061,940	-	-
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	-	-	-	-
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	-	-
Bondway Investment Inc.				
a. Equity Shares of Rs. 10 each	159,708	1,597,080	349,900	3,499,000
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	22,175,640	221,756,400	-	-
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	25,509	85,200,060

- (f) Aggregate number of bonus shares issued and shares bought back during the period of five years immediately preceding the reporting date

Particulars	For the year ended March 31, 2019 (Number)	For the year ended March 31, 2018 (Number)
Preference shares class "A" allotted as fully paid-up bonus shares	35,229,780	-
Preference shares class "B" bought back by the company	11,630	-

- (g) Details of Shareholders holding more than 5% shares in the company

Equity Share Capital

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Bondway Investment Inc.	159,708	27.20	349,900	63.88
Basil Private Limited	406,194	69.18	-	-
Arabelle Financial Services Ltd.	-	-	197,775	36.11

Preference Share Capital Class - "A"

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Bondway Investment Inc.	22,175,640	62.95	-	-
Arabelle Financial Services Ltd.	13,048,140	37.04	-	-

Preference Share Capital Class - "B"

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Bondway Investment Inc.	-	-	25,509	50.00
Arabelle Financial Services Ltd.	-	-	25,509	50.00



Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

4 Reserves and surplus

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>a. Securities premium account</b>		
Opening Balance	641,179,464	641,179,464
Less: Amount utilized towards buy-back of Preference shares class-B	129,555,800	-
Less: Amount transferred to capital redemption reserve upon buy-back of preference shares class-B	38,844,200	-
Less: Amount transferred to capital redemption reserve upon conversion of preference shares class-B	131,555,920	-
Add : Amount transferred on conversion of preference shares class-B	131,162,040	-
Less: utilized for issue of bonus shares	352,297,800	-
Closing balance	120,087,784	641,179,464
<b>b. Capital redemption reserve</b>		
Opening balance	-	-
Add: Amount transferred to capital redemption reserve upon buy-back of preference shares class-B	38,844,200	-
Add: Amount transferred to capital redemption reserve upon conversion of preference shares class-B	131,555,920	-
Closing balance	170,400,120	-
<b>c. Surplus/(deficit) in the statement of profit &amp; loss</b>		
Opening balance	32,900,575	(276,208,806)
Add: Profit for the year	526,206,557	309,109,380
Less: Dividend paid to preference share holders	259,351,316	-
Less: Tax paid on distribution of dividend to preference share holders	53,310,426	-
Closing balance	246,445,390	32,900,575
<b>Total reserves and surplus</b>	<b>536,933,294</b>	<b>674,080,039</b>



## 5 Long-term borrowings

(Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-current	Current maturity (Refer note no. 10)	Non-current	Current maturity (Refer note no. 10)
Term Loans				
From financial institutions (secured)	-	54,912,156	99,952,635	55,329,415
Total	-	54,912,156	99,952,635	55,329,415

Details of terms and securities for the above Rupee Loan facilities are as follows:

1) Term Loan amounting Rs. 3,17,95,380 from GE Capital Service India ('GECSI') for purchase of various medical equipment. Outstanding balance for this facility is Rs. 1,08,55,280 (31 March 2018: Rs. 1,77,62,768). The borrowing carries interest @ 295 basis points above the effective State Bank of India based rate (Benchmark rate) payable on monthly rest. The effective interest rate is 12.00% (31 March 2018: 11.60%). The Term Loan is repayable in structured monthly instalment and repayment started from 26 April 2015. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by GECSI and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah. The loan has been repaid subsequent to yearend.

2) Term Loan amounting Rs. 5,00,00,000 from Tata Capital Financial Services Limited ('TATA') for purchase of equipment. Outstanding balance for this facility is Rs. Nil (31 March 2018: Rs. 1,23,23,512). The borrowing carries interest @ long term lending rate less 4.75% subject to minimum of 13% payable on monthly rest. The effective interest rate ranging between 13.50% to 14.25% (31 March 2018: 13.50%). The Term Loan is repayable in structured monthly instalment and repayment started from 15 February 2016. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by TATA and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.

Term Loan amounting Rs. 10,00,00,000 from Tata Capital Financial Services Limited ('TATA') for purchase of equipment. Outstanding balance for this facility is Rs. 4,42,32,357 (31 March 2018: Rs. 6,93,69,208). The borrowing carries interest @ long term lending rate less 5.25% payable on monthly rest. The effective interest rate is 12.25% to 13.25% (31 March 2018: 12.25%). The Term Loan is repayable in structured monthly instalment and repayment started from 25 January 2017. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by TATA and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah. The loan has been repaid subsequent to yearend.

3) Term Loan amounting Rs. 2,67,00,000 from Hero FinCorp Limited for purchase of equipment. Outstanding balance for this facility is Rs. Nil (31 March 2018: Rs. 2,63,30,859). The borrowing carries floating interest ranging between 12.00% to 13.50% (31 March 2018: 12.00%). The Term Loan is repayable in structured monthly instalment and repayment started from 08 Feb 2018. The full loan has been prepaid on 13 March 2019. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by Hero FinCorp and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.

Term Loan amounting Rs. 4,28,00,000 from Hero FinCorp Limited for purchase of equipment. Outstanding balance for this facility is Rs. Nil (31 March 2018: Rs. 3,01,09,560). The borrowing carries floating interest ranging between 13.50% to 15.00% (31 March 2018: 13.50%). The Term Loan is repayable in structured monthly instalment and repayment started from 08 Mar 2016. The full loan has been prepaid on 27 March 2019. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by Hero FinCorp and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.



Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

6 Other long-term liabilities

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Lease equalisation	21,613,271	14,933,687
Security deposits	500,000	500,000
<b>Total</b>	<b>22,113,271</b>	<b>15,433,687</b>

7 Long-term provisions

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity (Refer to Note No. 26.1 & Note No. 26.2)	18,689,208	14,240,362
Provision for leave benefits	2,108,238	1,042,133
<b>Total</b>	<b>20,797,446</b>	<b>15,282,495</b>

8 Short term borrowings

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand - secured		
Foreign currency demand loan (FCDL) from Bank	48,842,890	-
<b>Total</b>	<b>48,842,890</b>	<b>-</b>

The Company has obtained Foreign Currency Demand Loan ('FCDL') facility of Rs. 20,00,00,000 from Axis Bank for working capital requirement of the Company. Outstanding balance for this facility is Rs. 4,88,42,890 (31 March 2018: Rs. Nil). The borrowing carries interest of 6 months libor + 2.50 bps payable on monthly rest. The effective interest rate is 5.185% (31 March 2018: Nil). The FCDL is repayable on demand.

The FCDL is secured:

- by way of hypothecation on entire current assets of the Company including stock and receivables, both present and future.
- by way of equitable mortgage / hypothecation of immovable / moveable fixed asset (plant and machinery / equipment etc.) other than those financed by other banks / financial institution.
- against TDR in the name of Company having value of Rs. 4,01,00,000.
- against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.





Veeda Clinical Research Private Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2019

9 Trade payable (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (Refer to Note No. 34)	17,209,552	22,680
Total outstanding dues of creditors other than micro enterprises and small enterprises	94,896,835	79,210,020
<b>Total</b>	<b>112,106,387</b>	<b>79,232,700</b>

10 Other current liabilities (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturity of long-term borrowing (refer to note No. 5)	54,912,156	55,329,415
Statutory dues payable	14,129,601	24,377,099
Advance from customers	71,867,320	80,524,269
Creditors for capital goods	5,707,887	2,728,740
Current portion of lease equalisation (refer to note No. 6)	568,933	4,729,035
Provisions for expenses	9,528,502	8,346,745
Provisions for employee benefit expense	51,008,440	34,308,355
Interest accrued but not due on borrowings	175,481	613,857
Payable to customer	18,417,897	24,422,433
Others	514,276	62,550
<b>Total</b>	<b>226,830,493</b>	<b>235,442,498</b>

11 Short term provisions (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity (Refer to note No. 26.1 & Note No. 26.2)	4,365,967	3,595,226
Provision for leave benefits	6,102,171	3,530,900
<b>Total</b>	<b>10,468,138</b>	<b>7,126,126</b>





12. Property, plant & equipment  
FY 2018-19

Particulars	GROSS BLOCK (at cost)				DEPRECIATION				NET BLOCK	
	Opening balance as at April 01, 2018	Addition	Deduction	Closing balance as at March 31, 2019	Opening balance as at April 01, 2018	For The Year	Deduction	Closing balance as at March 31, 2019	As at March 31, 2019	As at March 31, 2018
<b>TANGIBLE ASSETS</b>										
Leasehold improvements	88,594,547	2,448,793	-	91,043,340	48,126,947	8,418,940	-	56,545,887	34,497,453	40,467,601
Plant & machinery	857,806,543	16,018,342	-	873,824,885	489,219,804	72,296,994	-	561,516,798	312,308,087	368,566,739
Office equipment	14,963,975	1,840,377	-	16,804,352	12,403,625	1,564,232	-	13,967,857	2,836,495	2,560,350
Computers	40,419,270	6,397,635	27,550	46,789,355	34,140,810	4,556,744	26,173	38,671,381	8,117,974	6,278,459
Furniture & fixtures	60,741,191	3,220,216	-	63,961,407	45,614,262	4,598,947	-	50,213,209	13,748,198	15,126,929
Vehicles	9,477,854	1,197,794	-	10,675,648	7,173,779	671,101	-	7,844,880	2,830,767	2,304,074
Total (A)	1,072,003,380	31,123,157	27,550	1,103,098,987	636,679,227	92,106,957	26,173	728,760,012	374,338,975	433,324,152
<b>INTANGIBLE ASSETS</b>										
Computer software	14,455,322	1,561,241	-	16,016,563	10,541,522	2,282,700	-	12,824,222	3,192,341	3,913,800
Total (B)	14,455,322	1,561,241	-	16,016,563	10,541,522	2,282,700	-	12,824,222	3,192,341	3,913,800
TOTAL (A)+(B)	1,086,458,702	32,684,398	27,550	1,119,115,550	647,220,749	94,389,657	26,173	741,584,234	377,531,315	437,237,952
Previous year	996,824,269	91,164,118	1,529,684	1,086,458,703	542,533,237	105,818,970	1,131,457	647,220,750	439,237,953	454,291,033
Capital work in progress	3,867,658	79,167,060	8,932,989	74,101,729	-	-	-	-	74,101,729	3,867,658
Intangible assets under development	2,040,125	1,215,075	-	3,255,200	-	-	-	-	3,255,200	2,040,125

FY 2017-18

Particulars	GROSS BLOCK (at cost)				DEPRECIATION				NET BLOCK			
	Opening balance as at April 01, 2017	Addition	Deduction	Adjustments	Closing balance as at March 31, 2018	Opening balance as at April 01, 2017	For The Year	Deduction	Adjustments	Closing balance as at March 31, 2018	As at March 31, 2018	As at March 31, 2017
<b>TANGIBLE ASSETS</b>												
Leasehold improvements	49,715,305	2,417,085	-	36,462,157	88,594,547	20,882,465	8,632,875	-	18,611,607	48,126,947	40,467,601	28,832,841
Plant & machinery	819,908,609	75,392,774	1,239,918	(36,254,872)	857,806,543	425,562,893	83,124,697	856,179	(18,611,607)	489,219,804	366,586,739	394,345,716
Office equipment	13,665,408	1,298,567	-	-	14,963,975	10,982,463	1,421,162	-	-	12,403,625	2,560,350	2,682,945
Computers	34,659,243	5,760,027	-	-	40,419,270	30,217,290	3,923,520	-	-	34,140,810	6,278,460	4,441,953
Furniture & fixtures	58,769,526	2,178,950	-	(407,285)	60,741,191	39,911,925	5,702,337	-	-	45,614,262	15,126,929	18,857,601
Vehicles	9,184,892	582,728	289,766	-	9,477,854	6,518,916	930,141	275,278	-	7,173,779	2,304,074	2,665,976
Total (A)	985,902,983	87,630,081	1,529,684	-	1,072,003,380	534,075,952	103,734,732	1,131,457	-	636,679,227	435,324,153	451,827,032
<b>INTANGIBLE ASSETS</b>												
Computer software	10,921,285	3,534,037	-	-	14,455,322	8,457,284	2,084,238	-	-	10,541,522	3,913,800	2,464,001
Total (B)	10,921,285	3,534,037	-	-	14,455,322	8,457,284	2,084,238	-	-	10,541,522	3,913,800	2,464,001
TOTAL (A)+(B)	996,824,268	91,164,118	1,529,684	-	1,086,458,702	542,533,236	105,818,970	1,131,457	-	647,220,749	439,237,953	454,291,033
Previous year	852,664,365	144,189,287	29,383	-	996,824,269	429,974,304	112,563,597	4,665	-	542,533,237	454,291,032	422,690,061
Capital work in progress	1,924,189	14,952,209	13,008,740	-	2,040,125	-	-	-	-	-	3,867,658	1,924,189
Intangible assets under development	1,179,000	861,125	-	-	2,040,125	-	-	-	-	-	2,040,125	1,179,000

(Amount in Rs.)

