VENUS
Enjoy Innovations

BUILDING AN INNOVATION ECOSYSTEM

VENUS REMEDIES LIMITED
ANNUAL REPORT 2017-18



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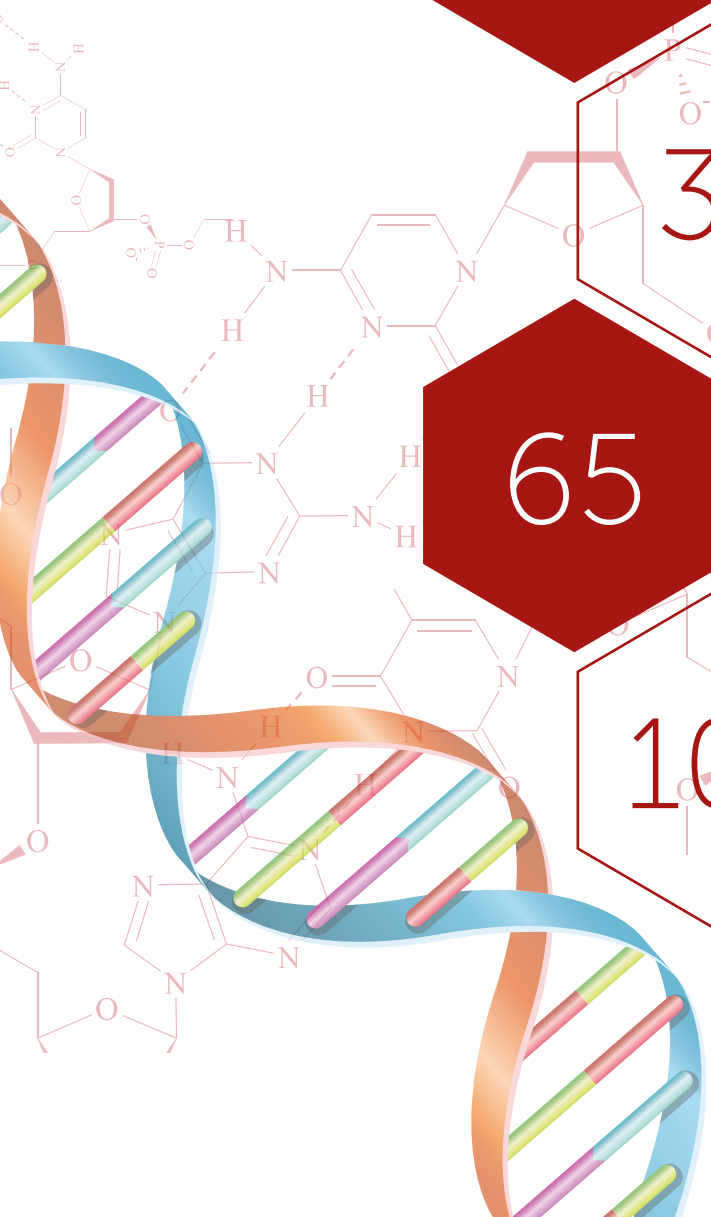
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At the global stage, India is known for many wonderful things:

- It is recognised as the fastest-growing economy in the world
- It is well-known for its culture, exquisite cuisine and sense of community and family
- It is known for its prowess in IT and ITeS capabilities
- It is acknowledged for its low-cost, skilled workforce

But there is one thing it is less known for. That is the discovery and development of new medicines.

In the global pharmaceutical space too, India has made its mark in many different ways:

- It is a world leader in bringing generic drugs to the market in a cost-effective way and is recognised as "Pharmacy of the world".
- It has the largest number of FDA approved facilities outside of the US.
- It secured more than 300 ANDA approvals from the FDA to launch generics in the US in 2017 which is about 40% of all global filings.

But only one new molecule with 'Discovered and Developed in India' tag successfully transcended the mind-to-market journey in the global arena. And this happened in 2013.



Ever wondered why India leads in churning out pills but has scarcely invested in solutions for new-age ills?

Because research is expensive and risky, Indian pharmaceutical companies did not have the intent, inspiration and investment appetite to delve into the unknown.

Because new molecule development is a long process (about 12 -15 years), R&D for novel drug development was not given the necessary support from the government as well as the investment community – the wait was too long.

Because most Indian pharmaceutical companies remained focused on the race to create generic versions of patented products as this is an easier and relatively low-risk business option.



