

**R.C.BAHETI & CO**  
**CHARTERED ACCOUNTANTS**  
**24, ZONE-II, M.P. NAGAR, BHOPAL-462011**  
**Phone No: 4908690**

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**INDEPENDENT AUDITOR'S REPORT**

To,

The Members of 3B BlackBio Biotech India Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of 3B BlackBio Biotech India Limited ('the company') which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

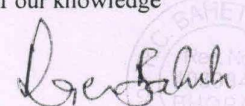
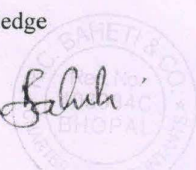
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss and its Cash Flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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 belief were necessary for the purpose of our audit.



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- b. In our opinion proper books of accounts 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 accounts.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For R.C. BAHETI & CO.**  
Chartered Accountants  
Firm's registration No:403034C

  
**Ranjan Baheti**  
PARTNER  
Membership No:400993



Place: Bhopal.  
Date: 23.05.2018



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**“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- 1) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
  - (b) The Fixed Assets have been physically verified by the management at reasonable intervals. In our opinion the frequency of verification is reasonable having regard to the size of the company and nature of the assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
  - (a) The inventory of finished goods, raw and packing materials and store and spare parts has been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedure for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. To the best of our knowledge, no material discrepancies have been noticed on such verification.
  - (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory.
- 3) The company has not granted any loans secured or unsecured to firms or other parties covered in the register maintained under section 189 of the companies Act, 2013.
- 4) The company has not given any loans, investments, guarantees and security. Hence the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- 5) The company has not accepted any fresh deposits during the year. The amount of unsecured loans outstanding as on 31.03.2018 is NIL and amount outstanding as on 31.03.2017 Rs. 82.40 Lakhs has been repaid during the year.
- 6) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is generally regular in depositing undisputed statutory dues including Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, Goods and Services Tax (GST) and any other statutory dues with the appropriate authorities applicable to it.
- 8) The Company has not defaulted in the repayment of dues to banks, financial Institutions and Government.
- 9) According to the information and explanations given to us by the management, Term Loans during the year have been applied by the Company for the purpose for which they were raised.
- 10) In our opinion and according to the information and explanation given to us, that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

*R.C. Baheti*



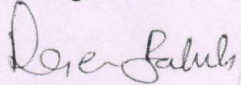


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- 11) In our opinion and according to the information and explanation given to us, the Company has paid /provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
- 12) The Company is not a Nidhi Company.
- 13) In our opinion and according to the explanation given to us all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) During the year the company has made preferential allotment of convertible warrants to promoters; promoter group entities and non promoter numbering to 4, 00,000 warrants @ Rs. 100/- each. Amount paid up till 31-03-2018 was Rs. 1, 07, 50,000/-. The company has complied with the requirements of Section 42 of the Companies Act 2013 for allotment of warrants.
- 15) In our opinion and according to the information and explanation given to us, the company has not generally entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- 16) In our opinion and according to the information and explanation provided to us Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order is not applicable to the Company.

**For R.C. BAHETI & CO.**  
Chartered Accountants  
Firm's registration No: 403034C

  
**Ranjan Baheti**  
PARTNER  
Membership No: 400993



Place: Bhopal  
Date: 23.05.2018



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**“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of 3B BlackBio Biotech India 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 of 3B BlackBio Biotech India Limited (“the Company”) as of March 31, 2018 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 (the Guidance note) 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 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.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal 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 Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

*Rajesh Baheti*





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Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

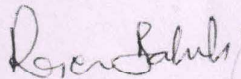
**Opinion**

In our opinion and best of the information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For R.C. BAHETI & CO.**