Note: In FY 2017-18, The adjustment amount disclosed under Plant & Machinery, Furniture & Fixtures and Leasehold Improvement pertain to fixed installations at leasehold improvement. The amortization on the said assets has been computed as in case of other leasehold improvements. During the year ended March 31, 2018, the said assets have been reclassified to Leasehold Improvement.



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Notes to Standalone Financial Statements for the year ended March 31, 2019

13 Non-current investments (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-trade investments (valued at cost)		
Investments in equity shares of subsidiary (unquoted)		
Nil (March 31, 2018 : 2) Equity shares of Veeda Clinical Research GmbH, Germany, fully paid	-	1,429,633
<b>Total</b>	<b>-</b>	<b>1,429,633</b>

14 Deferred tax assets (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Difference between depreciable assets as per books of accounts and written down value for tax purpose	25,820,381	25,385,650
Employee benefits / expenses allowable on payment basis	15,563,996	14,570,359
Effect of adjustment under ICDS	212,404	2,296,368
Effect of provision for doubtful debt and diminution in value of investments	3,007,142	3,347,762
<b>Deferred tax assets - total</b>	<b>44,603,923</b>	<b>45,600,139</b>

15 Long term loans and advances (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits		
Unsecured, considered good	25,481,517	26,609,033
Other loans and advances		
Unsecured, considered good		
Advance income tax (Net of provision for)	76,679,407	77,392,640
Cenvat credit receivable	20,963	20,965
Balance with government authorities	2,118,312	148,055,420
<b>Total</b>	<b>104,300,199</b>	<b>252,078,058</b>

16 Other non-current assets (Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	-	182,299
Bank deposits with remaining maturity for more than 12 months *	4,032,275	4,114,179
<b>Total</b>	<b>4,032,275</b>	<b>4,296,478</b>

\* Bank Deposits amounting to Rs. 4,032,275 (March 31, 2018: Rs. 4,114,179) are given as security against bank guarantee.



17 Current investments

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Valued at lower of cost and fair value (Non-trade)		
Investment in mutual funds		
36,121 Units (March 31, 2018: 36,121 Units) of ICICI Prudential Banking & Financial Services Fund (Direct Growth)	2,250,000	2,175,951
1,15,169 Units (March 31, 2018: 1,15,169 Units) of IDFC Infrastructure Fund (Direct Growth)	1,907,204	2,190,855
Nil (March 31, 2018: 7,040 Units) of UTI Liquid Cash Plan-Institutional (Direct Growth)	-	20,031,234
19,617 Units (March 31, 2018: 19,617 Units) of UTI Pharma & Healthcare Fund (Direct Growth)	1,787,588	1,688,981
1,13,422 Units (March 31, 2018: Nil) of Aditya Birla Sunlife Banking & Financial Services Fund	3,000,000	-
75,339 Units (March 31, 2018: Nil) of ICICI Prudential Focused Bluechip Equity Fund	3,000,000	-
66,349 Units (March 31, 2018: Nil) of IDFC Classic Equity Fund	3,000,000	-
1,72,812 Units (March 31, 2018: Nil) of L & T Infrastructure Fund	2,770,161	-
<b>Total</b>	<b>17,714,953</b>	<b>26,087,021</b>

17.1 Details of quoted investments

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Total amount of quoted investments	18,300,000	26,300,000
Market value of quoted investments	18,527,737	26,087,021
Total amount of unquoted investments	-	-

18 Inventories

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Valued at lower of cost and net realizable value		
Consumables	47,323,626	49,786,042
<b>Total</b>	<b>47,323,626</b>	<b>49,786,042</b>



Veeda Clinical Research Private Limited  
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19 Trade receivables

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	31,026,228	23,701,165
Considered doubtful	8,089,990	9,459,837
Less: Provision for Doubtful receivables	(8,089,990)	(9,459,837)
Total	31,026,228	23,701,165
Other receivables		
Unsecured, considered good	371,084,166	423,374,862
Total	402,110,394	447,076,027
Net unearned revenue	34,159,008	(71,434,210)
Total	436,269,402	375,641,817

20 Cash and bank balances

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Balances with Banks:		
-On current accounts and cash credit accounts	108,630,149	65,177,694
-Deposits with original maturity of less than three months	65,000,000	-
Cash on hand	2,927,759	1,147,273
Other bank balances		
- Deposits with remaining maturity of less than 12 months @	24,600,000	15,000,000
Total	201,157,908	81,324,967

@ Bank Deposits amounting to Rs. 24,600,000 (March 31, 2018: Rs. 15,000,000) are given as collateral security against cash credit limits.

21 Short term loans and advances

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits		
Unsecured, considered good	6,884,161	-
Other loans and advances		
Unsecured, considered good	-	511,331
Prepaid expenses	9,270,408	7,765,846
Advance to creditors	7,034,736	42,111
Other receivable	168,485	613,126
Inter corporate loans	-	2,966,686
Total	23,357,790	11,899,100

22 Other current assets

(Amount in Rs.)

(Unsecured considered good)

Particulars	As at March 31, 2019	As at March 31, 2018
Export incentive receivable	-	4,633,526
Interest accrued on fixed deposits	2,048,550	1,164,613
Interest accrued but not due on security deposits	302,919	340,920
Advance for investments	-	3,000,000
Others	261,559	-
Total	2,613,028	9,139,059





Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

23 Revenue from operations

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations		
Sale of services	2,098,233,172	1,824,741,151
Other operating income		
Export incentives income (Refer to Note No. 39)	86,209,845	(202,500)
<b>Total</b>	<b>2,184,443,017</b>	<b>1,824,538,651</b>

24 Other income

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income on		
-Bank deposits	2,462,399	2,617,215
-Others	2,771,594	1,124,712
Gain (net of loss) on sale of asset	2,723	-
Net gain on foreign currency transactions	5,099,319	4,032,811
Gain on sale of mutual funds	6,607,129	-
Gain on sale of long term investments	906,126	-
Credit balances written back	35,526,035	-
<b>Total</b>	<b>53,375,325</b>	<b>7,774,738</b>





25 Cost of material consumed (Amount In Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening stock of consumables	49,786,042	42,330,213
Purchase	140,872,955	162,141,808
Less : Closing stock of consumables	(47,323,626)	(49,786,042)
<b>Total</b>	<b>143,335,371</b>	<b>154,685,979</b>

26 Employee benefit expenses (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salary, bonus and allowances	436,135,443	331,915,139
Contributions to provident and other funds (refer note below)	20,621,021	17,356,058
Staff welfare expenses	5,082,029	5,570,416
<b>Total</b>	<b>461,838,493</b>	<b>354,841,613</b>

26.1 A. Defined contribution plans : Provident fund and employee state insurance

The company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. During the year, company recognized Rs. 14,570,302 (31st March, 2018: Rs. 13,145,971) as expense towards contributions to these plans.

B. Defined benefit plans - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a non funded plan.

26.2 Actuarial assumptions (gratuity)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	7.20%	7.35%
Expected rate of return on plan assets	7.20%	7.35%
Salary escalation rate	12.00% p.a for next 3 years & 7.00% p.a thereafter	12.00% p.a for next 4 years & 7.00% p.a thereafter
Mortality rate	Indian Assured Lives Mortality (2006-08) Table	Indian Assured Lives Mortality (2006-08) Table

26.3 Actuarial assumptions (gratuity) (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Change in present value of obligation		
Present value of obligation at the beginning of the year	17,943,076	14,404,079
Interest cost	1,225,240	907,670
Current service cost	3,595,226	3,282,878
Benefit paid	(886,490)	(697,373)
Actuarial (gain)/loss in obligations	1,164,569	(906,915)
Past service cost	-	952,737
Present value of obligation at year end	23,121,621	17,943,076
(ii) Change in the fair value of plan assets		
Fair value of planned assets at the beginning of the year	62,393	59,642
Expected return on the plan assets	43,134	43,866
Contributions by the employer	-	-
Benefits paid	-	-
Adjustment to opening	-	-
Actuarial (gain)/loss on plan assets	(39,080)	(41,115)
Fair value of planned assets at year end	66,447	62,393
(iii) Percentage of each category of plan assets to total fair value of plan assets as at March 31, 2019 and March 31, 2018 respectively.		
Administered by Max New York Life Insurance Company Ltd.	Nil	Nil
(iv) Expenses recognized in statement of profit & loss.		
Current service cost	3,595,226	3,282,878
Interest on obligation	1,225,240	907,670
Expected returns on plan assets	(43,134)	(43,866)
Net actuarial (gain)/loss recognized during the year	1,203,649	(865,800)
Recognized past service cost vested	45,096	907,641
Total expenses recognized in Statement of Profit & Loss.	6,026,077	4,188,523
(v) Reconciliation or present Value of the obligation and the Fair value of the plan Assets		
Present value of the obligation at year end	23,121,621	17,943,076
Fair value of plan assets at year end	66,447	62,393
Unrecognized past service cost	-	45,096
Net Liability recognized in the balance sheet	23,055,174	17,835,587



Veeda Clinical Research Private Limited  
Notes to Standalone Financial Statements for the year ended March 31, 2019

Sr. No.	Particulars	Gratuity				
		For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Present value of obligation at year end	23,121,621	17,943,076	14,404,079	9,118,951	7,446,196
(ii)	Fair value of planned assets at year end	66,447	62,393	59,642	-4,824	51,269
(iii)	Surplus (deficit) in the plan	(23,055,174)	(17,880,683)	(14,344,437)	(9,074,127)	(7,394,927)
(iv)	Experience adjustments on plan liabilities	889,922	(395,644)	1,615,085	852,746	93,239
(v)	Actuarial loss/(gain) due to change in assumptions	200,913	(511,271)	2,471,163	(115,146)	1,241,069
(vi)	Actuarial loss/(gain) due to change in demographic assumptions	73,734	-	-	-	-
(vii)	Experience adjustments on plan assets	39,080	41,115	(14,818)	62,009	58,864
	Net actuarial loss/(gain) for the year	1,203,649	(865,900)	4,071,430	799,609	1,393,172

27 Finance costs (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense on		
-Borrowings	16,310,324	22,931,824
-Delayed payment of income tax	4,414,510	271,530
-Others	455,723	-
Bank charges and other borrowing cost	2,668,828	3,758,142
<b>Total</b>	<b>23,849,385</b>	<b>26,961,496</b>

28 Other expenses (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Clinical analytical research expenses	343,834,205	334,803,081
Marketing & business promotion expenses	28,262,169	15,613,877
Rent	63,368,685	64,874,941
Water & power charges	57,275,797	49,106,018
Legal & professional charges	31,657,648	25,165,731
House keeping & security expenses	65,893,335	68,180,191
Professional charges of phlebotomists, nurses & doctors	20,814,717	18,355,655
Bio analytical research expenses	17,863,558	20,665,359
Insurance expenses	6,409,599	5,639,420
Conveyance & petrol expenses	1,896,240	1,855,262
Telephone expenses	3,278,290	3,073,706
Repairs & maintenance		
-Buildings	3,487,780	3,315,831
-Plant & machinery & others	48,988,790	47,142,116
Rates & taxes	11,813,602	9,790,887
Payments to the auditor (Refer note below)	1,250,000	850,000
Expenditure towards CSR activities (Refer to Note No. 37)	2,184,000	7,131,000
Net effect to the carrying amount of investment in mutual fund units	372,067	212,979
Provision for doubtful debts	-	9,459,837
Miscellaneous expenses	47,552,181	27,075,968
<b>Total</b>	<b>756,202,663</b>	<b>712,311,859</b>

28.1 Payments to the auditor (Excluding tax and out of pocket expenses) (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Audit fees	1,250,000	850,000
<b>Total</b>	<b>1,250,000</b>	<b>850,000</b>



Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

29. Contingent Liabilities & Capital Commitments not provided for.

(Amount in Rupees)

Particulars	March 31, 2019	March 31, 2018
Claims against the company not acknowledged as debts:		
Income tax *	107,454,297	40,803,925
Service tax **	161,502,063	161,502,063
Customs #	4,751,609	4,751,609

\*Income tax demand comprise demand from the Indian tax authorities for payment of additional tax of Rs 107,454,297 (March 31, 2018: Rs 40,803,925), upon completion of their tax review for the assessment year 2007-08 to 2014-15. The tax demands are mainly on account of disallowances relating to transfer pricing matters, expenditure to earn exempt income, depreciation on software, interest charged on loan advanced, capital expenditure charged to revenue, etc. claimed by the company under the Income tax Act. The matter is pending before various authorities. The said demand amounts have been already adjusted against refund of various years by Income Tax department and hence net demand is Nil in respect of such period.