But then, there are pharmaceutical companies and there are the outliers.

There are those who think differently, those who believe.... that for a meaningful existence they need to graduate from the ordinary to the extraordinary

These are the companies who tread the road less travelled, who get the adrenalin rush not just in doing things differently but in doing different things.

Those who consider risks as a way of life consider every setback to be an impetus for a more aggressive comeback.

Venus Remedies rank among a handful of outliers who are painfully yet patiently endeavouring to create an innovation ecosystem in India.

A pharmaceutical company that is making steady progress in establishing India as an important global R&D destination.

With strong commitment, Venus has metamorphosed to feature among the leaders providing innovative solutions to unmet medical needs in the field of antimicrobial resistance (AMR), oncology, skin & wound care and pain management.

The Company has the right blend of spectrum, vision, talent and capabilities that we believe will enable us to actualise our goal.

Its GLP accredited Venus Medicine Research Centre (VMRC) is committed to bring to the world novel breakthroughs that cater to critical care and super specialty segments.

Venus is among India's Top-20 pharmaceutical R&D spenders.

VMRC is the 8th Research Centre among the top 25 Testing Labs of India to have received GLP approval.



Break-through technologies

Stealth Targeted Nanoparticles

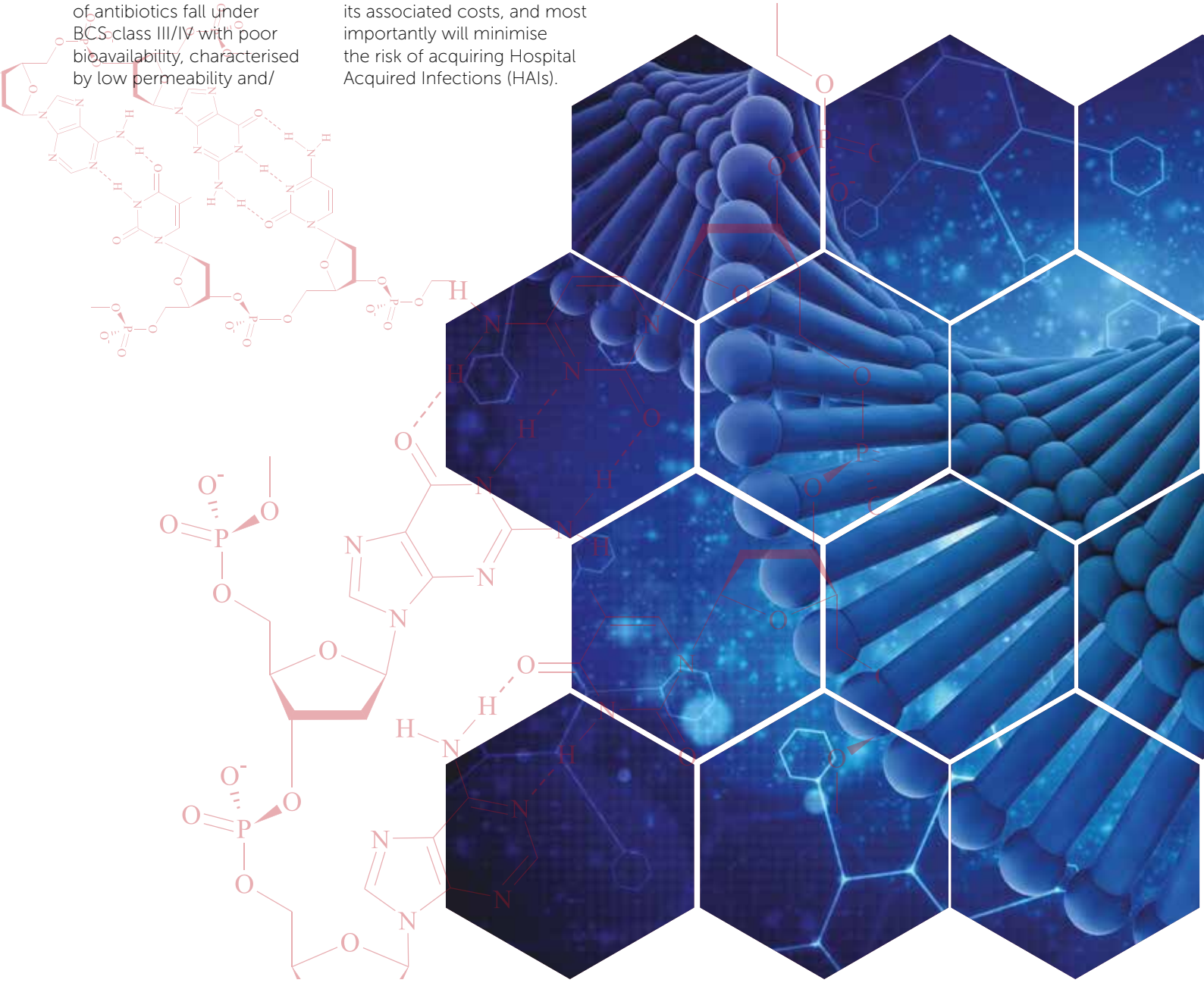
Every one from us, encounter the experiences of painful injectable therapy during hospital stay. Further Inflammations and infections caused due to this therapy is also a major concern which also results in increased hospital stay. But this could become a thing of the past.

