



RMA & ASSOCIATES LLP

Chartered Accountants
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Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

Board of Directors

Advik Laboratories Limited

We have audited the quarterly financial results of **Advik Laboratories Limited** for the quarter ended 31st March, 2018 and the year to date results for the period 1st April, 2017 to 31st March, 2018, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IND-AS) for Interim Financial Reporting prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Attention is drawn to the fact that the figures for the quarter ended 31st March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI Circular NO. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed.
- (ii) give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other Accounting principles generally accepted in India, of the financial performance including total Comprehensive income and other financial information of the Company for the Quarter and year ended 31st March, 2018.

Except for the following:

- a) Due to default in payments of bank loans, the company's accounts have been classified as Non-Performing Assets (NPA) by the bank. Indian Overseas Bank has not charged interest on Cash credit & Term Loan Limits. During the period under review no provision has been made for such interest in the books of account of the company and to that extent bank's loan liability and total loss is understated by Rs. 398.16 lacs plus penal charges that the bank may charge.

- b) Trade Receivables & Trade Payables are subject to confirmation, reconciliation, adjustments & provisions, if any which may arise out of confirmation and reconciliation.
- c) The company had not determined the fair value of investments in unquoted equity shares of other companies as per IND AS.

For RMA & Associates, LLP

Chartered Accountants

Firm Registration No. 000978N/N500062

(Signature)
(Amit Jain)

Partner

Membership no. 503109



Place: New Delhi

Date: 30.05.2018


ADVIK LABORATORIES LIMITED

Regd. Off. : 138, Roz Ka Meo Industrial Area, Sohna, Distt. Mewat Haryana - 122103

CIN : L74899HR1994PLC038300

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2018

Sr No	Particulars	(Rs in Lacs except EPS)				
		For the Quarter ended			Year Ended	
		31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)
1	Income from Operation					
	(a) Net Sales/Revenue from Operations	3.04	126.77	33.42	399.82	226.86
	(b) Other Operating Income	-	-	19.49	9.57	57.46
	(c) Other Income	0.45	0.16	0.32	5.89	2.75
	Total Income	3.49	126.93	53.23	415.28	287.07
2	Expenses					
	a) Cost of Materials consumed	4.35	99.50	304.61	301.69	461.70
	b) Purchase of Stock-in-trade	-	-	-	-	-
	c) Changes in Inventory of Finished goods, Work-in-progress and Stock-in-trade	(0.17)	10.22	(25.14)	51.07	362.06
	d) Employee Benefits Expenses	12.95	17.77	22.71	65.14	79.48
	e) Finance Costs	0.11	0.02	-	0.17	0.09
	f) Depreciation and Amortisation expense	14.70	14.70	14.75	58.81	59.03
	g) Other expenses	7.85	8.00	19.87	44.08	69.12
	Total Expenses	39.79	150.21	336.80	520.96	1,031.48
3	Profit/(Loss) before Exceptional items and tax (1-2)	(36.30)	(23.28)	(283.57)	(105.68)	(744.41)
4	Exceptional Items	-	-	-	-	-
5	Profit/(Loss) before tax (3 + 4)	(36.30)	(23.28)	(283.57)	(105.68)	(744.41)
6	Tax Expense					
	- Current tax	-	-	-	-	-
	- Deferred tax	(15.65)	(1.16)	-	(19.13)	(5.65)
	Total Tax Expenses	(15.65)	(1.16)	-	(19.13)	(5.65)
7	Profit/(Loss) for the period (5-6)	(20.65)	(22.12)	(283.57)	(86.55)	(738.76)
8	Other Comprehensive Income : Remeasurement of net defined benefit liability	0.44	0.39	0.36	1.61	1.42
9	Total Other Comprehensive Income for the period	0.44	0.39	0.36	1.61	1.42
10	Total Comprehensive Income for the period (7+9)	(20.21)	(21.73)	(283.21)	(84.94)	(737.34)
11	Paid-up equity share capital (face value of Rs 10/- per share)	1,911.14	1,911.14	1,911.14	1,911.14	1,911.14
12	Earning per share (EPS) of Rs 10/- each (not annualized)					
	(1) Basic	(0.11)	(0.12)	(1.48)	(0.45)	(3.87)
	(2) Diluted	(0.11)	(0.12)	(1.48)	(0.45)	(3.87)