\*\*Service tax demand comprise demand from the Service tax authorities for payment of additional tax of Rs 161,502,063 (March 31, 2018: Rs 161,502,063), upon completion of their tax review for the financial year 2008-09 to 2015-16. The tax demands are on account denial of export of service under Rule 4 of place of provision of Services Rules, 2012, reversal of CENVAT credit under Rule 6(3) and 6(5), disallowance of input tax credit etc. The matter is pending before various authorities.

#Custom duty demand comprise demand from CBEC for payment of additional tax of Rs 4,751,609 (March 31, 2018: Rs 4,751,609), upon completion of their tax review for the financial year 2011-12 to 2016-17. The demand is on account denial of custom duty exemption benefit claimed under the Notification 12/2012 dated 17 March 2012. The matter is pending before commissioner.

The company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

Other claims not acknowledged as debt

Claim by a party arising out of a commercial contract: Rs. 101.89 crore (March 31, 2018 : Rs. 101.89 crore). The company has not acknowledged this claim. As advised by the external legal counsel, the claim is not legally tenable. Moreover, the company is adequately insured and the matter is intimated to Insurance Company as well. The company has filed detailed response to the claim lodged. The matter is pending at Commercial Court, Ahmedabad. In view of these the company does not foresee any losses on this count and accordingly no provision is made in books of accounts.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28th February, 2019. The company believes that the impact will not be material for the year ending March 31, 2019.





## Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

### Undeclared accrued Preference share dividend

Undeclared accrued preference share dividend on cumulative compulsorily convertible participatory preference shares (Class A preference shares) is Rs. 151 (excluding Dividend Distribution Tax) as at March 31, 2019. (March 31, 2018: Nil).

Undeclared accrued preference share dividend on cumulative compulsorily convertible participatory preference shares (Class B preference Shares) is Nil as at March 31, 2019. (March 31, 2018: Rs. 245,681,959).

### Capital commitments

At March 31, 2019, the company has commitments of Rs. 280.58 Lakhs (March 31, 2018: Rs. 43.67 Lakhs) relating to contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature, net of advances.

30. The following reflect the profit and share data used in the basic and diluted EPS computation.

(Amount in Rupees)

Particulars		Year ended on March 31, 2019	Year ended on March 31, 2018
Profit After Tax for the year		526,206,556	309,109,379
Less: Preference dividend including DDT for the year		16,479,315	32,868,218
Profit attributable to Equity Shareholders	A	509,727,241	276,241,161
Total number of equity shares at the end of the year	B	587,163	547,775
Nominal value of Equity Shares (Rs.)		10	10
<b>Weighted average number of equity shares</b>			
For basic EPS		564,609	547,775
For diluted EPS		658,555	692,739
Basic earnings per share		902.80	504.30
Diluted earnings per share		799.03	446.21
<b>Weighted average number of equity shares for basic EPS</b>		564,609	547,775
Effect of dilution: Issue of Pref. shares class-A as Bonus		93,946	144,964
<b>Weighted average number of equity shares adjusted for the effect of dilution</b>		658,555	692,739



Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

31. Unhedged foreign currency exposures.

Particulars of unhedged foreign currency as at reporting date:

Account Receivable

Currency type	Amount in Foreign currency	Amount in Foreign currency	Equivalent amount in Indian Currency	Equivalent amount in Indian Currency
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
US Dollar	3,103,853	2,827,896	214,697,561	183,937,984
Euro	831,831	730,348	64,635,288	58,882,112
British pound sterling	55,893	92,069	5,056,963	8,496,594
Chinese Yuan Renminbi	-	2,538	Nil	26,243
<b>Total</b>			<b>284,389,812</b>	<b>251,342,933</b>

Account Payable

(Amount in Rupees)

Currency type	Amount in Foreign currency	Amount in Foreign currency	Equivalent amount in Indian Currency	Equivalent amount in Indian Currency
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
US Dollar	987,968	430,681	68,339,019	28,013,267
British pound sterling	58,500	58,500	5,292,823	5,398,649
<b>Total</b>			<b>73,631,842</b>	<b>33,411,916</b>

32. The company has entered into operating leases for office premises. The leases have an average life of between 3 and 9 years with renewal option included in contract. Renewals are at the option of the lessee. Lease payment recognized in the statement of profit and loss for the year amounts to Rs. 62,040,696 (March 31, 2018: Rs. 63,082,613).

Future minimum rental payable under non-cancellable operating lease are as follows:

(Amount in Rupees)

Particulars	March 31, 2019	March 31, 2018
Less than one year	54,427,954	59,335,053
More than one year but less than five years	194,530,771	218,562,104
More than five years	29,920,178	79,075,697
<b>Total</b>	<b>278,878,903</b>	<b>356,972,854</b>





Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

33. Related Party Transactions.

a. Holding Company.

Sr. No.	Particulars
1	Bondway Investment Inc. (Till Nov 21, 2018 )
2	Basil Private Limited (W.e.f. Nov 21, 2018)

b. Subsidiary.

Sr. No.	Particulars
1	Veeda Clinical Research GmbH (Till July 20, 2018)

c. Enterprises having significant influence.

Sr. No.	Particulars
1	Arabelle Financial Services Ltd. (Till Nov 21, 2018)

d. Key management personnel.

Sr. No.	Particulars
1	Mr. Apurva Shah (Director)
2	Mr. Binoy Gardi (Director)
3	Mr. Ajay Tandon (Nominee Director) (W.e.f. Nov 21, 2018)
4	Mr. Saurabh Mehta (Nominee Director) (W.e.f. Nov 21, 2018)
5	Mr. Vinayak Shenvi (Alternate Director) (W.e.f. Nov 21, 2018)
6	Mr. Vivek Chhachhi (Nominee Director) (W.e.f. Nov 21, 2018)
7	Ms. Aparajita Jethy Ahuja (Nominee Director) (W.e.f. Nov 29, 2018)
8	Mr. Nirmal Bhatia (Company Secretary) (W.e.f. Oct 26, 2018)

e. Relatives of key management personnel.

Sr. No.	Particulars
1	Ms. Sujata Gardi
2	Ms. Sonali Shah

f. Enterprise in which key management personnel has significant control.

Sr. No.	Particulars
1	Dura Paper Corporation
2	Jiwa Foods Pvt. Ltd.



Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

- g. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Amount in Rupees)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>Holding Company</b>		
<b>Dividend Paid to Preference Share Holders</b>		
Bondway Investment Inc.	129,675,658	-
<b>Buy-back of preference shares class-B</b>		
Bondway Investment Inc.	71,960,625	-
<b>Issue of Preference shares class-A as fully paid-up Bonus shares</b>		
Bondway Investment Inc.	221,756,400	
<b>Subsidiary Company</b>		
<b>Veeda Clinical Research GmbH, Germany</b>		
Services provided to Veeda GmbH (Sales Invoice raised - Net)	-	542,569
<b>Enterprise having significant influence</b>		
<b>Dividend Paid to Preference Share Holders</b>		
Arabelle Financial Services Ltd.	129,675,658	-
<b>Buy-back of preference shares class-B</b>		
Arabelle Financial Services Ltd.	71,960,625	
<b>Issue of Preference shares class-A as fully paid-up Bonus shares</b>		
Arabelle Financial Services Ltd.	130,481,400	
<b>Key Management Personnel</b>		
<b>Remuneration / Fees (Including perquisites)</b>		
1. Mr. Apurva Shah	8,300,556	3,144,596
2. Mr. Binoy Gardi	17,490,222	1,759,410
<b>Salary (Including perquisites)</b>		
1. Mr. Nirmal Bhatia	4,384,206	-
<b>Rent - Expense</b>		
1. Mr. Apurva Shah	600,000	600,000
2. Mr. Binoy Gardi	150,000	300,000



Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

Reimbursement of Expenses		
1. Mr. Apurva Shah	2,178,802	712,672
2. Mr. Binoy Gardi	19,030	44,466
3. Mr. Nirmal Bhatia	104,196	
Sale of Investment in Veeda Clinical Research GmbH, Germany		
1. Mr. Apurva Shah	93,430	-
2. Mr. Binoy Gardi	2,242,329	-
Relatives of Key Managerial Personnel		
Salary (Including perquisites)		
1. Ms. Sujata Gardi	17,910,831	7,589,010
2. Ms. Sonali Shah	-	639,596
Enterprise in which key management personnel has Significant Control		
Vehicle Hire Charges		
Dura Paper Corporation	693,000	1,369,500
Sale of Asset		
Jiwa Foods Pvt. Ltd.	-	200,000

h. The Outstanding balances as at the end of year.

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
Subsidiary - Veeda Clinical Research GmbH, Germany		
Investment in Equity shares	-	1,429,633
Key Management Personnel		
Remuneration / fees :		
1. Mr. Apurva Shah	8,300,556	277,891
Salary		
1. Mr. Nirmal Bhatia	632,341	-
Reimbursement of Expenses		
1. Apurva Shah	513,193	47,731
2. Binoy Gardi	19,030	-
Relatives of Key Managerial Personnel		
Salary		
1. Ms. Sonali Shah	-	70,119



**Veeda Clinical Research Private Limited**

**Notes to Standalone Financial Statements for the year ended March 31, 2019**

- i. Related party as identified by the management and relied upon by the auditors.

Note: Indian rupee loans amounting to Rs. 54,912,156 and FCDL amounting to Rs. 48,842,890 from banks & financial institutions is guaranteed by the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah. Indian rupee loans amounting to Rs. 54,912,156 from financial institutions have been repaid subsequent to yearend.

**34. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006.**

Particulars	(Amount in Rupees)	
	Year ended March 31, 2019	Year ended March 31, 2018
a) Principal amount due to suppliers under MSMED Act, 2006	7,270,243	5,385,387
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	138,460	-
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	19,703,283	18,477,868
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	317,263	-
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	455,723	-

The above information is given to the extent available with the Company and relied upon by the auditor.

**35. a. Imported and Indigenous consumables consumed.**

Value of Consumption of Imported and Indigenous Consumables and percentage thereof to the total Purchase:	Year ended March 31, 2019		Year ended March 31, 2018	
	Value in Rs.	%	Value in Rs.	%
	<b>Imported</b>	4,069	0.01	9,430,723
<b>Indigenous</b>	143,335,399	99.99	145,255,256	93.90
<b>Total</b>	<b>143,339,468</b>	<b>100.00</b>	<b>154,685,979</b>	<b>100.00</b>

**b. CIF value of imports.**

Sr. No.	Particulars	(Amount in Rupees)	
		Year ended March 31, 2019	Year ended March 31, 2018
i)	Capital Goods	4,821,323	54,705,917
ii)	Spares and Consumables	5,247,819	19,832,266





Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

c. Expenditure in Foreign Currency.

(Amount in Rupees)

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
1	Marketing & business promotion expenses	3,993,507	2,144,082
2	Other expenses	250,115	503,995
3	Legal & professional charges	286,789	937,206
4	Telephone & internet expenses	20,377	20,311
5	Conveyance & petrol expenses	67,563	109,325
6	Basic salary	51,522,464	15,789,110
7	Clinical analytical research expenses	619,914	-
8	Telephone & internet expenses	48,914	-

d. Earnings in Foreign Currency.

(Amount in Rupees)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Export income from testing & other services	1,249,502,353	994,805,212

36. Segment Reporting

Business Segment:

The company is engaged in the business of Clinical Research for various Pharmaceuticals Companies. Since the company's business falls within a single business segment of Clinical Research, no further financial information for business segment is given under Accounting Standard 17 "Segment Reporting".

Geographical Segment:

The company's secondary segments are the geographic distribution of activities. Revenue and carrying amount of segment Assets are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present Revenue, Expenditure and certain Asset information regarding the company's geographical segments.





Veeda Clinical Research Private Limited

Notes to Standalone Financial Statements for the year ended March 31, 2019

Secondary Segment Reporting

(Amount in Rupees)

Year ended 31 March 2019	India	US	Greece	China	Others	Total
Revenue from Operations						
Sales to customers	813,743,741	335,955,414	221,402,598	388,814,576	338,316,843	2,098,233,172
Other segment information						
Segment Assets	897,796,971	39,719,497	75,236,625	93,473,566	108,751,362	1214,978,021
Total Assets						
Capital Expenditure:						
Property, Plant and Equipment	99,363,854					99,363,854
Intangible Assets	1,790,544					1,790,544

Year ended 31 March 2018	India	US	Greece	China	Others	Total
Revenue from Operations						
Sales to customers	835,857,107	368,311,520	165,835,642	191,666,862	263,070,020	1,824,741,151
Other segment information						
Segment Assets	960,881,639	59,110,535	62,964,146	56,765,046	39,713,906	1179,435,272
Total Assets						
Capital Expenditure:						
Property, Plant and Equipment	89,573,550					89,573,550
Intangible Assets	4,395,162					4,395,162

India geographical segment includes certain assets which are common to all the geographical segment (i.e. India, US, Greece & China). Segment Assets does not include deferred and income tax assets.