Currently, a large number of antibiotics fall under BCS class III/IV with poor bioavailability, characterised by low permeability and/ or solubility when given orally and thus are mainly administered intravenously.

These include widely used drugs like Ceftazidime, Ceftriaxone, Meropenem, Vancomycin etc. which if made orally available can add tremendous value to the patient. For it would reduce the length of hospital stay and its associated costs, and most importantly will minimise the risk of acquiring Hospital Acquired Infections (HAIs).

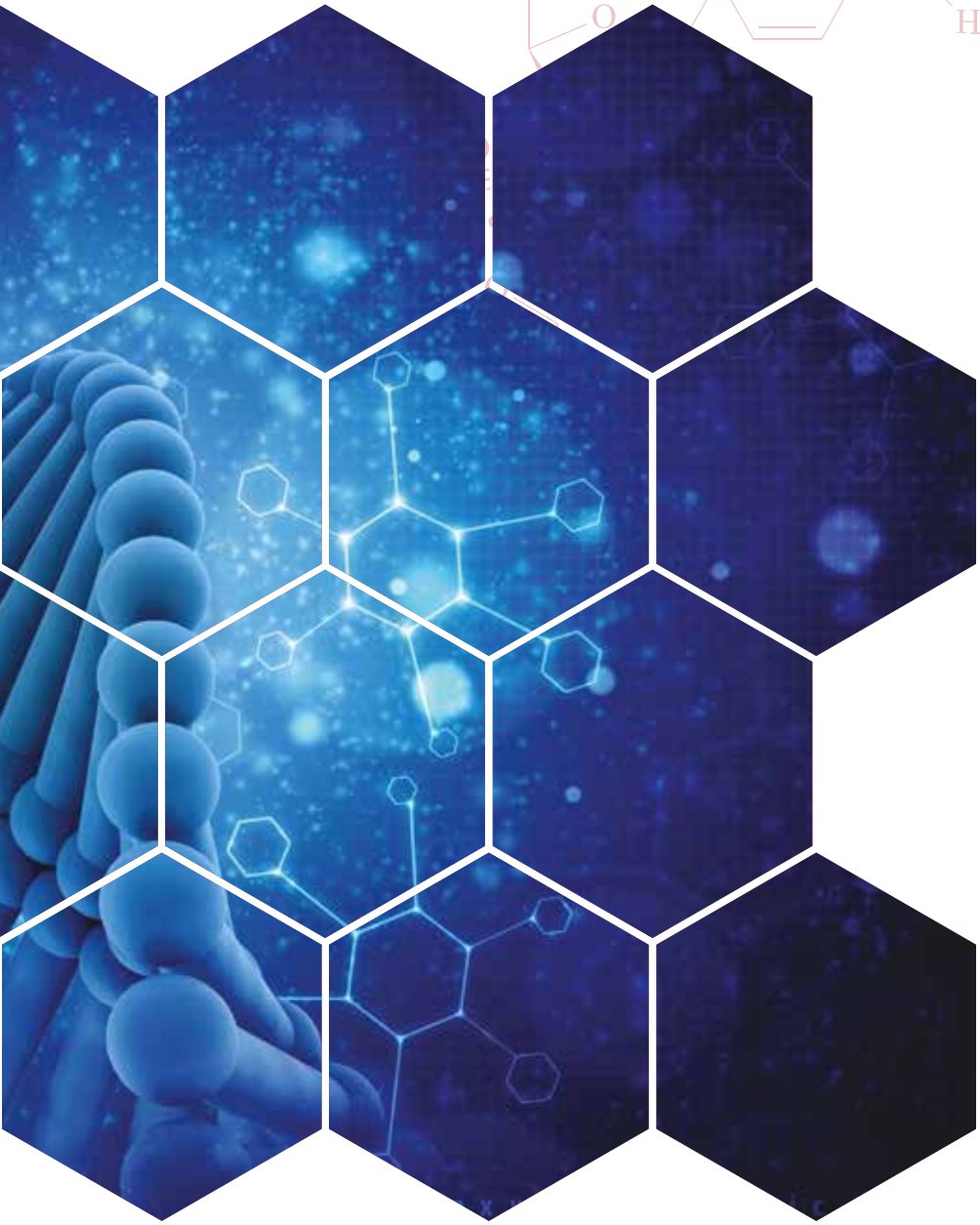
Venus has, after 5 years of intensive R&D efforts, developed a unique platform technology (stealth, targeted nanoparticles -STN) for oral delivery of BCS classes III and IV drugs. It has a pipeline of 4 drugs which are at various stages of development. This would be a first instance for the Indian pharmaceutical space.