Notes :

1	The above Results for the quarter and year ended March 31, 2018 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 30th May, 2018. The Statutory Auditor have carried out the audit for the year ended 31st March, 2018.		
2	The Company operates in a single segment viz pharmaceuticals formulations and the results pertain to a single segment in accordance with IND AS 108-Operating Segment.		
3	Previous year/period figures have been regrouped/rearranged, wherever necessary to make them comparable with the current period figure.		
4	The Company has adopted Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs. This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevent rules issued thereunder and other recognised accounting practices and policies to the extent applicable. The company has for the first time adopted Ind AS w.e.f. April 01, 2017 with a transition date of April 1, 2016. Though maximum information have been extracted from the books of accounts maintained by the Company, yet the implementation of Ind AS is still under progress.		
5	The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016. IND AS and Schedule III (Division II) to the Companies Act, 2013 applicable to the companies that are required to comply with IND AS.		
6	The Reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with IND AS is given below: (Rs. in Lacs)		
	Description	Quarter ended 31.03.2017	Year ended 31.03.2017
	Net Profit as per previous GAAP (Indian GAAP)	(283.21)	(737.34)
	Add/Less: Increase/(Decrease) in Net Profit as reported under Indian	-	-
	Acturial Loss/(Gain) on Defined Benefit Plan Recognised in OCI	(0.36)	(1.42)
	Net Profit as per IND AS	(283.57)	(738.76)
	Other Comprehensive Income, net of income tax	0.36	1.42
	Total Comprehensive Income for the period	(283.21)	(737.34)
7	The Reconciliation of Equity reported in accordance with Indian GAAP & in accordance with Ind AS is given below:-		
	Description	Year ended 31.03.2017	
	Equity as per previous Indian GAAP	1,160.95	
	Adjustment as per Indian AS:		
	On account of unwinding of security deposit balances	-	
	On account of fair valuation of financial assets	-	
	Adjustment of Proposal Dividend	-	
	Equity under Ind AS	1,160.95	
8	The Figuers for the quarter ended March 31, 2018 and March 31, 2017 represents the balancing Figuers between the audited figures for the full financial years and the published figures for the 9 months ended December 31, 2017 and December 31, 2016 respectively.		
9	<p>Auditor's Observation :-</p> <p>a) Due to default in payments of bank loans, the company's accounts have been classified as Non-Performing Assets (NPA) by the bank. Indian Overseas Bank has not charged interest on Cash credit & Term Loan Limits. During the period under review no provision has been made for such interest in the books of account of the company and to that extent bank's loan liability and total loss is understated by Rs. 398.16 lacs plus penal charges that the bank may charge.</p> <p>b) Trade Receivables & Trade Payables are subject to confirmation, reconciliation, adjustments & provisions, if any which may arise out of confirmation and reconciliation.</p> <p>c) The company had not determined the fair value of Investments in unquoted equity shares of other companies as per IND AS.</p>		
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10	<p>Our explanation to Auditor's Observation:-</p> <p>1. The Company's accounts had become Non Performing Assets (NPA) with Indian Overseas Bank and due to this reason, IOB has stopped charging interest from the company on its outstanding debts. Hence, the accounts of the company became NPA. In view of the above, the company has not charged to statement of Profit & Loss account Interest expenses of Rs. 36.30 Lacs and related penal interest & other charges, if any, for the reported period, in respect of delay of repayments of borrowings from the bank. Further liability for interest expnses of Rs. 361.86 lacs till 31/12/2017 has not been accounted for. The company is making necessary efforts to reach One Time Settlement with Indian Overseas Bank. The Company has already sent the One Time Settlement proposal with Indian Overseas Bank and the same is under consideration at the end of Indian Overseas Bank.</p> <p>2. The Company is in the process of obtaining the necessary confirmations from its Sundry Debtors and Creditors & the Company shall provide the same to the Auditors as soon as it will be received by it.</p> <p>3. The company has misplaced/lost the share certificates of the Investment made by it in unquoted equity shares of other companies during the shifting of its records. Hence these share certificates are not physically held by the company. The Company has sent various request letters to the companies in which it has made investments for issue of duplicate share certificates. However, till date the company has not received any reply from these companies. In order to ensure the compliance of IND AS in true letter and spirits, the company is also trying to ascertain the fair market value of its investments.</p>
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Place: New Delhi
Date : 30th May, 2018