37. Details of CSR expenditure.

(Amount in Rupees)

Particulars	For the year ending March 31, 2019			For the year ending March 31, 2018		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent during the year	-	-	4,778,522	-	-	2,130,533
Amount spent during the year	2,184,000	-	2,184,000	7,131,000	-	7,131,000
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than above	2,184,000	-	2,184,000	7,131,000	-	7,131,000



38. Net dividend remitted in foreign exchange.

Year of remittance (ending on)	March 31, 2019	March 31, 2018
Period to which it relates	25 Oct 2008 to 30 Sep 2018	-
Number of non-resident shareholders	2	-
Number of preference shares held on which dividend was due	51,018	-
Amount remitted (in USD)	3,729,002	-
Amount remitted (in INR)	259,351,316	-


39. Prior period income

Export incentive income includes incentive of Rs. 31,538,584/- for which the application was made in the previous year, however income has been recognised in the current year.

40. Previous year figures have been re-grouped / re-arranged, wherever considered necessary to make them comparable with those of the current year. Previous year financial statements of the company were audited by Pradip R Shah & Co., Chartered Accountants, whose audit report dated June 15, 2018 expressed an unmodified opinion.

For SRBC & Co. LLP  
Chartered Accountants  
ICAI FRN: 324982E/E300003

For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN: U73100GJ2004PTC044023)

  
per Sukrut Mehta  
Partner  
Membership No. 101974  
UDIN: 19101974AAAABB8240

  
Vivek Chhachhi  
Director  
DIN: 00496620

  
Ajay Tandon  
Executive Director  
DIN: 02210072

  
Nirmal Bhatia  
Company Secretary



Place: Ahmedabad  
Date : July 25, 2019

Place: Delhi                      Delhi  
Date : July 25, 2019      July 25, 2019

Ahmedabad  
July 25, 2019



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Veeda Clinical Research Private Limited

**Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of Veeda Clinical Research Private Limited (hereinafter referred to as "the Holding Company") and its subsidiary company (the Holding Company and its subsidiary company together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profits and the consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 consolidated financial statements.

**Information other than the Consolidated Financial Statements and Auditors report thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.



# **SRBC & CO LLP**

Chartered Accountants

## **Responsibilities of the Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(d) of the Act, we are also responsible for expressing our opinion on whether the Holding 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.





# **S R B C & CO LLP**

Chartered Accountants

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

- ▶ 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with board of director's of the Holding Company of which we are the independent auditors 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.

### **Other Matter**

- (a) The consolidated financial statements of the Company for the year ended March 31, 2019, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on June 15, 2018.
- (b) The accompanying consolidated financial statements include unaudited financial information in respect of one subsidiary, whose financial information reflect total assets of Rs Nil as at March 31, 2019, and total revenues of Rs Nil and net cash inflow of Rs 41,66,380 for the year ended on that date. The unaudited financial information has been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the financial information of that subsidiary is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and financial statement and financial information of subsidiary certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:





# SRBC & CO LLP

Chartered Accountants

## Report on Other Legal and Regulatory Requirements (continued)

- (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 of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with Companies (Accounts) Rules, 2014 (as amended);
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the holding company which is the incorporated in India 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 and the operating effectiveness of the internal financial controls over financial reporting with reference to the consolidated financial statements of the Holding Company which is incorporated in India, refer to our separate Report in "Annexure" to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company which is incorporated in India for the year ended March 31, 2019;
- (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. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements - Refer Note 28 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company which is incorporated in India during the year ended March 31, 2019.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

  
per Sukrut Mehta

Partner

Membership Number: 101974

UDIN: 19101974AAAABC8327

Place of Signature: Ahmedabad

Date: July 25, 2019



# **S R B C & CO LLP**

Chartered Accountants

## **Annexure to the Independent Auditor's report of even date on the Consolidated Financial Statements of Veeda Clinical Research Private Limited**

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

In conjunction with our audit of the consolidated financial statements of Veeda Clinical Research Private Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting Veeda Clinical Research Private Limited (hereinafter referred to as the "Holding Company") which is the Company incorporated in India as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company, which is company incorporated in India, is responsible for establishing and maintaining its internal financial controls based on the internal control over financial reporting criteria established by it 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements 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, both issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.



# **SRBC & CO LLP**

Chartered Accountants

## **Meaning of Internal Financial Controls over Financial Reporting with reference to these consolidated financial statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to these consolidated financial statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 Holding Company which is a company incorporated in India, has, maintained in all material respects, an adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



**per Sukrut Mehta**  
Partner  
Membership Number: 101974  
UDIN: 19101974AAAABC8327  
Place of Signature: Ahmedabad  
Date: July 25, 2019



Veeda Clinical Research Private Limited  
Consolidated Balance Sheet as at March 31, 2019

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	358,169,430	175,877,870
Reserves and surplus	4	536,933,294	674,978,477
<b>Non-current liabilities</b>			
Long-term borrowings	5	-	99,952,635
Other long-term liabilities	6	22,113,271	15,433,687
Long-term provisions	7	20,797,446	15,282,495
<b>Current liabilities</b>			
Short-term borrowings	8	48,842,890	-
Trade payables	9	112,106,387	81,998,128
Other current liabilities	10	226,830,493	235,689,848
Short-term provisions	11	10,468,138	7,126,126
<b>TOTAL</b>		<b>1,336,261,349</b>	<b>1,306,339,266</b>
<b>ASSETS</b>			
<b>II. Non-current assets</b>			
Property, plant & equipment		374,338,975	435,324,154
Intangible assets	12	3,192,341	3,913,800
Capital work-in-progress		74,101,729	3,867,658
Intangible assets under development		3,255,200	2,040,125
Deferred tax Asset	13	44,603,923	45,600,139
Long term loans and advances	14	104,300,199	257,418,906
Other non-current assets	15	4,032,275	4,296,478
<b>Current assets</b>			
Current Investments	16	17,714,953	26,087,021
Inventories	17	47,323,626	49,786,042
Trade receivables	18	436,269,402	375,641,817
Cash and bank balances	19	201,157,908	81,324,967
Short-term loans and advances	20	23,357,790	11,899,100
Other current assets	21	2,613,028	9,139,059
<b>TOTAL</b>		<b>1,336,261,349</b>	<b>1,306,339,266</b>
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the consolidated financial statements.			

As per our Report of even date  
For SRBC & Co. LLP  
Chartered Accountants  
ICAI FRN: 324982E/E300003

per Sukrut Mehta  
Partner  
Membership No. 101974  
UDIN: 19101974AAAABC8327

Place : Ahmedabad  
Date : July 25, 2019



For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN : U73100GJ2004PTC044023)

Vivek Chhachhi  
Director  
DIN: 00496620

Place : Delhi  
Date : July 25, 2019

Ajay Tandon  
Executive Director  
DIN: 02210072

Delhi  
July 25, 2019

Nirmal Bhatia  
Company Secretary

Ahmedabad  
July 25, 2019





**Veeda Clinical Research Private Limited**  
**Statement of Consolidated Profit & Loss for the Year ended March 31, 2019**

(Amount in Rs.)

Particulars		Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from Operations	22	2,184,443,017	1,890,492,287
II	Other Income	23	54,113,796	9,447,249
III	<b>Total Revenue (I+II)</b>		<b>2,238,556,813</b>	<b>1,899,939,536</b>
IV	<b>Expenses</b>			
	Cost of Material Consumed	24	143,335,371	154,685,979
	Employee Benefits Expenses	25	461,838,493	354,841,613
	Finance Costs	26	23,849,385	27,059,293
	Depreciation and Amortization Expenses	12	94,389,657	105,818,970
	Other Expenses	27	756,953,254	790,599,764
	<b>Total Expenses</b>		<b>1,480,366,160</b>	<b>1,433,005,618</b>
V	<b>Profit Before Tax (III-IV)</b>		<b>758,190,652</b>	<b>466,933,918</b>
VI	<b>Tax Expenses :</b>			
	Current Tax		231,000,000	184,392,025
	Deferred Tax		996,216	(15,215,908)
	<b>Total Tax Expense</b>		<b>231,996,216</b>	<b>169,176,117</b>
VII	<b>Profit for the year (V-VI)</b>		<b>526,194,436</b>	<b>297,757,801</b>
	Earnings per equity share [Nominal value of Rs. 10 (31 March, 2018: Rs. 10)]	31		
	Basic		902.78	483.57
	Diluted		799.01	429.83
	Summary of Significant Accounting Policies	2		
	The accompanying notes are an integral part of the consolidated financial statements.			

As per our Report of even date.  
 For SRBC & Co. LLP  
 Chartered Accountants  
 ICAI FRN: 324982E/E300003

  
 per Sukrut Mehta  
 Partner

Membership No. 101974  
 UDIN: 19101974AAAABC8327

Place : Ahmedabad  
 Date : July 25, 2019



For and on Behalf of the Board of Directors of  
 Veeda Clinical Research Private Limited  
 (CIN : U73100GJ2004PTC044023)

  
 Vivek Chhachhi  
 Director  
 DIN: 00496620

  
 Ajay Tandon  
 Executive Director  
 DIN: 02210072

Place : Delhi  
 Date : July 25, 2019

Place : Delhi  
 Date : July 25, 2019

  
 Nirmal Bhatia  
 Company Secretary

Ahmedabad  
 July 25, 2019



VEEDA CLINICAL RESEARCH PRIVATE LIMITED  
Consolidated Cash Flow Statement for the year ended March 31, 2019

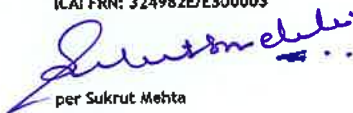
(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>A. Cash flow from operating activities</b>		
Profit before tax	758,190,652	466,933,917
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	94,389,657	105,818,970
Finance cost	23,849,385	27,059,293
Interest Income	(5,233,993)	(3,741,927)
(Gain) / loss on sale of mutual fund (net)	(6,235,061)	212,979
Gain on sale of non-current investment	(906,126)	554,291
(Profit) / Loss on sale of property, plant and equipment	(2,723)	183,227
Credit balance written back	(35,526,035)	-
Discount	7,591,845	-
Unrealized foreign exchange loss	4,501,592	(17,416)
<b>Operating profit before working capital changes</b>	<b>840,619,194</b>	<b>597,003,334</b>
Movements in working capital :		
(Increase) in trade receivables	(74,721,718)	(151,102,998)
Decrease / (Increase) in inventories	2,462,415	(7,455,829)
Decrease / (Increase) in long term loans and advances	147,064,626	(32,916,880)
(Increase) in short term loans and advances	(11,458,690)	(650,942)
Decrease in current assets	4,371,967	28,932,687
Decrease in non-current assets	182,299	-
Increase in Non current liabilities	6,679,584	7,995,724
Increase in Long term provisions	5,514,951	3,551,830
Increase / (Decrease) in other current liabilities, short term provisions and trade payables	61,849,800	(27,175,956)
<b>Cash generated from operation</b>	<b>982,564,428</b>	<b>418,180,971</b>
Direct taxes paid	(230,286,765)	(173,157,444)
<b>Net cash flow generated from operating activities (A)</b>	<b>752,277,664</b>	<b>245,023,526</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(101,154,396)	(93,968,712)
Proceeds from sale of property, plant and equipment	4,100	215,000
Interest received	4,388,057	3,912,368
Investment in fixed deposits (net)	(9,518,095)	(474,158)
Proceeds from sale of / (Investment in) mutual funds (net)	17,607,129	(29,300,000)
Proceeds from sale of non-current investment	2,347,879	-
<b>Net cash flow (used in) investing activities (B)</b>	<b>(86,325,326)</b>	<b>(119,615,502)</b>
<b>C. Cash flow from financing Activities</b>		
Repayment of long-term borrowing	(100,369,894)	(29,911,603)
Finance cost paid	(24,287,761)	(27,059,293)
Proceeds from / (Repayment of) short-term borrowing	50,000,000	(7,775,703)
Buy back of preference share capital (Including tax of buy back)	(168,400,000)	-
Dividend paid on preference share capital (Including DDT)	(312,661,742)	-
<b>Net Cash flow (used in) financing activities (c)</b>	<b>(555,719,396)</b>	<b>(64,746,599)</b>
<b>Net Increase in cash and cash equivalents (A + B + C)</b>	<b>110,232,941</b>	<b>60,661,425</b>
Cash and cash equivalents at the beginning of the year	66,324,967	5,663,542
Cash and cash equivalents at the end of the year	176,557,908	66,324,967
<b>Components of cash and cash equivalent</b>		
Cash on hand	2,927,759	1,147,273
Balance with banks:		
-On Current Accounts and Cash Credit Accounts	108,630,149	65,177,694
-Deposits with original maturity of less than three months	65,000,000	-
<b>Total cash and cash equivalent (refer note 19)</b>	<b>176,557,908</b>	<b>66,324,967</b>

The accompanying notes are an integral part of the consolidated financial statements.