Once complete, this innovation can have a far reaching impact. Because, other drug development companies with lead IV drug candidates can leverage stealth, targeted nanoparticles (STN) to develop oral formulations faster in a cost effective manner, thereby improve the viability of antibiotic drug development.



NANOPARTICLE CHALLENGE

A challenge regarding the design of nanocarriers for drug delivery is to prevent their recognition by the immune system. To improve the blood residence time and prevent their capture by organs, nanoparticles need to be designed with stealth properties using polymeric coating. This would enhance their circulation time inside the blood stream making them more effective.



Break-through technologies

Novel Herbal Drug Delivery System

Herbal medicines! They worked centuries ago, works fine even now. But, over decades, herbals were side-lined. For we lacked the knowledge and hence the enthusiasm to evolve herbal medication. Rather, we focused passionately on replacing nature's gifts with manmade creation.

For a long time, herbal medicines were not considered for development as novel formulations owing to lack of scientific justification and processing difficulties.

However, in recent times, some companies have realised the intrinsic strength of herbal medicine. And are focused on mainstreaming this invaluable medicinal bounty by developing novel drug delivery systems. The rationale opens new vistas for delivery of herbal drugs at the right place, at right concentration, and for the right period of time. It also provides a scientific angle to verify the standardisation of herbal drugs.

Venus ranks among the few companies which design novel drug delivery systems for herbal constituents (by incorporating these in modern dosage forms). In doing so, it has enhanced the efficacy of herbal drugs and hence their acceptance.

AMPUCARE/SEPTILOC

Ampcuare/Septiloc is a Novel Topical Herbal Wound Healing Product for Chronic Non Healing Wounds. Winner of Best innovation award – 2010 under India Innovation Growth Program organized by Department of Science & Technology (DST), India, Lockheed Martin, USA, FICCI, India. Recently we had launched new SKU of Septiloc in ointment form for targeting minor cut and infections.

TROIS

TROIS is a powerful nanotech emulsion with unique blend of essential oils of natural origin for multi-action topical application, with potent analgesic & anti- inflammatory effects. Being a nanotech emulsion TROIS is absorbed quickly into the skin to give better, quicker and long lasting relief from pain. TROIS emulsion is non-greasy, non-Irritant, well tolerated and absorbed within seconds. TROIS is available as 50ml specially designed, easy to handle glass bottle with Soft Roll-On. "Soft Roll-On" on the TROIS glass bottle permits the emulsion to spread easily and quickly on the applied area. Hands remain neat and clean. Recently, the Company we had launched new SKU of Trois in Nanogel Form for targeting more localized pain conditions.

ACNANO

Acnano is a herbal nano technology based emulsion having particle pore size less than the skin pore size which makes it easier to penetrate the skin. It is a potent, effective anti-bacterial and antifungal agent and has been proved to be well effective against Propionibacteriumacnes, Staphylococcus epidermidis and S.aureus.