Chartered Accountants`

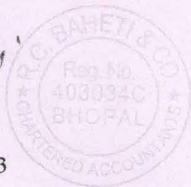
Firm's registration No: 403034C



**Ranjan Baheti**

**PARTNER**

Membership No: 400993



Place: Bhopal

Date: 23.05.2018



**M/S 3 B BLACKBIO BIOTECH INDIA LIMITED**  
**BALANCE SHEET AS AT 31st MARCH 2018**

<u>Particulars</u>	Note No.	As at <u>31-Mar-18</u>	As at <u>31-Mar-17</u>
<b><u>Shareholders' Funds</u></b>			
(a) Share Capital	2	62,75,000.00	62,75,000.00
(b) Reserves and Surplus	3	2,55,36,135.85	17,61,893.77
(c) Preferential Warrants	3A	1,07,50,000.00	-
<b><u>Non-Current Liabilities</u></b>			
(a) Long-term Borrowings	4	-	88,70,156.76
(b) Deferred Tax Liability	4A	22,69,977.26	58,115.891
<b><u>Current Liabilities</u></b>			
(a) Trade Payables	5	17,90,194.42	17,05,340.26
(b) Short Term Borrowings	6	-	41,66,051.38
(c) Short Term Provisions	7	1,08,67,184.84	23,53,166.95
 TOTAL (Rs.)		<b>5,74,88,492.37</b>	<b>2,51,89,725.01</b>
 <b><u>Non-Current Assets</u></b>			
(a) Fixed Assets			
(i) Tangible Assets	8	1,07,04,976.27	19,13,233.62
(ii) Intangible Assets	9	37,74,031.50	50,32,042.00
<b><u>Current Assets</u></b>			
(a) Inventories	10	55,51,340.00	71,87,923.24
(b) Trade Receivables	11	2,32,00,772.74	1,01,94,341.23
(c) Cash and Cash Equivalents	12	95,67,460.58	27,485.710
(d) Short Term Loans & Advances	13	1,23,570.00	5,02,743.81
(d) Other Current Assets	14	45,66,341.28	3,31,955.40
 TOTAL (Rs.)		<b>5,74,88,492.37</b>	<b>2,51,89,725.01</b>
		0.00	(0.00)

Notes 1- 21 form integral part of financial statements  
for and on behalf of Board.

In terms of our report of even date.  
For R.C. Baheti & Co.  
Chartered Accountants  
Firm Registration No. 403034C

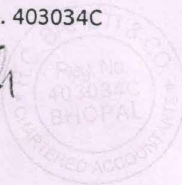
*Ranjan Baheti*

Ranjan Baheti  
Partner  
M.N. 400993

Place:- Bhopal  
Dated :- 23.05.2018

*[Signature]*  
Managing Director

*[Signature]*  
Director





**M/S 3 B BLACKBIO BIOTECH INDIA LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE PERIOD 01.04.2017 TO 31.03.2018**

<u>Particulars</u>	<u>Note No.</u>	<u>For the year ended March 31, 2018</u>	<u>For the year ended March 31, 2017</u>
<b><u>Revenue</u></b>			
Revenue from Operations	15	8,38,18,692.53	3,15,68,475.62
Other Income	16	-	21,000.000
<b>Total Revenue (I)</b>		<b><u>8,38,18,692.53</u></b>	<b><u>3,15,89,475.62</u></b>
<b><u>Expenses</u></b>			
Cost of raw material and components consumed	17	2,33,81,324.45	86,80,269.27
Employee benefits expenses	18	58,07,218.20	30,38,986.00
Finance cost	19	22,16,554.00	23,18,382.00
Other expenses	20	1,13,17,403.17	48,13,092.52
Depreciation and amortization expenses	21	16,25,620.37	14,80,835.03
<b>Total (II)</b>		<b><u>4,43,48,120.19</u></b>	<b><u>2,03,31,564.82</u></b>
<b>Profit before Extraordinary Items and tax (I-II)</b>		<b><u>3,94,70,572.34</u></b>	<b><u>1,12,57,910.80</u></b>
<b>Tax Expenses</b>			
Current tax		80,47,595.79	21,45,194.90
Deferred tax		(2,211,861.37)	(52,439.38)
Previous Year Income Tax		1,50,163.10	40,579.380
Dividend Distribution Tax		8,94,210.00	-
Interim Dividend		21,96,250.00	-
Final Dividend		21,96,250.00	-
<b>Profit after tax for the year</b>		<b><u>2,37,74,242.08</u></b>	<b><u>90,19,697.14</u></b>
EPS		37.89	14.37

Notes 1- 21 form integral part of financial statements  
for and on behalf of Board.

In terms of our report of even date.  
For R.C. Baheti & Co.  
Chartered Accountants  
Firm Registration No. 403034C

  
Ranjan Baheti  
Partner  
M.N. 400993

  
Managing Director

  
Director

Place:- Bhopal  
Dated :- 23.05.2018





**M/S 3 B BLACKBIO BIOTECH INDIA LIMITED**

**2.Share Capital**

	<b><u>As at 31.03.2018</u></b>		<b><u>As at 31.03.2017</u></b>	
<b><u>Authorised Share Capital</u></b>	<b><u>No. of Share</u></b>		<b><u>No. of Share</u></b>	
Equity Share of Rs.10/- each	1200000	<u>1,20,00,000.00</u>	800000	<u>80,00,000.00</u>
<b><u>Issued Subscribed and Paid up</u></b>				
Equity Share of Rs.10/- each fully paid up (Previous year Rs.10/- each)	627500	62,75,000.00	627500	62,75,000.00
Total(Rs.)		<u><u>62,75,000.00</u></u>		<u><u>62,75,000.00</u></u>

**Note:- 2.1**

The holders of the equity share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the company .