Note: The above Consolidated Statement of Cash flows has been prepared under the 'Indirect Method' as set out in AS 3, 'Statement of Cash Flows'

As per our report of even date  
For SRBC & Co. LLP  
Chartered Accountants  
ICAI FRN: 324982E/E300003

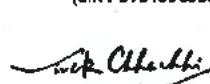
  
per Sukrut Mehta  
Partner

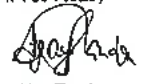
Membership No. 101974  
UDIN: 19101974AAAABC8327

Place : Ahmedabad  
Date : July 25, 2019

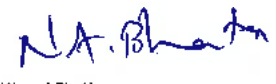


For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN : U73100GJ2004PTC044023)

  
Vivek Chhabra  
Director  
DIN: 00496620

  
Ajay Tandon  
Executive Director  
DIN: 02210072

Place : Delhi  
Date : July 25, 2019

  
Nirmal Bhatia  
Company Secretary

Ahmedabad  
July 25, 2019



## Veeda Clinical Research Private Limited

### Notes to Consolidated Financial Statements for the year ended March 31, 2019

#### 1. Corporate information

The consolidated financial statements comprise financial statements of Veeda Clinical Research Private Limited ('the company' or 'the holding company') and its subsidiary (collectively, the Group) for the year ended 31st March 2019. Veeda Clinical Research Private Limited is a Private Limited Company domiciled in India with its registered office in Ahmedabad, Gujarat, India. The group is carrying the business of clinical research for various pharmaceuticals companies. The group provides a full range of services in Phase I and II Clinical Research with Clinical Data Management, delivering expert and cost effective research obligation solutions to the pharmaceuticals and biotechnology industry world wise.

#### 2. Summary of significant accounting policies

##### (a) Basis of preparation of consolidated financial statements.

The consolidated financial statements of the Group have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013 read together with the Companies (Accounting Standards) Amendment Rules, 2006 (as amended from time to time). The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

##### (b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### (c) Basis of consolidation

The consolidated financial statements include the financial statements of Veeda Clinical Research Pvt. Ltd and its subsidiary, which are more than 50% owned or controlled by Holding company directly or indirectly and have been prepared in accordance with the consolidation procedures laid down in Accounting Standard 21 - 'Consolidated Financial Statements' issued by the ICAI.

The consolidated financial statements have been prepared on the following basis:

- The financial statements of the holding company and the subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group.
- The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the holding company for its separate financial statements.
- The consolidated financial statements are prepared using uniform accounting policies across the Group.
- Financial statement of subsidiary used for the purpose of consolidation is drawn up to the same reporting year date as that of the holding company.



**(d) Goodwill / Capital Reserve arising on consolidation**

The excess of cost to the holding company, of its investment in subsidiaries over its portion of equity in the subsidiaries at the respective dates on which investment in subsidiaries was made, is recognized in the financial statements as goodwill and in the case where equity exceeds the cost; the same is being recognized as Capital Reserve. The holding company's portion of equity in the subsidiaries is determined on the basis of the value of assets and liabilities as per the financial statements of the subsidiaries as on the date of investment.

**(e) Minority Interest**

Minority interest in the net asset of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the holding company in subsidiary company and further movements in their share in the equity, subsequent to the dates of investments.

**(f) Members of the Group:**

A. Particulars of subsidiary listed as below:

Entity	Country of incorporation	Percentage of holding as at March 31, 2019	Percentage of holding as at March 31, 2018	Date of acquisition/ establishment
Veeda Clinical Research GmbH	Germany	Nil	100% held by Veeda Clinical Research Pvt. Ltd., India	23-04-2007

**(g) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

a. Income from services

Revenues from contracts are recognized pro-rata over the period of the contract as and when services are rendered. The Group collects goods and service tax / service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

b. Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss

c. Export incentive income

Income from export incentive is recognised considering the Group's ability of filing the application based on certainty of receipt and estimating the amount.





**(h) Inventories**

Consumables are valued at lower of cost and net realizable value. Costs of consumables is determined on an FIFO basis.

**(i) Property, Plant & Equipment:**

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

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

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

**Depreciation on property, plant and equipment**

Leasehold improvements are amortized on a straight line basis over the period of lease.

Depreciation is provided on the written down value method over the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

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

**Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.



Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### Amortization of intangible assets

Intangible assets are amortized on a straight-line basis over the period of 3 years.

#### Impairment of property, plant and equipment and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

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

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

#### (j) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.



On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

**(k) Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

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

**(l) Translation of Foreign Currency Items**

Foreign currency transactions and balances



**Veeda Clinical Research Private Limited**

**Notes to Consolidated Financial Statements for the year ended March 31, 2019**

- a. **Initial Recognition:**  
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- b. **Conversion:**  
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.
- c. **Exchange Differences:**  
All exchange differences arising are recognized as income or as expenses in the period in which they arise.

**(m) Retirement and other employee benefits of Holding Company**

- a. **Gratuity**  
All the employees are covered under Employee Gratuity Scheme which is a defined benefit plan and is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.
- b. **Provident fund**  
  
Retirement benefit in the form of provident fund is a defined contribution scheme. The Holding company has no obligation, other than the contribution payable to the provident fund. The Holding company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.
- c. **Leave Entitlements**  
Leave entitlement benefit is recognized as an expense at the undiscounted amount in the statement of Profit and Loss for the financial year in which the related service is rendered. However, said expense is recognized for the period January to March each year based on last drawn salary. There is no carry forward of privilege leave and casual leave on calendar year basis.
- d. **Sick leave**  
The Holding Company provides for sick leave covering eligible employees on the basis of actuarial valuation carried out by an independent valuer at the year-end. Actuarial gains and losses in respect of defined benefits are charged to the statement of profit & loss.

The Holding Company accrues Sick leave at the rate of seven days per annum on calendar year basis and maximum of accumulation is restricted to Thirty days. This benefit is available only in the event of employee falling sick during the tenure of his service. No credit is allowed in respect of accumulated sick leave in the event of cessation of service due to any cause.





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

The Holding company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Holding company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Holding company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

**(n) Provisions, Contingent Liabilities and Contingent Assets**

**Provisions:**

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**Contingent liability**

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

**Contingent asset;**

Contingent asset are neither recognized nor disclosed in the financial statement.

**(o) Cash and cash equivalent**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



**Veeda Clinical Research Private Limited**

**Notes to Consolidated Financial Statements for the year ended March 31, 2019**

**(p) Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(q) Operating Lease**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**(r) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(s) Segment Reporting**

The Group is providing services of testing and contract research in the fields of clinical and analytical testing. Since the inherent nature of all these services are inter related and governed by the same set of risks and returns and operating in the same economic environment, the Group falls within a single business segment of clinical research services. The analysis of geographical segments is based on the geographical location of the customer.



3 Share Capital (Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
<b>Authorised Share Capital</b>				
a. Equity Shares of Rs. 10 each	600,000	6,000,000	600,000	6,000,000
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	35,640,680	356,406,800	100,000	1,000,000
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	51,020	170,406,800
<b>Total</b>	<b>36,240,680</b>	<b>362,406,800</b>	<b>751,020</b>	<b>177,406,800</b>
<b>Issued, Subscribed &amp; Paid Up Share Capital</b>				
a. Equity Shares of Rs. 10 each	587,163	5,871,630	547,775	5,477,750
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	35,229,780	352,297,800	-	-
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	51,018	170,400,120
<b>Total</b>	<b>35,816,943</b>	<b>358,169,430</b>	<b>598,793</b>	<b>175,877,870</b>

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Share Capital (Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	547,775	5,477,750	547,775	5,477,750
Conversion of preference shares class-B into equity shares during the year	39,388	393,880	-	-
Shares outstanding at the end of the year	587,163	5,871,630	547,775	5,477,750

Preference Share Capital - Compulsorily Convertible (CCPS) Class "A" (Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year - Bonus issue	35,229,780	352,297,800	-	-
Shares outstanding at the end of the year	35,229,780	352,297,800	-	-

Preference Share Capital - Compulsorily Convertible (CCPS) Class "B" (Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	51,018	170,400,120	51,018	170,400,120
Shares bought back during the year	11,630	38,844,200	-	-
Conversion of preference shares class-B into equity shares during the year	39,388	131,555,920	-	-
Shares outstanding at the end of the year	-	-	51,018	170,400,120

3.2 Terms / rights attached to equity shares.

In respect of Ordinary shares (whether fully paid or partly paid), voting rights shall be in the same proportion as the capital paid upon such ordinary share bears to the total paid up ordinary capital of the company.

The Dividend proposed by the board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.

In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

3.3 Terms of conversion / redemption of CCPS - Class B.

i. Dividend at 8.5% per annum of the issue price of such preference shares for the financial year ended March 31, 2009 on pro rata basis;

ii. Dividend at 12.5% per annum of the issue price of such preference shares for the financial year ended on March 31, 2010 ; and

iii. Dividend at 16% or maximum rate as permissible under law per annum (whichever is lower) of the issue price of such preference shares for the financial year ended March 31, 2011 and for each year thereafter

iv. The Preference Share holders shall be entitled to convert Preference Shares at the option of share holders at anytime during the period commencing from the expiry of 1 year to 20 year from the allotment of preference shares. In case, the same option is not exercised by the preference share holders, it shall be compulsory converted into equity shares automatically at the expiry of 20 years of the date of allotment.



**Veeda Clinical Research Private Limited**

Notes to Consolidated Financial Statement for the year ended March 31, 2019

**v. Conditions for Dividend :**

The preference share shall be entitled to dividend for the full financial year on pro rata basis for the year in which such shares are allotted. If no dividend is paid for any financial year then the same shall stand accumulated and shall be paid before making payment of dividend on equity shares for any financial year.

The preference shares shall carry right to participate in profits provided the dividend declared / paid on Equity shares exceeds the dividend amount of preference shares for the corresponding financial year.

On conversion, the dividend accumulated till the date of conversion shall be payable at the time of conversion.

**3.4 Terms of conversion / redemption of CCPS - Class A.**

i. The CCPS A shall be entitled to 0.0001% participatory and cumulative dividend.

ii. The CCPS A shall not be entitled to any voting rights.

iii. The conversion of CCPS A in to equity shares shall be subject to the approval of the Board of Directors of the Company. The maximum number of equity shares into which the CCPS A can get converted is 93,946 equity shares.

iv. The rights of preference shareholders shall be governed in accordance with the provisions of the Companies Act, 2013, including any statutory modification(s) and re-enactment(s), thereof, and the Memorandum and Articles of Association of the Company, as may be amended from time to time.

v. The conversion of CCPS A in to equity shares shall be subject to all rules, regulations prevailing / applicable at the time of such conversion and shall be subject to approvals / conditions of Central Government of India, Reserve Bank of India and such other statutory authority as may be applicable and prevailing at the time of conversion.

**3.5 Shares held by holding company**

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
<b>Basil Private Limited</b>				
a. Equity Shares of Rs. 10 each	406,194	4,061,940	-	-
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	-	-	-	-
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	-	-
<b>Bondway Investment Inc.</b>				
a. Equity Shares of Rs. 10 each	159,708	1,597,080	349,900	3,499,000
b. 0.0001% Cumulative Compulsory Convertible Participatory Preference Share of Class 'A' Rs. 10 each	22,175,640	221,756,400	-	-
c. 16% Cumulative Compulsory Convertible Participatory Preference Share of Class 'B' Rs. 3340 each	-	-	25,509	85,200,060

**3.6 Aggregate number of bonus shares issued and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	For the year ended March 31, 2019 (Number)	For the year ended March 31, 2018 (Number)
Preference shares class "A" allotted as fully paid-up bonus shares	35,229,780	-
Preference shares class "B" bought back by the company	11,630	-

**3.7 Details of Shareholders holding more than 5% shares in the company**

**Equity Share Capital**

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Bondway Investment Inc.	159,708	27.20	349,900	63.88
Basil Private Limited	406,194	69.18	-	-
Arabelle Financial Services Ltd.	-	-	197,775	36.11

**Preference Share Capital Class - "A"**

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Bondway Investment Inc.	22,175,640	62.95	-	-
Arabelle Financial Services Ltd.	13,048,140	37.04	-	-

**Preference Share Capital Class - "B"**

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% of Holding	Number	% of Holding
Bondway Investment Inc.	-	-	25,509	50.00
Arabelle Financial Services Ltd.	-	-	25,509	50.00