EZENUS - THE ANTI-STRESS CANDY

Ezenus which in Latin means "THE NEED" is a natural ingredients based zero calorie, non addictive medicated candy indicated for stress [Oxidative] that purifies blood, detoxifies liver, provides antioxidant to the body and enhances immunity. EZENUS is a polyherbal food supplement which is a combination of four potent herbs Kalmegha (Andrographis paniculata), Punarnava (Boerhaavia diffusa), Tinospora cordifolia (Giloy) and Grape Seed (Vitus vinifera). It is an exogenous source of synergistic combination of potent antioxidants like polyphenols, flavanoids and thiols coupled with antioxidant nutrients like vitamin C and zinc which prevent chronic stress by scavenging the excess free radicals produced by stress inducers and maintain a healthy level of stress hormone in the body.





Break-through technologies

Antibiotic Resistance Breakers (ARBs)

Antibiotics are no longer as effective as they were earlier.

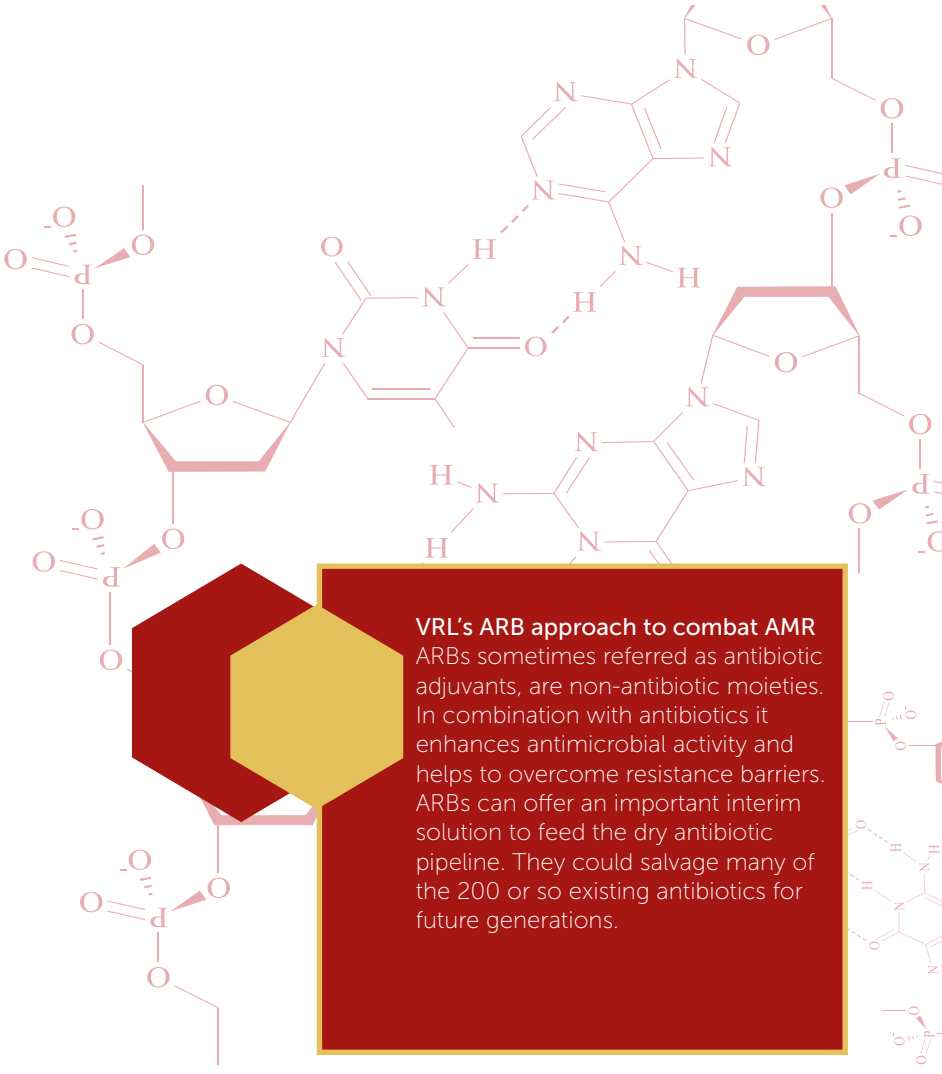
In our globalised world, nearly 70 percent of the bacteria have now developed a resistance to antibiotics. We have overexploited them by irresponsibly consuming it ourselves, by feeding it to animals, spraying them on crops and dumping them in rivers. As a result, an invisible army of super-resistant bacteria has evolved, one that is increasingly claiming lives.