**Note :-2.32**

Details of shareholding morethan 5% of the shares

	<b><u>As at 31.03.2018</u></b>		<b><u>As at 31.03.2017</u></b>	
	<b><u>No. of Share</u></b>	<b><u>% of Share holding</u></b>	<b><u>No. of Share</u></b>	<b><u>% of Share holding</u></b>
M/s Kilpest India Limited , Bhopal	598500	95.38%	598500	95.38%
M/s 2B Blackbio ,S.L. Spain	29000	4.62%	29000	4.62%

**3. Reserve & Surplus**

Surplus :-

	<b><u>As at 31.03.2018</u></b>		<b><u>As at 31.03.2017</u></b>	
Opening balance	17,61,893.77		(7,257,803.37)	
Add:-Profit after tax for the year transferred from Statement of Profit & Loss	<u>2,37,74,242.08</u>	2,55,36,135.85	<u>90,19,697.14</u>	17,61,893.77

Total(Rs.)

2,55,36,135.85

17,61,893.77

**3A. Preferential Warrants Account**

Total(Rs.)

**As at 31.03.2018**  
1,07,50,000.00  
1,07,50,000.00

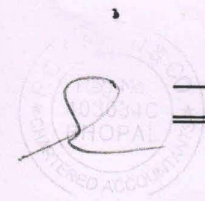
**As at 31.03.2017**  
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**M/S 3 B BLACKBIO BIOTECH INDIA LTD**

	<u>As at 31.03.2018</u>	<u>As at 31.03.2017</u>
<b>4. Long Term Borrowings</b>		
<b>Secured Loan</b>		
State Bank of India term loan (Secured against Machinery)	-	6,30,440.00
<b>Unsecured Loan</b>		
(From Holding Company )		
Kilpest India Ltd.	-	56,56,342.76
From Directors	-	11,08,847.00
From Promoters & Relatives (Against stipulation imposed by financial institution)	-	14,74,527.00
 Total(Rs.)	<u><u>-</u></u>	<u><u>88,70,156.76</u></u>
 <b>4A. Deferred Tax Liability</b>		
	<u>As at 31.03.2018</u>	<u>As at 31.03.2017</u>
Opening	58,115.89	5,676.51
Add : Current year's	22,11,861.37	52,439.38
 Total(Rs.)	<u><u>22,69,977.26</u></u>	<u><u>58,115.89</u></u>
 <b>5. Trade Payable</b>		
	<u>As at 31.03.2018</u>	<u>As at 31.03.2017</u>
Trade Payable	9,79,004.80	11,89,360.29
Other Payables	8,11,189.62	5,15,979.97
 Total(Rs.)	<u><u>17,90,194.42</u></u>	<u><u>17,05,340.26</u></u>
 <b>6. Short Term Borrowings</b>		
<b>Secured</b>		
State Bank of India (T.T. Nagar ) (Hypothecation against stock and book debts )	-	41,66,051.38
 Total(Rs.)	<u><u>-</u></u>	<u><u>41,66,051.38</u></u>
 <b>7. Short Term Provisions</b>		
	<u>As at 31.03.2018</u>	<u>As at 31.03.2017</u>
TDS Payable	1,16,840.00	55,036.00
Professional Tax	26,334.00	21,302.00
Other Payables	3,560.05	3,560.05
Audit fees	29,500.00	23,000.00
Provision for Income Tax	80,47,595.79	21,45,194.90
Provision for VAT	-	5,036.00
CST Payable	-	89,229.00
Entry tax payable	-	10,809.00
Proposed Dividend	21,96,250.00	-
Dividend Distribution Tax Payable	4,47,105.00	-
 Total (Rs.)	<u><u>1,08,67,184.84</u></u>	<u><u>23,53,166.95</u></u>