For and on behalf of Board of Directors of
Advik Laboratories Ltd.


(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423



LIABILITIES			
Non Current Liabilities			
Non Current Financial Liabilities			
Other Financial Liabilities			
Long Term Provisions			
Current Liabilities			
Current Financial Liabilities			
Other Financial Liabilities			
Other Current Liabilities			
Total Current Liabilities			
Total Liabilities			

Place: New Delhi
Date : 30th May 2018

For and on behalf of Board of Directors of
Advik Laboratories Ltd.

(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423





Statement of Assets & Liabilities as on March 31,2018

(Rs. In lacs)

	Particulars	As at 31.03.18 (Audited)	As at 31.03.17 (Audited)
A.	ASSETS		
1	Non Current Assets		
	Property Plant & Equipment	647.06	705.88
	Capital Work in progress	520.64	551.01
	Other Intangible Assets	-	-
	Non Current Assets	1,167.70	1,256.89
	Non Current Financial Assets		
	Investments	92.30	92.30
	Other Non Current Assets	0.38	0.61
	Total-Non current assets	1,260.38	1,349.80
2	Current Assets		
	Inventories	57.45	113.27
	Current Financial Assets		
	Trade receivables	385.68	414.33
	Cash & cash equivalents	1.56	5.52
	Loans and advances	209.99	209.68
	Other current assets	0.32	0.46
	Total Current Assets	655.00	743.26
	TOTAL ASSETS	1,915.38	2,093.06
B.	EQUITY & LIABILITIES		
1	EQUITY		
	Equity Share Capital	1,911.14	1,911.14
	Other Equity	(835.13)	(750.19)
	Total Equity	1,076.01	1,160.95
2	LIABILITIES		
	Non-Current Liabilities		
	Non-Current Financial Liabilities	-	-
	Other Financial Liabilities	-	-
	Long Term Provisions	14.75	12.78
	Deferred tax liabilities	73.20	92.34
	Total-Non Current Liabilities	87.95	105.12
	Current Liabilities		
	Current Financial Liabilities		
	Borrowings	289.52	289.52
	Trade payables	13.72	36.30
	Other current financial liabilities	448.18	501.17
	Total Current Financial Liabilities	751.42	826.99
	TOTAL EQUITY & LIABILITIES	1,915.38	2,093.06

For and on behalf of Board of Directors of
Advik Laboratories Limited

(Peeyush Kumar Aggarwal)

Chairman

DIN :0090423



Place: New Delhi
Date : 30th May 2018

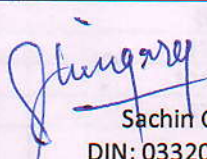
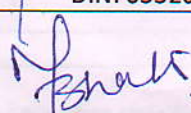
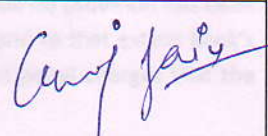


ANNEXURE – I

Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results - (Standalone and Consolidated separately)

**Statement of Impact of Audit Qualifications for the Financial year ended March 31, 2018
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