Antibiotics resistance is one of the biggest challenges humans have ever faced. If it is left unchecked, it could return modern medicine to the dark ages. The UN and WHO are calling it a global catastrophe, one that is as big a threat as global warming and terrorism.

Moreover, the pharmaceutical industry has exited the antibiotics space for more lucrative therapeutic segments (life-style ailments).

Consider this: Between 1935 and 1968, 14 different classes of antibiotics were developed. In the last 50 years since then, only five have been developed, while no new classes have been developed since 1987. Many pharmaceutical companies across the globe have pulled out of antibiotics development altogether.

Venus is one of the few pharmaceutical players to have found a possible and plausible solution to this emerging catastrophe. It has successfully developed 3 breakthrough products to combat AMR by using Antibiotic Resistance Breakers (ARBs). These are pioneering solutions for WHO priority pathogen list. And it continues to work on six new products to combat AMR which should see the light of day over the coming years.



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Patents received for its ARB products

VRL's ARB approach to combat AMR

ARBs sometimes referred as antibiotic adjuvants, are non-antibiotic moieties. In combination with antibiotics it enhances antimicrobial activity and helps to overcome resistance barriers. ARBs can offer an important interim solution to feed the dry antibiotic pipeline. They could salvage many of the 200 or so existing antibiotics for future generations.

Venus: The basket of novel products to combat WHO priority pathogens

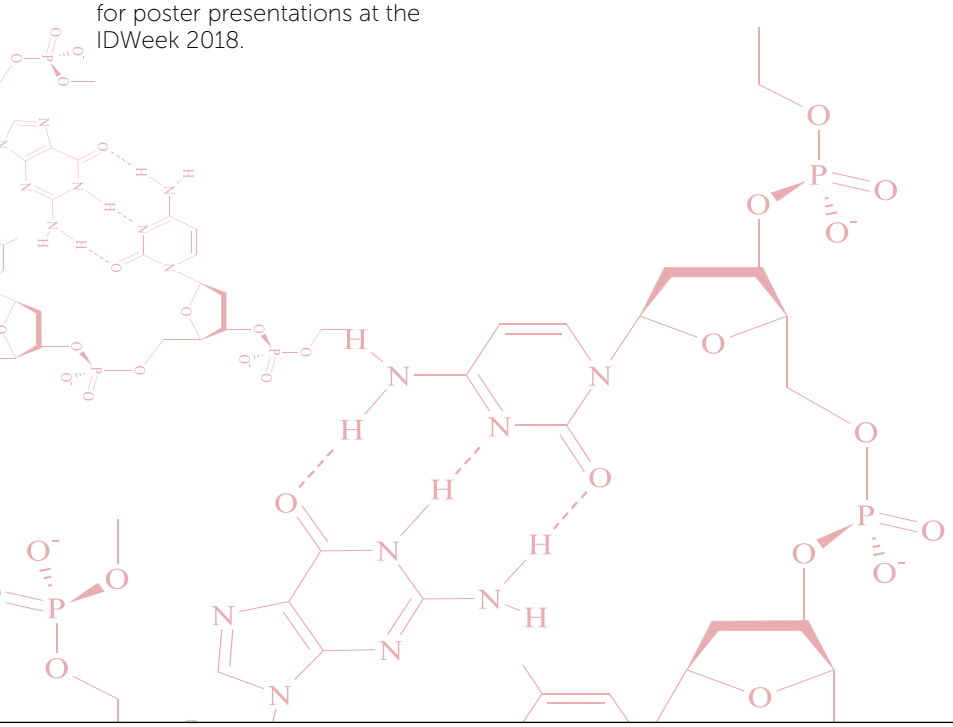
Elores
Elores is a novel patented Antibiotic Adjuvant Entity containing a beta-lactam antibiotic, a beta-lactamase inhibitor and an Antibiotic Resistance Breaker (ARB).