**M/S 3 B BLACKBIO BIOTECH INDIA LTD**

<b>8. Fixed Assets and 9. Tangible and Intangible Assets</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
		As per Note attached
<b><u>10. Inventories</u></b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
Inventories of Raw Material, Packing Material and finished goods	55,51,340.00	71,87,923.24
Total(Rs.)	<u>55,51,340.00</u>	<u>71,87,923.24</u>
<b><u>11. Trade Receivable</u></b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
Outstanding for a period exceeding six months (Unsecured but Considered good )	2,09,930.82	3,14,876.26
others	2,29,90,841.92	98,79,464.97
Total(Rs.)	<u>2,32,00,772.74</u>	<u>1,01,94,341.23</u>
<b><u>12. Cash &amp; Cash equivalents</u></b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
Cash in hand	1,841.15	16,764.41
Indus Ind Bank	10,822.30	10,721.30
SBI Preferential Warrant A/c	10,000.00	-
SBI STDR A/c	75,85,141.00	-
State Bank of India (T.T. Nagar ) OD A/c	19,59,656.13	-
Total(Rs.)	<u>95,67,460.58</u>	<u>27,485.71</u>
<b><u>13. Short Term Loans &amp; Advances</u></b>		
Deposits others	1,23,570.00	1,86,070.00
Advances to Staff	-	3,16,673.81
	<u>1,23,570.00</u>	<u>5,02,743.81</u>
<b><u>14. Other Current Assets</u></b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
Other Duties & Taxes	43,251.40	43,751.40
Advance tax and TDS	40,16,298.00	2,50,000.00
GST Recievable	4,82,644.88	-
Cenvat (Excise)	12,391.00	21,872.00
Balance in PLA Account	5,576.00	16,332.00
Income Tax Deposit(2010-11)	6,180.00	-
Total(Rs.)	<u>45,66,341.28</u>	<u>3,31,955.40</u>





M/S 3 B BLACKBIO BIOTECH INDIA LIMITED

	<u>For the year</u> <u>ended 31.03.2018</u>	<u>For the year</u> <u>ended 31.03.2017</u>
<b><u>15. Revenue from Operation</u></b>		
<b>Sales of products</b>		
Trading	8,86,015.27	13,78,434.43
Diagnostics Kits	7,37,55,215.00	2,78,93,842.00
Life Sciences	15,34,576.00	16,11,076.00
Sales Tax	3,28,688.26	6,85,123.19
Goods & Services Tax	73,14,198.00	-
<b>Total(Rs.)</b>	<b><u><u>8,38,18,692.53</u></u></b>	<b><u><u>3,15,68,475.62</u></u></b>
	<u>For the year</u> <u>ended 31.03.2018</u>	<u>For the year</u> <u>ended 31.03.2017</u>
<b><u>16. Other Income</u></b>		
Misc Receipts	-	21,000.000
<b>Total(Rs.)</b>	<b><u><u>0.000</u></u></b>	<b><u><u>21,000.000</u></u></b>
	<u>For the year</u> <u>ended 31.03.2018</u>	<u>For the year</u> <u>ended 31.03.2017</u>
<b><u>17. Raw Material Consumed</u></b>		
Opening Stock of Raw Material	71,87,923.24	51,35,915.00
Add:- Purchased during the year	2,17,44,741.21	1,07,32,277.51
Less:- Closing Stock of Raw Material	55,51,340.00	71,87,923.24
<b>Total(Rs.)</b>	<b><u><u>2,33,81,324.45</u></u></b>	<b><u><u>86,80,269.27</u></u></b>
	<u>For the year</u> <u>ended 31.03.2018</u>	<u>For the year</u> <u>ended 31.03.2017</u>
<b><u>18. Employee benefits expenses</u></b>		
Salary	53,86,277.20	29,85,400.00
Exgratia payment	1,62,500.00	20,000.000
Staff and labour welfare	2,58,441.00	33,586.000
<b>Total(Rs.)</b>	<b><u><u>58,07,218.20</u></u></b>	<b><u><u>30,38,986.00</u></u></b>
	<u>For the year</u> <u>ended 31.03.2018</u>	<u>For the year</u> <u>ended 31.03.2017</u>
<b><u>19. Finance cost</u></b>		
Interest Paid (Bank)	86,365.00	3,72,268.00
Interest Paid (others)	21,30,189.00 *	19,46,114.00
<b>Total(Rs.)</b>	<b><u><u>22,16,554.00</u></u></b>	<b><u><u>23,18,382.00</u></u></b>





**M/S 3 B BLACKBIO BIOTECH INDIA LIMITED****For the year  
ended 31.03.2018****For the year  
ended 31.03.2017****20. Other expenses**