**Veeda Clinical Research Private Limited**

Notes to Consolidated Financial Statement for the year ended March 31, 2019

**4 Reserves and Surplus:**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>a. Securities Premium Account</b>		
Opening Balance	641,179,464	641,179,464
Less: Amount utilized towards buy-back of Preference shares class-B	129,555,800	-
Less: Amount transferred to capital redemption reserve upon buy-back of preference shares class-B	38,844,200	-
Less: Amount transferred to capital redemption reserve upon conversion of preference shares class-B	131,555,920	-
Add : Amount transferred on conversion of preference shares class-B	131,162,040	-
Lees: utilized for issue of bonus shares	352,297,800	-
<b>Closing Balance</b>	<b>120,087,784</b>	<b>641,179,464</b>
<b>b. Capital redemption reserve</b>		
Opening balance	-	-
Add: Amount transferred to capital redemption reserve upon buy-back of preference shares class-B	38,844,200	-
Add: Amount transferred to capital redemption reserve upon conversion of preference shares class-B	131,555,920	-
	<b>170,400,120</b>	<b>-</b>
<b>c. Foreign Currency Translation Reserve</b>		
Opening Balance	886,318	(665,384)
Add/(Less) : Adjustment During the year	(886,318)	1,551,702
	<b>-</b>	<b>886,318</b>
<b>d. Surplus/(deficit) in the statement of profit &amp; loss</b>		
Opening balance	32,912,695	(266,820,908)
Add: Profit for the year	526,194,436	297,757,800
Add/(Less) : Opening balance of subsidiary	-	1,975,803
Less: Dividend paid to preference share holders	259,351,316	-
Less: Tax paid on distribution of dividend to preference share holders	53,310,426	-
<b>Closing Balance</b>	<b>246,445,390</b>	<b>32,912,695</b>
<b>Total reserves and surplus</b>	<b>536,933,294</b>	<b>674,978,477</b>



5 Long Term Borrowings:

(Amount in Rs.)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non-Current	Current maturity (Refer note no. 10)	Non-Current	Current maturity (Refer note no. 10)
<b>Term Loans</b>				
<b>From Financial Institutions (Secured)</b>	-	54,912,156	99,952,635	55,329,415
<b>Total</b>	-	54,912,156	99,952,635	55,329,415

Details of terms and securities for the above Rupee Loan facilities are as follows:

1) Term Loan amounting Rs. 3,17,95,380 from GE Capital Service India ('GECSI') for purchase of various medical equipment. Outstanding balance for this facility is Rs. 1,08,55,280 (31 March 2018: Rs. 1,77,62,768). The borrowing carries interest @ 295 basis points above the effective State Bank of India based rate (Benchmark rate) payable on monthly rest. The effective interest rate is 12.00% (31 March 2018: 11.60%). The Term Loan is repayable in structured monthly instalment and repayment started from 26 April 2015. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by GECSI and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah. The loan has been repaid subsequent to yearend.

2) Term Loan amounting Rs. 5,00,00,000 from Tata Capital Financial Services Limited ('TATA') for purchase of equipment. Outstanding balance for this facility is Rs. Nil (31 March 2018: Rs. 1,23,23,512). The borrowing carries interest @ long term lending rate less 4.75% subject to minimum of 13% payable on monthly rest. The effective interest rate ranging between 13.50% to 14.25% (31 March 2018: 13.50%). The Term Loan is repayable in structured monthly instalment and repayment started from 15 February 2016. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by TATA and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.

Term Loan amounting Rs. 10,00,00,000 from Tata Capital Financial Services Limited ('TATA') for purchase of equipment. Outstanding balance for this facility is Rs. 4,42,32,357 (31 March 2018: Rs. 6,93,69,208). The borrowing carries interest @ long term lending rate less 5.25% payable on monthly rest. The effective interest rate is 12.25% to 13.25% (31 March 2018: 12.25%). The Term Loan is repayable in structured monthly instalment and repayment started from 25 January 2017. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by TATA and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah. The loan has been repaid subsequent to yearend.

3) Term Loan amounting Rs. 2,67,00,000 from Hero FinCorp Limited for purchase of equipment. Outstanding balance for this facility is Rs. Nil (31 March 2018: Rs. 2,63,30,859). The borrowing carries floating interest ranging between 12.00% to 13.50% (31 March 2018: 12.00%). The Term Loan is repayable in structured monthly instalment and repayment started from 08 Feb 2018. The full loan has been prepaid on 13 March 2019. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by Hero FinCorp and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.

Term Loan amounting Rs. 4,28,00,000 from Hero FinCorp Limited for purchase of equipment. Outstanding balance for this facility is Rs. Nil (31 March 2018: Rs. 3,01,09,560). The borrowing carries floating interest ranging between 13.50% to 15.00% (31 March 2018: 13.50%). The Term Loan is repayable in structured monthly instalment and repayment started from 08 Mar 2016. The full loan has been prepaid on 27 March 2019. The Rupee Term Loan facilities are Secured against the first and exclusive charge on the equipment financed by Hero FinCorp and against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.



**Veeda Clinical Research Private Limited**

**Notes to Consolidated Financial Statement for the year ended March 31, 2019**

**6 Other long-term liabilities**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Lease equalisation	21,613,271	14,933,687
Security deposits	500,000	500,000
<b>Total</b>	<b>22,113,271</b>	<b>15,433,687</b>

**7 Long-term provisions**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity (Refer to Note No. 25.1 & Note No. 25.2)	18,689,208	14,240,362
Provision for leave benefits	2,108,238	1,042,133
<b>Total</b>	<b>20,797,446</b>	<b>15,282,495</b>

**8 Short term borrowings**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on Demand - Secured		
Foreign currency demand loan (FCDL) from Bank	48,842,890	-
<b>Total</b>	<b>48,842,890</b>	<b>-</b>

**Note :**

The Holding Company has obtained Foreign Currency Demand Loan ('FCDL') facility of Rs. 20,00,00,000 from Axis Bank for working capital requirement of the Company. Outstanding balance for this facility is Rs. 4,88,42,890 (31 March 2018: Rs. Nil). The borrowing carries interest of 6 months libor + 2.50 bps payable on monthly rest. The effective interest rate is 5.185% (31 March 2018: Nil). The FCDL is repayable on demand.

The FCDL is secured:

- by way of hypothecation on entire current assets of the Company including stock and receivables, both present and future.
- by way of equitable mortgage / hypothecation of immovable / moveable fixed asset (plant and machinery / equipment etc.) other than those financed by other banks / financial institution.
- against TDR in the name of Company having value of Rs. 4,01,00,000.
- against the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah.



**Veeda Clinical Research Private Limited**

Notes to Consolidated Financial Statement for the year ended March 31, 2019

**9 Trade payable**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	17,209,552	22,680
Total outstanding dues of creditors other than micro enterprises and small enterprises	94,896,835	81,975,448
<b>Total</b>	<b>112,106,387</b>	<b>81,998,128</b>

**10 Other current liabilities**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturity of Long-term debt (Refer to Note No. 6)	54,912,156	55,329,415
Statutory dues payable	14,129,601	24,377,099
Advance from customers	71,867,320	80,524,269
Creditors for capital goods	5,707,887	2,728,740
Interest accrued but not due on borrowings	175,481	613,857
Payable to customer	18,417,897	24,422,433
Current portion of lease equalisation (refer to note No. 7)	568,933	4,729,035
Provisions for expenses	9,528,502	8,594,094
Provisions for employee benefit expense	51,008,440	34,308,355
Others	514,276	62,550
<b>Total</b>	<b>226,830,493</b>	<b>235,689,848</b>

**11 Short term provisions**

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for gratuity (Refer to note No. 25.1 & Note No. 25.2)	4,365,967	3,595,226
Provision for leave benefits	6,102,171	3,530,900
<b>Total</b>	<b>10,468,138</b>	<b>7,126,126</b>





Veeda Clinical Research Private Limited  
Notes to Consolidated Financial Statement for the year ended March 31, 2019

12 Property, plant & equipment  
FY 2018-19

(Amount in Rs.)

Particulars	GROSS BLOCK (at cost)				DEPRECIATION			NET BLOCK	
	Opening balance as at April 01, 2018	Additions	Deduction	Closing balance as at March 31, 2019	For the year	Deduction	Closing balance as at March 31, 2019	As at March 31, 2019	As at March 31, 2018
<b>TANGIBLE ASSETS</b>									
Leasehold Improvements	88,594,547	2,448,793	-	91,043,340	8,418,940	-	56,545,887	34,497,453	40,467,601
Plant & machinery	857,806,543	16,018,342	-	873,824,885	72,296,994	-	561,516,798	312,308,087	368,586,740
Office equipment	14,963,975	1,840,377	-	16,804,352	1,564,232	-	13,967,857	2,836,495	2,560,350
Computers	40,419,270	6,397,635	(27,550)	46,789,355	4,556,744	(26,173)	38,671,381	8,117,974	6,278,460
Furniture & fixtures	60,741,191	3,220,216	-	63,961,407	4,598,947	-	50,213,209	13,748,198	15,126,929
Vehicles	9,477,854	1,197,794	-	10,675,648	671,101	-	7,844,880	2,830,768	2,304,074
Total (A)	1,072,003,380	31,123,157	(27,550)	1,103,098,988	92,106,958	(26,173)	728,760,012	374,338,975	435,324,154
<b>INTANGIBLE ASSETS</b>									
Computer Software	14,455,322	1,561,241	-	16,016,563	2,282,700	-	12,824,222	3,192,341	3,913,800
Total (B)	14,455,322	1,561,241	-	16,016,563	2,282,700	-	12,824,222	3,192,341	3,913,800
TOTAL (A)+(B)	1,086,458,702	32,684,398	(27,550)	1,119,115,551	94,389,658	(26,173)	741,584,234	377,531,315	439,237,954
Previous Year	996,824,269	91,164,118	(1,529,684)	1,086,458,703	105,818,970	(1,131,457)	647,220,750	439,237,953	454,291,033
Capital work in progress	3,867,658	79,167,060	8,932,989	74,101,729	-	-	-	74,101,729	3,867,658
Intangible assets under development	2,040,125	1,215,075	-	3,255,200	-	-	-	3,255,200	2,040,125

FY 2017-18

Particulars	GROSS BLOCK (at cost)				DEPRECIATION			NET BLOCK	
	Opening balance as at April 01, 2017	Additions	Deduction	Closing balance as at March 31, 2018	For the year	Deduction	Closing balance as at March 31, 2018	As at March 31, 2018	As at March 31, 2017
<b>TANGIBLE ASSETS</b>									
Leasehold Improvements	49,715,305	2,417,085	36,462,157	88,594,547	8,632,875	18,611,607	48,126,947	40,467,601	28,832,840
Plant & machinery	819,908,609	75,392,724	(37,494,790)	857,806,544	83,124,697	(19,467,786)	489,219,804	368,586,740	394,345,716
Office equipment	13,665,408	1,298,567	-	14,963,975	1,421,162	-	12,403,625	2,560,350	2,682,945
Computers	34,659,243	5,760,027	-	40,419,270	3,923,520	-	34,140,810	6,278,460	4,441,953
Furniture & fixtures	58,769,526	2,178,950	(207,285)	60,741,191	5,702,337	-	45,614,262	15,126,929	18,857,601
Vehicles	9,184,892	582,728	(289,766)	9,477,854	930,141	(275,278)	7,173,779	2,304,074	2,665,976
Total (A)	985,902,983	87,630,081	(1,529,684)	1,072,003,381	103,734,732	(1,131,457)	636,679,227	435,324,154	451,827,031
<b>INTANGIBLE ASSETS</b>									
Computer Software	10,921,285	3,534,037	-	14,455,322	2,084,238	-	10,541,522	3,913,800	3,913,800
Total (B)	10,921,285	3,534,037	-	14,455,322	2,084,238	-	10,541,522	3,913,800	3,913,800
TOTAL (A)+(B)	996,824,268	91,164,118	(1,529,684)	1,086,458,703	105,818,970	(1,131,457)	647,220,749	439,237,954	455,740,831
Previous Year	852,664,365	144,189,287	29,383	996,824,269	112,563,597	4,665	542,533,236	454,291,033	422,690,061
Capital work in progress	1,924,189	14,952,209	13,008,740	3,867,658	-	-	-	3,867,658	1,924,189
Intangible assets under development	1,179,000	861,125	-	2,040,125	-	-	-	2,040,125	1,179,000

Note: In FY 2017-18, The adjustment amount disclosed under Plant & Machinery, Furniture & Fixtures and Leasehold Improvement pertain to fixed installations at leasehold improvement. The amortization on the said assets has been computed as in case of other leasehold improvements. During the year ended March 31, 2018, the said assets have been reclassified to Leasehold Improvement.



## 13 Deferred tax assets

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Difference between depreciable assets as per books of accounts and written down value for tax purpose	25,820,381	25,385,650
Employee benefits / expenses allowable on payment basis	15,563,996	14,570,359
Effect of adjustment under ICDS	212,404	2,296,368
Effect of provision for doubtful debt and diminution in value of investments	3,007,142	3,347,762
<b>Deferred tax asset- Total</b>	<b>44,603,923</b>	<b>45,600,139</b>

## 14 Long term loans and advances

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Security deposits</b>		
Unsecured, considered good	25,481,517	26,609,033
<b>Other loans and advances</b>		
Unsecured, considered good		
Advance income tax (Net of provision for taxation)	76,679,407	82,733,488
Cenvat credit receivable	20,963	20,965
Balance with government authorities	2,118,312	148,055,420
<b>Total</b>	<b>104,300,199</b>	<b>257,418,906</b>

## 15 Other non-current assets

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	-	182,299
Bank deposits with remaining maturity for more than 12 months *	4,032,275	4,114,179
<b>Total</b>	<b>4,032,275</b>	<b>4,296,478</b>

\* Bank Deposits amounting to Rs. 4,032,275 (March 31, 2018: Rs. 4,114,179) are given as security against bank guarantee.