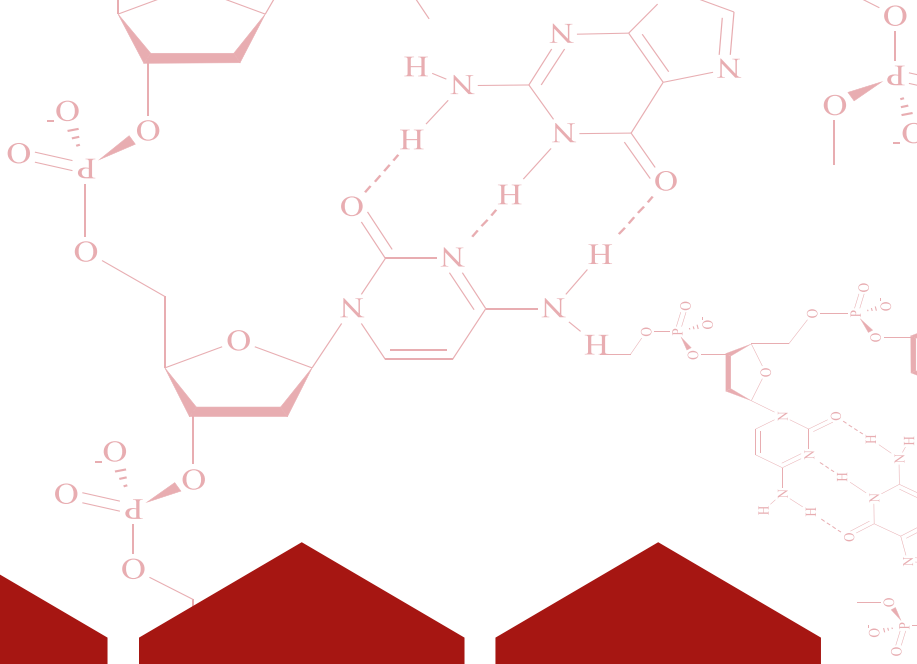
Venus will announce the results of plea Clinical Trial studies of its flagship product ELORES at IDWeek™ 2018, to be held on October 3-7, 2018, in San Fancisco, CA. Four abstracts have been accepted for poster presentations at the IDWeek 2018.

Potentox
A patent protected novel antibiotic adjuvant entity that works in Multi drug resistant gram negative pathogens in Aminoglycoside and Quinolone resistance where other drugs fail to respond. The drug is active against all priority pathogens mentioned in the WHO list.

Vancoplus
A patent protected novel antibiotic adjuvant entity (AAE) that is active against three priority pathogens (including two high and one medium Category) featuring in the WHO List. The drug works in multi drug resistant gram positive infections especially MRSA and hGISA type of resistance of gram positive bacteria.

VRP-001:
It is an oral antibiotic adjuvant entity (AAE) based on stealth targeted nanoparticle (STN) technology. The product is designed to meet unmet need of shifting MDR patients from IV to oral therapy in infections caused by ESBL (Extended Spectrum Beta-lactamases) and MBL (Metallo-beta-lactamases) producing gram-negative pathogens. These include E.coli, A.baumannii, P.aeruginosa, and K.pneumoniae.
It constitutes potential activity against: WHO priority pathogens, ESKAPE pathogens.





VRT 001-M

This is an oral antibiotic based on stealth targeted nanoparticle (STN) technology. The product is designed to meet unmet needs of patients shifted IV to oral therapy in infections caused by both aerobic Gram-positive and aerobic Gram-negative bacteria, and also covers common anaerobes. Proposed Indication: meningitis, intra-abdominal infection, severe skin infections, pneumonia, sepsis, and anthrax.
(Potential activity against: WHO priority pathogens, ESKAPE pathogens)

VRT 001-C

It is an oral antibiotic based on stealth targeted nanoparticle (STN) technology. The product is designed to meet unmet needs of patients shifted from IV to oral therapy in infections caused by both aerobic gram-positive and aerobic gram-negative bacteria, and also covers some anaerobes. Proposed Indication: complicated and uncomplicated urinary tract infections, lower respiratory tract infections, skin, soft tissue, bone and joint infections, bacteraemia/ septicaemia, and paediatric meningitis
(Potential activity against: WHO priority pathogens, ESKAPE pathogens)

VRT 001-V

It is an oral antibiotic based on stealth targeted nanoparticle (STN) technology. The product is designed to meet unmet needs of patients shifted IV to oral therapy in infections caused by both gram-positive cocci and gram-negative cocci. Proposed Indication: serious staphylococcal infection, Streptococcal endocarditis, acute staphylococcal ileocolitis.
(Potential activity against: WHO priority pathogens, ESKAPE pathogens)

VRP – 032

It is a biomimetic antimicrobial infusion therapy indicated for septicaemia and XDR resistant pathogens. Currently this showed efficacy against resistant pathogens bacteria, virus, fungi and various other faulty proteins.
(Potential activity against: WHO priority pathogens, ESKAPE pathogens)

Venus Remedies Limited

A Company that owes its success and sustainability to Research and Development. It also features Among India's Top-50 pharmaceutical manufacturing companies.