Advertisement & Publicity	39,175.00	14,000.00
Audit Fees	25,000.00	23,000.00
Bank Commission & Charges	2,67,432.91	1,41,057.63
Carriage Outward Expenses	4,22,809.00	2,62,647.00
Commission Directors	6,28,000.00	-
Computer Maintenance	17,110.00	9,950.00
Conveyance	2,35,980.00	-
CST Payment	3,16,441.00	6,29,502.00
GST Payment	39,81,381.00	-
Discount Allowed	92,556.01	7,000.00
Electricity Exp	3,80,000.00	2,85,000.00
Entry Tax Payment	40,018.00	1,04,642.00
Equipment Rental Charges	-	36,000.00
Excise duty	-	13,16,000.00
Festival Expenses	82,878.00	-
Insurance Expenses	22,312.00	12,506.00
Legal & Professional Fees	3,07,318.00	95,251.00
Machinery & General Maintenance	2,19,081.96	1,10,921.00
Office & General Expenses	9,11,148.66	1,56,486.13
Packing & Forwarding	8,14,717.08	2,93,373.05
Postage	21,186.10	19,779.95
Taxes Earlier Years	2,615.00 *	64,794.00
Printing & Stationery Expenses	3,13,244.00	48,520.00
Professional Tax	2,500.00	2,500.00
Rates taxes and fees	2,21,861.05 *	1,42,870.00
Rent Expenses	76,000.00	2,20,000.00
Research and Development Expenses	4,03,243.72	1,19,237.00
Selling, Distribution & Sales Promotion Expenses	3,88,059.00	2,14,144.00
Software Development	-	7,705.00
Stores & Spare Parts Consumed	708.00	48,651.00
Subscription	57,345.02	-
Telephone Expenses	53,816.00	33,954.00
Travelling & Conveyance Expenses	9,73,466.66	3,93,601.76
Total (Rs.)	<b><u>1,13,17,403.17</u></b>	<b><u>48,13,092.52</u></b>

**For the year  
ended 31.03.2018****For the year  
ended 31.03.2017****21. Depreciation and amortization expenses**

Depreciation on tangible assets	16,25,620.37	14,80,835.03
Total (Rs.)	<b><u>16,25,620.37</u></b>	<b><u>14,80,835.03</u></b>





**3 B BLACKBIO BIOTECH INDIA LIMITED**  
**FIXED ASSETS AND DEPRECIATION AS ON 31.03.2018**

S.no	Particular	Gross Block			Depreciation			Net Block			
		Balance as on 01.04.2017	Addition during the year	Deductions/ Adjustment	Balance as on 31.03.2018	As on 01.04.2017	For the Year	Deductions/ Adjustment	Total	As on 31.03.2018	As on 31.03.2017
1	Electrical Equipme	58831.00	-	-	58831.00	19263.68	5588.95	-	24852.63	33978.38	39567.32
2	Equipments	437811.00	27826.09	-	465637.09	332736.36	88206.70	-	420943.06	44694.03	105074.64
3	Furniture	194398.00	51610.00	-	246008.00	70204.03	19901.25	-	90105.28	155902.72	124193.97
4	Computer	180150.00	289048.35	-	469198.35	173992.5	27994.00	-	201986.50	267211.85	6157.50
5	Lab Equipments	1,781,575.00	-	-	1781575.00	143334.81	173199.25	-	316534.06	1465040.94	1638240.19
6	R&D Equipments	-	8790868.08	-	8790868.08	-	52719.73	-	52719.73	8738148.35	-
	<b>TOTAL</b>	<b>2652765.00</b>	<b>9159352.52</b>	<b>-</b>	<b>11812117.52</b>	<b>739531.38</b>	<b>367609.87</b>	<b>-</b>	<b>1107141.25</b>	<b>10704976.27</b>	<b>1913233.62</b>

Figures of Previous Years      1499002      1153763      0      2652765      516706.85      222824.5285      739531.3785      1913233.622      982295.15

S.no	Particular	Gross Block			Depreciation			Net Block		
		Balance as on 01.04.2017	Addition during the year	Deductions/ Adjustment	Balance as on 31.03.2018	As on 01.04.2017	For the Year	Total	As on 31.03.2018	As on 31.03.2017
1	Technology Fees	7,548,063.00	-	-	7,548,063.00	2,516,021.00	1,258,010.50	3,774,031.50	3,774,031.50	5,032,042.00
	<b>TOTAL</b>	<b>7,548,063.00</b>	<b>-</b>	<b>-</b>	<b>7,548,063.00</b>	<b>2,516,021.00</b>	<b>1,258,010.50</b>	<b>3,774,031.50</b>	<b>3,774,031.50</b>	<b>5,032,042.00</b>

Figures of Previous Years      7548063      -      -      7548063      1258010.5      1258010.5      2516021      5032042      6290052.5



### **3 B BLACKBIO BIOTECH INDIA LIMITED**

#### **Notes to the Financial Statements for the year ended 31st March 2018.**

#### **1. Significant Accounting Policies**

##### **1.1 Basis of Preparation**

The financial statements are prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) as prescribed under section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in preparation of the financial statements are consistent with those of the previous year.