Amount in Lakhs

I	Sl. No	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	415.28	415.28
	2	Total Expenditure	520.96	659.39
	3	Net Profit / (Loss)(After Tax)	(86.55)	(224.98)
	4	Earnings Per Share	(0.44)	(0.44)
	5	Total Assets	1915.38	1915.38
	6	Total Liabilities	1915.38	1915.38
	7	Net Worth	1076.01	677.85
	8	Any other financial item(s) felt appropriate by the management	-	-
II		Audit Qualification (each audit qualification separately)		
	a	Details of Audit Qualification: <ol style="list-style-type: none"> a) Due to default in payments of bank loans, the company's accounts have been classified as Non-Performing Assets (NPA) by the bank. Indian Overseas Bank has not charged interest on Cash credit & Term Loan Limits. During the period under review no provision has been made for such interest in the books of account of the company and to that extent bank's loan liability and total loss is understated by Rs. 398.16 lacs plus penal charges that the bank may charge. b) Trade Receivables & Trade Payables are subject to confirmation, reconciliation, adjustments & provisions, if any which may arise out of confirmation and reconciliation. c) The company had not determined the fair value of Investments in unquoted equity shares of other companies as per IND AS. 		
	b	Type of Audit Qualification : Qualified / Disclaimer of Opinion / Adverse Opinion: Qualified		
	c	Frequency of Qualification(s) : Whether appeared for first time / repetitive / since how long continuing Repetitive		
	d	For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views: <ol style="list-style-type: none"> 1. The Company's accounts had become Non Performing Assets (NPA) with Indian Overseas Bank and due to this reason, IOB has stopped charging interest from the company on its outstanding debts. Hence, the accounts of the company became NPA. In view of the above, the company has not charged to statement of Profit & Loss account Interest expenses of Rs. 36.30 Lacs and related penal interest & other charges, if any, for the reported period, in respect of delay of repayments of borrowings from the bank. Further liability for interest expenses of Rs. 361.86 lacs till 31/12/2017 has not been accounted for. The company is making necessary efforts to reach One Time Settlement with Indian Overseas Bank. The Company has already sent the One Time Settlement proposal with Indian Overseas Bank and the same is under consideration at the end of Indian Overseas Bank. 2. The Company is in the process of obtaining the necessary confirmations from its Sundry Debtors and Creditors & the Company shall provide the same to the Auditors as soon as it will be received by it. 		

		3. The company has misplaced/lost the share certificates of the Investment made by it in unquoted equity shares of other companies during the shifting of its records. Hence these share certificates are not physically held by the company. The Company has sent various request letters to the companies in which it has made investments for issue of duplicate share certificates. However, till date the company has not received any reply from these companies. In order to ensure the compliance of IND AS in true letter and spirits, the company is also trying to ascertain the fair market value of its investments.
e	For Audit Qualification(s) where the impact is not quantified by the auditor:	N.A.
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If Management is unable to estimate the impact, reasons for the same:	
	(iii) Auditor's comments on (i) or (ii) above	
III Signatories		
	Managing Director	 Sachin Garg DIN: 03320351
	Chief Financial Officer	 Manoj Kumar Bhatia PAN: AAZPB5897R
	Audit Committee Chairman	 Manoj Kumar Jain DIN : 02573858
	Statutory Auditor	For M/s. RMA & Associates, LLP Chartered Accountants Firm Regn. No. 000978N/N500062   (Amit Jain) Partner M.No. 503109
Place:	New Delhi	
Date:	30 th May, 2018	

outstanding debts. There are no provisions of the company's books. In view of the above, the company has not changed its treatment of Profit & Loss account interest expenses of Rs. 10,70,000 and related general interest & other charges, if any, for the reported period in respect of above investments of Rs. 10,70,000. Further, the company is making necessary efforts to make the same investments with Indian companies. The Company has a copy with the Chartered Accountants firm. The Statutory Auditor and the Board are under consideration at the end of Indian Chartered Accountants.

The Statutory Auditor is in the process of detaching the necessary certifications from its Statutory Certificate and the Company shall provide the same to the Auditors as soon as it is received.