16 Current Investments

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Valued at lower of cost and fair value (Non-trade)		
Investment in mutual funds		
36,121 Units (March 31, 2018: 36,121 Units) of ICICI Prudential Banking & Financial Services Fund (Direct Growth)	2,250,000	2,175,951
1,15,169 Units (March 31, 2018: 1,15,169 Units) of IDFC Infrastructure Fund (Direct Growth)	1,907,204	2,190,855
Nil (March 31, 2018: 7,040 Units) of UTI Liquid Cash Plan-Institutional (Direct Growth)	-	20,031,234
19,617 Units (March 31, 2018: 19,617 Units) of UTI Pharma & Healthcare Fund (Direct Growth)	1,787,588	1,688,981
1,13,422 Units (March 31, 2018: Nil) of Aditya Birla Sunlife Banking & Financial Services Fund	3,000,000	
75,339 Units (March 31, 2018: Nil) of ICICI Prudential Focused Bluechip Equity Fund	3,000,000	
66,349 Units (March 31, 2018: Nil) of IDFC Classic Equity Fund	3,000,000	
1,72,812 Units (March 31, 2018: Nil) of L & T Infrastructure Fund	2,770,161	
<b>Total</b>	<b>17,714,953</b>	<b>26,087,021</b>

16.1 Details of quoted investments

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Total amount of quoted investments	18,300,000	26,300,000
Market value of quoted investments	18,527,737	26,087,021
Total amount of unquoted investments	-	-

17 Inventories

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Valued at lower of cost and net realizable value		
Consumables	47,323,626	49,786,042
<b>Total</b>	<b>47,323,626</b>	<b>49,786,042</b>

18 Trade receivables

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	31,026,228	23,701,165
Considered Doubtful	8,089,990	9,459,837
Less: Provision for Doubtful receivables	(8,089,990)	(9,459,837)
	<b>31,026,228</b>	<b>23,701,165</b>
Other receivables		
Unsecured, considered good	371,084,166	423,374,862
	<b>371,084,166</b>	<b>423,374,862</b>
Net unearned revenue	34,159,008	(71,434,210)
<b>Total</b>	<b>436,269,402</b>	<b>375,641,817</b>





Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statement for the year ended March 31, 2019

19 Cash and bank balances

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Cash and cash equivalents</b>		
<i>Balances with Banks:</i>		
- On current accounts and cash credit accounts	108,630,149	65,177,694
- Deposits with original maturity of less than 3 months	65,000,000	-
Cash on hand	2,927,759	1,147,273
<b>Other bank balances</b>		
- Deposits with remaining maturity of less than 12 months @	24,600,000	15,000,000
<b>Total</b>	<b>201,157,908</b>	<b>81,324,967</b>

@ Bank Deposits amounting to Rs. 24,600,000 (March 31, 2018: Rs. 15,000,000) are given as collateral security against cash credit limits.

20 Short term loans and advances

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Security deposits</b>		
Unsecured, considered good	6,884,161	-
<b>Other loans and advances</b>		
Unsecured, considered good	-	511,331
Prepaid expenses	9,270,408	7,765,846
Advance to creditors	7,034,736	42,111
Other receivable	168,485	613,126
Inter corporate loans	-	2,966,686
<b>Total</b>	<b>23,357,790</b>	<b>11,899,100</b>

21 Other current assets

(Amount in Rs.)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Unsecured considered good</b>		
Export incentive receivable	-	4,633,526
Interest accrued on fixed deposits	2,048,550	1,164,613
Interest accrued but not due on security deposits	302,919	340,920
Advance for investments	-	3,000,000
Others	261,559	-
<b>Total</b>	<b>2,613,028</b>	<b>9,139,059</b>





**22 Revenue from operations** (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Revenue from operations		
Sale of Services	2,098,233,172	1,890,694,787
Other operating income		
Export incentives income (Refer to Note No. 35)	86,209,845	(202,500)
<b>Total</b>	<b>2,184,443,017</b>	<b>1,890,492,287</b>

**23 Other income** (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income on		
-Bank deposits	2,462,399	2,617,215
-Others	2,771,594	1,124,712
Gain (net of loss) on sale of asset	2,723	-
Net gain on foreign currency transactions	5,392,863	5,151,031
Gain on disposal of the Subsidiary	-	554,291
Gain on sale of mutual funds	6,607,129	-
Gain on sale of long term investments	1,351,052	-
Credit balances written back	35,526,035	-
<b>Total</b>	<b>54,113,796</b>	<b>9,447,249</b>

**24 Cost of material consumed** (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening stock of consumables	49,786,042	42,330,213
Purchase	140,872,955	162,141,808
Less : Closing stock of consumables	(47,323,626)	(49,786,042)
<b>Total</b>	<b>143,335,371</b>	<b>154,685,979</b>

**25 Employee benefit expenses** (Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salary, bonus and allowances	436,135,443	331,915,139
Contributions to provident and other funds (refer note below)	20,621,021	17,356,058
Staff welfare expenses	5,082,029	5,570,416
<b>Total</b>	<b>461,838,493</b>	<b>354,841,613</b>

**25.1 A. Defined contribution plans : Provident fund and employee state insurance**

The Holding company makes contribution towards employees' provident fund and employees' state insurance plan scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. During the year, company recognized Rs. 14,570,302 (31st March, 2018: Rs. 13,145,971) as expense towards contributions to these plans.

**B. Defined benefit plans - Gratuity**

The Holding Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a non funded plan.



25.2 Actuarial assumptions (gratuity)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Discount rate	7.20%	7.35%
Expected rate of return on plan assets	7.20%	7.35%
Salary escalation rate	12.00% p.a for next 3 years & 7.00% p.a thereafter	12.00% p.a for next 4 years & 7.00% p.a thereafter
Mortality rate	Indian Assured Lives Mortality (2006-08) Table	Indian Assured Lives Mortality (2006-08) UL

25.3 Actuarial assumptions (gratuity)

(Amount in Rs.)

Sr. No	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i)	<b>Change in present value of obligation</b>		
	Present value of obligation at the beginning of the year	17,943,076	14,404,079
	Interest cost	1,225,240	907,670
	Current service cost	3,595,226	3,282,878
	Benefit paid	(806,490)	(697,373)
	Actuarial (gain)/loss in obligations	1,164,569	(906,915)
	Past service cost	-	952,737
	<b>Present value of obligation at year end</b>	<b>23,121,621</b>	<b>17,943,076</b>
(ii)	<b>Change in the fair value of plan assets</b>		
	Fair value of planned assets at the beginning of the year	62,393	59,642
	Expected return on the plan assets	43,134	43,866
	Contributions by the employer	-	-
	Benefits paid	-	-
	Adjustment to opening	-	-
	Actuarial (gain)/loss on plan assets	(39,080)	(41,115)
	<b>Fair value of planned assets at year end</b>	<b>66,447</b>	<b>62,393</b>
(iii)	Percentage of each category of plan assets to total fair value of plan assets as at March 31, 2019 and March 31, 2018 respectively. Administrated by Max New York Life Insurance Company Ltd.	Nil	Nil
(iv)	<b>Expenses recognized in statement of profit &amp; loss</b>		
	Current service cost	3,595,226	3,282,878
	Interest on obligation	1,225,240	907,670
	Expected returns on plan assets	(43,134)	(43,866)
	Net actuarial (gain)/loss recognized during the year	1,203,649	(865,800)
	Recognized past service cost vested	45,096	907,641
	<b>Total expenses recognized in Statement of Profit &amp; Loss.</b>	<b>6,026,077</b>	<b>4,188,523</b>
(v)	<b>Reconciliation of present Value of the obligation and the Fair value of the plan Assets</b>		
	Present value of the obligation at year end	23,121,621	17,943,076
	Fair value of plan assets at year end	66,447	62,393
	Unrecognized past service cost	-	45,096
	<b>Net Liability recognized in the balance sheet</b>	<b>23,055,174</b>	<b>17,835,587</b>

25.4 Actuarial assumptions (gratuity)

Sr. No	Particulars	Gratuity				
		Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
(i)	Present value of obligation at year end	23,121,621	17,943,076	14,404,079	9,118,951	7,446,196
(ii)	Fair value of planned assets at year end	66,447	62,393	59,642	44,824	51,269
(iii)	Surplus (deficit) in the plan	(23,055,174)	(17,880,683)	(14,344,437)	(9,074,127)	(7,394,927)
(iv)	Experience adjustments on plan liabilities	889,922	(395,644)	1,615,085	852,746	93,239
(v)	Actuarial loss/(gain) due to change in assumptions	200,913	(511,271)	2,471,163	(115,146)	1,241,069
(vi)	Actuarial loss/(gain) due to change in demographic assumptions	73,734	-	-	-	-
(vii)	Experience adjustments on plan assets	39,080	41,115	(14,818)	62,009	58,864
	<b>Net Actuarial Loss/(Gain) for the year</b>	<b>1,203,649</b>	<b>(865,800)</b>	<b>4,071,430</b>	<b>799,609</b>	<b>1,393,172</b>



**Veeda Clinical Research Private Limited**

**Notes to Consolidated Financial Statement for the year ended March 31, 2019**

**26 Finance costs**

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense on		
-Borrowings	16,310,324	22,931,824
-Delayed payment of income tax	4,414,510	271,530
-Others	455,723	-
Bank charges and other borrowing cost	2,668,828	3,855,939
<b>Total</b>	<b>23,849,385</b>	<b>27,059,293</b>

**27 Other Expenses**

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Clinical analytical research expenses	343,834,205	410,592,150
Marketing & business promotion expenses	28,262,169	17,115,355
Rent & Establishment Expenses	63,368,685	64,874,941
Water & power charges	57,275,797	49,106,018
Legal & professional charges	31,657,648	25,165,731
Consultancy fees	734,926	907,552
House keeping & security expenses	65,893,335	68,180,191
Professional charges of phlebotomists, nurses & doctors	20,814,717	18,355,655
Bio analytical research expenses	17,863,558	20,665,359
Insurance expenses	6,409,599	5,639,420
Conveyance & petrol expenses	1,896,240	1,855,262
Telephone expenses	3,278,290	3,073,706
Repairs & maintenance		
-Buildings	3,487,780	3,315,831
-Plant & machinery & others	48,988,790	47,142,116
Rates & taxes	11,813,602	9,790,887
Payments to the auditor (Refer note below)	1,250,000	850,000
Expenditure towards CSR activities (Refer to Note No. 33)	2,184,000	7,131,000
Provision for doubtful debts	-	9,459,837
Net effect to the carrying amount of investment in mutual fund units	372,067	212,979
Miscellaneous expenses	47,567,846	27,165,773
<b>Total</b>	<b>756,953,254</b>	<b>790,599,764</b>

**27.1 Payments to the auditor (Excluding tax and out of pocket expenses)**

(Amount in Rs.)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Audit fees	1,250,000	850,000
<b>Total</b>	<b>1,250,000</b>	<b>850,000</b>



## Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

### 28. Contingent Liabilities & Capital Commitments not provided for.

(Amount in Rupees)

Particulars	March 31, 2019	March 31, 2018
Claims against the Holding Company not acknowledged as debts:		
Income tax *	107,454,297	40,803,925
Service tax**	161,502,063	161,502,063
Customs#	4,751,609	4,751,609

\*Income tax demand comprise demand from the Indian tax authorities for payment of additional tax of Rs 107,454,297 (March 31, 2018: Rs 40,803,925), upon completion of their tax review for the assessment year 2007-08 to 2014-15. The tax demands are mainly on account of disallowances relating to transfer pricing matters, expenditure to earn exempt income, depreciation on software, interest charged on loan advanced, capital expenditure charged to revenue, etc. claimed by the Holding Company under the Income tax Act. The matter is pending before various authorities. The said demand amounts have been already adjusted against refund of various years by Income Tax department and hence net demand is Nil in respect of such period.

\*\*Service tax demand comprise demand from the Service tax authorities for payment of additional tax of Rs 161,502,063 (March 31, 2018: Rs 161,502,063), upon completion of their tax review for the financial year 2008-09 to 2015-16. The tax demands are on account denial of export of service under Rule 4 of place of provision of Services Rules, 2012, reversal of CENVAT credit under Rule 6(3) and 6(5), disallowance of input tax credit etc. The matter is pending before various authorities.