##### **1.2 Use of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumption that affect the reported amounts of assets & liabilities, expenses and disclosure of contingent liabilities. Such estimates and assumption are based on the management's evaluation of relevant facts and circumstances as on the date of financial statements.

1.3 "Goods and Services Tax" (GST) has been introduced w.e.f. 1st July 2017. Consequently excise duty, Value Added Tax (VAT), Central Sales Tax (CST), Entry Tax, Service Tax etc. have been replaced with GST.

##### **1.4 Revenue Recognition**

Revenue is recognised on completion of Sales of goods or rendering services. Sale is inclusive of VAT, CST, GST and packing and forwarding charges collected from customers.

##### **1.5 Fixed Asset**

###### **Tangible Assets**

Tangible Assets are recorded at cost. The cost of Tangible Asset comprises purchase price and cost directly attributable to bring the asset to its working condition for its intended use.

###### **Intangible Assets**

Intangible Assets are capitalized at cost of acquisition or development and expenditure incidental and related to such acquisition/development.

##### **1.6 Depreciation**

Depreciation on tangible and intangible assets is provided on Straight line Method over the useful life of assets as prescribed in Schedule II of the Companies' Act 2013.

##### **1.7 Valuation of Inventories**

Inventories are valued at cost.

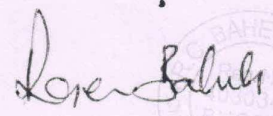

##### **1.8 Foreign Exchange Transactions**

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of transaction.

##### **1.9 Contingent liability: NIL**

##### **1.10 Retirement Benefits**

As per information provided to us no employees completed the specified period of his service hence no provision is made for gratuity.



### 1.11 Remuneration to Auditors

For Statutory Audit fees

Rs. 0.25 Lacs

### 1.12 Tax Expenses

Tax Expenses 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 respective tax jurisdiction 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.

1.13 As per Section 140 of Central Goods and Services Tax Act 2017, company was entitled for credit under erstwhile laws amounting to Rs. 1,29,498/- . Purchases have been shown net of above amount.

1.14 During the year company had issued 4,00,000 warrants of Rs. 100/- each convertible into equity shares, to the Promoter Directors / Director of the Company on preferential basis. The details of Allottees of Warrants convertible into Equity Shares are as follows :-

S.no	Name	Category	Amount
a)	Kilpest India Ltd (3,00,000 warrants of Rs. 100/- each , Rs. 25 paid up)	Holding company	75,00,000/-
b)	Shri Nikhil Kuber Dubey (10,000 warrants of Rs. 100/- each , Rs. 25 paid up)	Promoter Director	2,50,000/-
c)	Shri Dharendra Dubey (40,000 warrants of Rs. 100/- each , Rs. 25 paid up)	Promoter Director	10,00,000/-
d)	Shri Prateek Goel (50,000 warrants of Rs. 100/- each , Rs. 40 paid up)	Non Promoter	20,00,000/-

### 1.15 1.12 Impairment of Assets

Impairment of an asset is reviewed and recognised in the event changes and circumstances indicate that the carrying amount of an asset is not recoverable .Difference between the carrying amounts of an asset the recoverable value shall be recognised as impairment loss in the statement of profit and loss in the year of impairment.

### 1.16 Research Expenses.

Revenue Expenditure relating to research are transferred to Profit & Loss account.

### 1.17 Related Party Disclosure

As per AS-18 on "Related Party disclosure" issued by ICAI, the names of the related parties during the year are given below.

#### Key Management Personnel

Holding Company  
M/s Kilpest India Ltd.  
M/s 2B Blackbio S.L. Spain

#### Key Management Personnel and their relatives

Shri Dharendra Kuber Dubey	-	Managing Director
Shri Nikhil Kuber Dubey	-	Whole Time Director
Smt. Anamika Dubey	-	Wife of Shri Dharendra Kuber Dubey
Smt. Mithila Dubey	-	Wife of Shri Ram Kuber Dubey
Master Raghav Dubey	-	Son Of Dharendra Dubey
Kumari Ragini Dubey	-	Daughter of Nikhil Dubey
Master Rishab Dubey	-	Son Of Dharendra Dubey

*Ravi Baheti*





Transaction with related parties

Rs.

Transactions (01/04/2016 to 31/03/2018)	Holding Company (Kilpest India Ltd.)	Associate Concerns (2B Blackbio S.L. Spain)	Key Management & Relatives
1.Purchase of Goods	-	-	-
2.Sale of Goods / Return	-	-	-
3.Rendering of Services	-	-	-
4.Receiving of Services	-	-	-
5.Rent paid (Premises and equipment)	76,000.00	-	-
6.Amount Investment by holding Co in Equity Share	42,75,000.00	-	-
7. Amount Investment by holding Co in Preference Share Warrants	75,00,000.00	-	12,50,000.00
8.Loan given	-	-	-
9.Loan Taken	-	-	-
10.Repayment of Loan	72,85,866.70	-	25,81,161.00
11.Interest received	-	-	-
12.Interest paid	16,29,524.00	-	2,76,761.00
13. Payment / Purchases of goods and services.	29,66,047.00	-	-

1.18 Additional Information

	2017-18	2016-17
a) Consumption of Raw Material	Rs. 2,33,81,324.45	Rs. 86,80,269.27
b) Value of Stores and Spares Parts.	NIL	NIL
c) C.I.F. Value of Imported goods	Rs. 1,18,03,079	Rs. 25,36,382.00
d) Remittance in foreign exchange	€ 23,331.14	€ 10,800.44
	\$ 1,53,793.19	\$ 25,424.73
e) Earning in foreign exchange	NIL	NIL

*Dipen Babu*





CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
<b>I. Cash Flow From Operating Activities</b>		
Net Profit/(Loss) as per Statement of Profit & Loss	2,92,11,115.18	9,060,276.52
Add:- Provision for Taxation	80,47,595.79	2,145,194.90
<b>Net Profit before Working Capital Changes</b>	<b>3,72,58,710.97</b>	<b>11,205,471.42</b>
Add:- Depreciation and Amortization	16,25,620.37	1,482,809.84
Add: Deferred liability	22,11,861.37	52,439.38
	<b>4,10,96,192.71</b>	<b>1,27,40,720.64</b>
<b>Changes In Working Capital</b>		
Less :- Increase in Inventories	1,636,583.24	2,052,008.24
Less:- Increase in Trade Receivables	(13,006,431.51)	6,279,979.50
Less:- Increase in Other Current assets	(4,234,385.88)	-
Add: Decrease in Other current assets	-	273,204.00
Add:- Increase in Trade Payables	84,854.16	1,463,338.96
Less:- Decrease in Other Current Liabilities	(4,166,051.38)	5,959.45
Add:- Increase in Short term Liabilities	85,14,017.89	1,741,204.28
<b>Net Profit /(Loss) after Working Capital Adjustment</b>	<b>2,99,24,779.23</b>	<b>4,417,378.86</b>
Less:- Provision For Income Tax	80,47,595.79	-
Less:- Previous Year Income Tax	1,50,163.10	40,579.38
<b>Net Cash Flow from Operating Activities</b>	<b>2,17,27,020.34</b>	<b>4,376,799.48</b>
<b>II. Cash Flow From Investing Activities</b>		
Security and other Deposits made during the year	3,79,173.81	(237,901.18)
Fixed Assets Purchased	(9,159,352.52)	(1,153,763.00)
<b>Net Cash Flow From Investing Activities</b>	<b>(8,780,178.71)</b>	<b>(1,391,664.18)</b>
<b>III. Cash Flow From Financing Activities</b>		
Proceed From Issue of Long term borrowings	(8,870,156.76)	(7,327,271.00)
Interim Dividend ( Gross Dividend)	(2,643,355.00)	-
Final Dividend ( Gross Dividend)	(2,643,355.00)	-
Proceed From Issue of Preferential Share Warrants	1,07,50,000.00	-
Proceeds From Issue of Share Capital	-	4,275,000.00
<b>Net Cash Flow From Financing Activities</b>	<b>(3,406,866.76)</b>	<b>(3,052,271.00)</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>95,39,974.87</b>	<b>(67,135.70)</b>
<b>Cash &amp; Cash Equivalents at beginning of the year</b>	<b>27,485.71</b>	<b>94,621.41</b>
<b>Cash &amp; Cash Equivalents at end of the year</b>	<b>95,67,460.58</b>	<b>27,485.71</b>
	-	0.00

Cash Flow Statement has been prepared under the indirect method as set out in AS-3.