#Custom duty demand comprise demand from CBEC for payment of additional tax of Rs 4,751,609 (March 31, 2018: Rs 4,751,609), upon completion of their tax review for the financial year 2011-12 to 2016-17. The demand is on account denial of custom duty exemption benefit claimed under the Notification 12/2012 dated 17 March 2012. The matter is pending before commissioner.

The Holding Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Holding Company's financial position and results of operations.

#### Other claims not acknowledged as debt

Claim by a party arising out of a commercial contract: Rs. 101.89 crore (March 31, 2018 : Rs. 101.89 crore). The Holding Company has not acknowledged this claim. As advised by the external legal counsel, the claim is not legally tenable. Moreover, the Holding Company is adequately insured and the matter is intimated to Insurance Holding Company as well. The Holding Company has filed detailed response to the claim lodged. The matter is pending at Commercial Court, Ahmedabad. In view of these the Holding Company does not foresee any losses on this count and accordingly no provision is made in books of accounts.





## Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28th February, 2019. The Holding Company believes that the impact will not be material for the year ending March 31, 2019.

### Undeclared accrued Preference share dividend

Undeclared accrued preference share dividend on cumulative compulsorily convertible participatory preference shares (Class A preference shares) is Rs. 151 (excluding Dividend Distribution Tax) as at March 31, 2019. (March 31, 2018: Nil).

Undeclared accrued preference share dividend on cumulative compulsorily convertible participatory preference shares (Class B preference Shares) is Nil as at March 31, 2019. (March 31, 2018: Rs. 245,681,959).

### Capital commitments

At March 31, 2019, the Holding Company has commitments of Rs. 280.58 Lakhs (March 31, 2018: Rs. 43.67 Lakhs) relating to contracts with suppliers and contractors for the acquisition of plant and machinery, equipment and various civil contracts of capital nature, net of advances.

### 28. Lease:

The Holding Company has entered into operating leases for office premises. The leases have an average life of between 3 and 9 years with renewal option included in contract. Renewals are at the option of the lessee. Lease payment recognized in the statement of profit and loss for the year amounts to Rs. 62,040,696 (March 31, 2018: Rs. 63,082,613).

Future minimum rental payable under non-cancellable operating lease are as follows:

(Amount in Rupees)

Particulars	March 31, 2019	March 31, 2018
Less than one year	54,427,954	59,335,053
More than one year but less than five years	194,530,771	218,562,104
More than five years	29,920,178	79,075,697
Total	278,878,903	356,972,854

### 29. Related Party Transactions:

#### (a) Name of Holding Companies

- Bondway Investment Inc. (Till Nov 21, 2018),
- Basil Private Limited (W.e.f. Nov 21, 2018)

#### b) Enterprises having significant influence

- Arabelle Financial Services Ltd. Till Nov 21, 2018)



## Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

### (b) Directors / Key Management Personnel:

Sr. No.	Particulars
1	Mr. Apurva Shah (Director)
2	Mr. Binoy Gardi (Director)
3	Mr. Ajay Tandon (Nominee Director) (W.e.f. Nov 21, 2018)
4	Mr. Saurabh Mehta (Nominee Director) (W.e.f. Nov 21, 2018)
5	Mr. Vinayak Shenvi (Alternate Director) (W.e.f. Nov 21, 2018)
6	Mr. Vivek Chhachhi (Nominee Director) (W.e.f. Nov 21, 2018)
7	Ms. Aparajita Jethy Ahuja (Nominee Director) (W.e.f. Nov 29, 2018)
8	Mr. Nirmal Bhatia (Company Secretary) (W.e.f. Oct 26, 2018)

### (c) Relatives of key management personnel.

Sr. No.	Particulars
1	Ms. Sujata Gardi
2	Ms. Sonali Shah

### (d) Enterprise in which key management personnel has significant control.

Sr. No.	Particulars
1	Dura Paper Corporation
2	Jiwa Foods Pvt. Ltd.

(e) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Holding Company</b>		
<b>Dividend Paid to Preference Share Holders</b>		
Bondway Investment Inc.	129,675,658	-
<b>Buy-back of preference shares class-B</b>		
Bondway Investment Inc.	71,960,625	-
<b>Issue of Preference shares class-A as fully paid-up Bonus shares</b>		
Bondway Investment Inc.	221,756,400	-
<b>Enterprise having significant influence</b>		
<b>Dividend Paid to Preference Share Holders</b>		



## Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

Arabelle Financial Services Ltd.	129,675,658	-
<b>Buy-back of preference shares class-B</b>		
Arabelle Financial Services Ltd.	71,960,625	-
<b>Issue of Preference shares class-A as fully paid-up Bonus shares</b>		
Arabelle Financial Services Ltd.	130,481,400	-
<b>Key Management Personnel</b>		
<b>Remuneration / fees (Including perquisites) :</b>		
1. Mr. Apurva Shah	8,300,556	3,144,596
2. Mr. Binoy Gardi	17,490,222	10,940,977
3. Miramax Business Corporation	Nil	17,546,489
<b>Salary (Including perquisites):</b>		
1. Mr. Nirmal Bhatia	4,384,206	Nil
<b>Rent Expenses:</b>		
1. Mr. Apurva Shah	600,000	600,000
2. Mr. Binoy Gardi	150,000	300,000
<b>Reimbursement of Expenses:</b>		
1. Mr. Apurva Shah	2,178,802	712,672
2. Mr. Binoy Gardi	19,030	44,466
3. Mr. Nirmal Bhatia	104,196	Nil
<b>Relatives of Key Managerial Personnel</b>		
<b>Salary (Including perquisites):</b>		
2. Mrs. Sujata Gardi	17,910,831	11,930,246
2. Mrs. Sonali Shah	Nil	639,596
Enterprise in which key management personnel has significant control-		
<b>Vehicle Hire Charges</b>		
Dura Paper Corporation	693,000	1,369,500
<b>Sale of Asset</b>		
Jiwa Foods Pvt. Ltd.	Nil	200,000



## Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

(f) The Outstanding balances as at the end of year:

Particulars	(Amount in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Directors/Key Management Personnel</b>		
Remuneration / fees :		
1. Mr. Apurva Shah	8,300,556	277,891
<b>Salary</b>		
1. Mr. Nirmal Bhatia	632,341	Nil
<b>Reimbursement of Expenses</b>		
1. Apurva Shah	513,193	47,731
2. Binoy Gardi	19,030	Nil
<b>Relatives of Key Managerial Personnel</b>		
<b>Salary</b>		
1. Mrs. Sonali shah	Nil	70,119

(g) Related party as identified by the management and relied upon by the auditors.

Note: Indian rupee loans amounting to Rs. 54,912,156 and FCDL amounting to Rs. 48,842,890 from banks & financial institutions is guaranteed by the personal guarantee of Mr. Binoy Gardi and Mr. Apurva Shah. Indian rupee loans amounting to Rs. 54,912,156 from financial institutions have been repaid subsequent to yearend.

31. The following reflect the profit and share data used in the basic and diluted EPS computation.

(Amount in Rupees)

Particulars		Year ended on March 31, 2019	Year ended on March 31, 2018
Profit After Tax for the year		526,194,436	297,757,800
Less: Preference dividend including DDT for the year		16,479,315	32,868,218
Profit attributable to Equity Shareholders	A	509,715,121	264,889,582
Total number of equity shares at the end of the year	B	587,163	547,775
Nominal value of Equity Shares (Rs.)		10	10
<b>Weighted average number of equity shares</b>			
For basic EPS		564,609	547,775
For diluted EPS		658,555	692,739
Basic earnings per share		902.78	483.57
Diluted earnings per share		799.01	429.83
Weighted average number of equity shares for basic EPS		564,609	547,775
Effect of dilution: Issue of Pref. shares class-A as Bonus		93,946	144,964
Weighted average number of equity shares adjusted for the effect of dilution		658,555	692,739





# Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

## 32. Segment Reporting

### Business Segment:

The Group is engaged in the business of Clinical Research for various Pharmaceuticals Companies. Since the Group's business falls within a single business segment of Clinical Research, no further financial information for business segment is given under Accounting Standard 17 "Segment Reporting".

### Geographical Segment:

The Group's secondary segments are the geographic distribution of activities. Revenue and carrying amount of segment Assets are specified by location of customers while the other geographic information is specified by location of the assets. The following tables present Revenue, Expenditure and certain Asset information regarding the Group's geographical segments:

(Amount in Rupees)

### Secondary Segment Reporting

Year ended 31 March 2019	India	US	Greece	China	Others	Total
Revenue from Operations						
Sales to customers	813,743,741	335,955,414	221,402,598	388,814,576	338,316,843	2,098,233,172
Other segment information						
Segment Assets	897,796,971	39,719,497	75,236,625	93,473,566	108,751,362	1214,978,021
Total Assets						
Capital Expenditure:						
Property, Plant and Equipment	99,363,854					99,363,854
Intangible Assets	1,790,544					1,790,544

Year ended 31 March 2018	India	US	Greece	China	Others	Total
Revenue from Operations						
Sales to customers	835,857,107	412,808,166	183,351,786	191,666,862	267,010,866	1,890,694,787
Other segment information						
Segment Assets	959,452,006	59,110,535	62,964,146	56,765,046	39,713,906	1178,005,638
Total Assets						
Capital Expenditure:						
Property, Plant and Equipment	89,573,550					89,573,550
Intangible Assets	4,395,162					4,395,162



## Veeda Clinical Research Private Limited

*Notes to Consolidated Financial Statements for the Year Ended March 31, 2019*

India geographical segment includes certain assets which are common to all the geographical segment (i.e. India, US, Greece & China). Segment Assets does not include deferred and income tax assets.

### 33. Details of CSR expenditure.

(Amount in Rupees)

Particulars	For the year ending March 31, 2019			For the year ending March 31, 2018		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent during the year	-	-	4,778,522	-	-	2,130,533
Amount spent during the year	2,184,000	-	2,184,000	7,131,000	-	7,131,000
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than above	2,184,000	-	2,184,000	7,131,000	-	7,131,000

### 34. Net dividend remitted in foreign exchange.

Year of remittance (ending on)	March 31, 2019	March 31, 2018
Period to which it relates	25 Oct 2008 to 30 Sep 2018	-
Number of non-resident shareholders	2	-
Number of preference shares held on which dividend was due	51,018	-
Amount remitted (in USD)	3,729,002	-
Amount remitted (in INR)	259,351,316	-



## Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

### 35. Prior period income

Export incentive income includes incentive of Rs. 31,538,584/- for which the application was made in the previous year, however income has been recognised in the current year.

### 36. Financial Highlights of Subsidiaries

The Group's subsidiary at 31 March 2019 is as mentioned below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business. Subsidiary of the company does not have any non-controlling interests.

Name of Entity	Place of business/ Country of incorporation	Ownership interest held by the group	Ownership interest held by non-controlling interest	Principal Activities
Veeda Clinical Research GmbH	Germany	100.00%	0.00%	Clinical Research

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in (loss) for the year	
	As % of consolidated net assets	Amount (Rs.)	As % of consolidated Loss	Amount (Rs.)
<b>Parent</b>				
<b>Veeda Clinical Research Pvt. Ltd., India</b>				
31st March 2019	100.00%	895,102,724	100.00%	526,206,557
31st March 2018	99.73%	848,528,275	103.67%	309,109,380
<b>Foreign Subsidiary</b>				
<b>Veeda Clinical Research GmbH, Germany</b>				
31st March 2019	0.00%	-	-0.0023%	(12,121)
31st March 2018	0.27%	2,328,072	-3.67%	(11,351,579)
<b>Total - 31st March 2019</b>	<b>100.00%</b>	<b>895,102,724</b>	<b>100.00%</b>	<b>526,194,436</b>
<b>Total - 31st March 2018</b>	<b>100.00%</b>	<b>850,856,347</b>	<b>100.00%</b>	<b>297,757,801</b>

37. Previous year figures have been re-grouped / re-arranged, wherever considered necessary to make them comparable with those of the current year. Previous year financial statements of the Group were audited by Pradip R Shah & Co., Chartered Accountants, whose audit report dated June 15, 2018 expressed an unmodified opinion.



# Veeda Clinical Research Private Limited

Notes to Consolidated Financial Statements for the Year Ended March 31, 2019

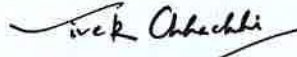
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For SRBC & Co. LLP  
Chartered Accountants  
ICAI FRN: 324982E/E300003

For and on Behalf of the Board of Directors of  
Veeda Clinical Research Private Limited  
(CIN : U73100GJ2004PTC044023)



Per Sukrut Mehta  
Partner  
Membership No. 101974  
UDIN: 19101974AAAABC8327



Vivek Chhacchi  
Director  
DIN: 00496620



Ajay Tandon  
Executive Director  
DIN: 02210072



Nirmal Bhatia  
Company Secretary

Place: Ahmedabad  
Date : July 25, 2019

Place: Delhi  
Date : July 25, 2019

Delhi  
July 25, 2019

Ahmedabad  
July 25, 2019