In terms of our report attached.

For R.C.Baheti & Co.

Chartered Accountants

Reg No. -403034C

*Ranjan Baheti*

CA. Ranjan Baheti  
Partner  
M.No. 400993

Place: Bhopal  
Dated: 23.05.18

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

*[Signature]*  
Managing Director

*[Signature]*  
Director





M/S 3 B BLACKBIO BIOTECH INDIA LIMITED

Trade Payables

<u>Particulars</u>	<u>Amount</u>
2B Black Bio, S.L.	27,886.45
Aristogene Biosciences	27,972.00
Biotoools B&M Labs	315,489.63
Channel Ten	14,218.00
Eppendorf India Limited	13,745.00
Eurofins Genomics India Pvt.Ltd,Bangalore	19,432.88
Horizon Discovery Ltd.	128,132.00
Jain Marketing	3,068.00
K M Traders	1,062.00
Niketa Gas Company	27,542.00
Peekay Scientific Glasswares	9,282.12
Perpetual Systems	44,958.00
S K Traders	140,363.99
Shree Satyam	52,230.00
Sigma Aldrich Chemicals Pvt.Ltd.,Bangalore	125,174.73
Sukh Bio India	28,448.00
<b>Total</b>	<b>979,004.80</b>

Sundry Creditors for Expenses

<u>Particulars</u>	<u>Amount</u>
Rahul Jain CA.	5,000.00
DHL Express Ltd	4,542.43
NetCom, Bhopal	1,180.00
Shree Maruti Courier Service Pvt. Ltd.	9,024.00
Dhirendra Dubey	322,600.00
N K Dubey	322,600.00
Staff & Directors	146,243.19
<b>Total</b>	<b>811,189.62</b>

Other Payables

Advance from Customers

<u>Particulars</u>	<u>Amount</u>
<b>Total</b>	<b>-</b>





**M/S 3 B BLACKBIO BIOTECH INDIA LIMITED**

**Sundry Debtors**

Particulars	Amount	
	Less then 6 months	More then 6 months
ACMAS Technologies Pvt Ltd	10,030.00	-
Aniprochem	32,377.18	-
Arts & Science College, Pulgaon	-	10,303.00
Atul Publicity	745.00	-
Bio Link	12,600.10	-
BIOMART, Delhi	68,500.00	-
Biosearch Technologies, USA	97,030.00	-
Blue Dart Express Ltd.	1,262.00	-
Business Buddies	21,948.00	-
Cancer Institute	-	7,376.00
Central India Institute of Medical sciences	1,470.00	-
CHEMI-HEALTH DIAGNOSTICS	-	774.20
Cytech Biotech	-	27,756.50
Dayal Trading Co.	7,658.00	-
Deep Enterprises	58,676.00	-
Deshpande Laboratory, Bhopal	-	20,000.00
K R Intruments & Chemicals	70,169.00	-
Lab Vision Diagnostics	-	38,374.62
Labline	51,398.00	-
Lorus Bioscience, Hyderabad	75,489.00	-
Mediserve Srinagar	-	35,609.00
Miscellaneous Debtors	-	39,196.00
Omega Scientific Instruments Pvt. Ltd. Banglore	48,500.00	-
Polyfusion Biotechnology, Banglore	27,305.00	-
Premas Biotech Pvt. Ltd.	-	6,832.00
Pristine Bio Chemicals, Bhuwadeshwar	24,380.46	-
Regene Biologics	273,582.27	-
Reliance Life Sciences Pvt Ltd	96,768.00	-
Sahyadri Speciality Labs	83,440.00	-
Scientific Research & Instrument	-	3,859.50
Sukrati	1,841.00	-
U. Bee Scientific, Lucknow	-	19,850.00
Vivid Global Technologies	2,18,21,021.92	-
<b>Total</b>	<b>2,28,86,190.93</b>	<b>2,09,930.82</b>

**Advance to Suppliers**

Particulars	Amount
Sangon Biotech (Shanghai) Co. Ltd	1,04,650.99
<b>Total</b>	<b>1,04,650.99</b>

Total Trade Receivables	<b>2,32,00,772.74</b>
Trade receivables more than six months	2,09,930.82
others	2,29,90,841.92

**Duties and Taxes (Dr)**

Particulars	Amount
Discount	-
Rates taxes and fees	43,251.40
	<b>43,251.40</b>