Our presence on planet earth

- Headquartered in Panchkula, India
- Manufacturing units in Panchkula, Baddi (both in India) and Werne (Germany)
- Marketing its innovative formulations across more than 60 markets (regulated and emerging) through 11 marketing offices
- Equity shares listed on The BSE Limited and The National Stock Exchange of India Limited.

Our position of strength

- Our strategy team lead by Mr. Pawan Chaudhury, Chairman and Managing Director
- Our think tank comprising a team of 17 qualified experts with a cumulative experience of 150+ years in their areas of operation
- Our 900+-member enthusiastic and energetic team with an average age of 35 years

Our process promise

Our operational systems and processes are aligned with stringent global standards – reflected in our units being certified with ISO 9001, ISO 14001, OHSAS 18001 accreditations and approved by the European GMP, Australian GMP and other leading global regulatory authorities.

Vision

We strive to touch the lives of patients by actively listening and responding to their needs with breakthrough innovative products and medical expertise that is critical for understanding and treatment of diseases.

Mission

We are committed to align the best scientific approaches to develop new solutions for global health challenges. We are actively involved in monetisation of IP wealth and building global brands backed by strong scientific evidence.

Focus

Our current priorities include developing therapeutic drugs targeted towards multi-drug resistant bacteria and form synergistic partnerships to provide access to these drugs in low and middle income countries where AMR poses greatest threat.

Strategy

Science at heart and patients in mind are building blocks of our strategic framework.



Venus Remedies: in numbers

3
Manufacturing facilities

500+
Marketing authorisations

150+
Product basket

100+
Patents generated across the globe

1000
Multi-speciality hospital reach

900+
Team size

50000
Retail network

60+
Global presence (nations)

50000
Speciality doctor network

100
Injectable units (mn) manufacturing capacity per annum

1500
Stockists

20+
Research pipeline of products

12
Training sessions for each employee per year

15
Female employees (%)

60
Youth employees (%)

3
Consecutive years of best place to work recognition

"When the WHY is clear, the HOW is easy."

Timewiser.com



Dear shareholders,

It a pleasure writing to you once again as it gives me a chance to express my thoughts to a wider and more knowledgeable audience.

I would not waste time in detailing our achievements which are covered in other sections of this report. But, through this statement, I am going to share some thoughts which I consider relevant for India and every Indian.

Most of us feel that we have progressed significantly over the last few decades. The technology revolution has crept into every walk of life. Everything can be done at the touch of a finger. Our children are doing things as teenagers, what we are not able to do as adults. Breakthrough innovation has transformed every sphere of life and livelihood.

While we bask in the glory of our forward moving achievement, we forget that every living thing is also evolving and becoming more intelligent – even bacteria. And they are probably evolving far more rapidly than mankind.

Today, the world needs better (more efficacious) antibiotics. For intelligent bacteria are becoming increasingly immune to the existing lot of antibiotics. This problem of antibiotic resistance is already causing more than 700,000 deaths each year worldwide. And by 2050, it could lead to 10 million deaths per year

But what is scary is that the world pharmaceutical fraternity is not taking cognizance of this forward-marching calamity. They are more engaged in developing products on the horizon towards their own profitability. Consider this: In 2017, the



global pharmaceutical companies introduced 42 new active molecules; 14 of them were cancer therapies. Not even one was an antibiotic.

Now when we come to the Indian pharmaceutical landscape, things get even more challenging. India, the 'Pharmacy of the World', has mastered the expertise of replicating innovation across the globe. But, when it comes to developing new molecules, India does not feature anywhere in the global pecking order. This is because research is considered risky and is therefore not adequately encouraged.

At 0.83% of gross domestic product (GDP), India is among the countries with the lowest investment in scientific research. As a result, breakthrough scientific research, especially in healthcare, has been markedly lacking. New medicines, devices, diagnostics, patient aids and monitoring tools are mostly imported, often coming to India several years after they are available to patients in the developed world. India also ranked No.19 in a 28-nation survey of biomedical investment attractiveness of countries.

As a result, even when some companies focus on developing new products, their work remains largely unrecognised at the world forum. Most companies have to route their innovation efforts through other global nations for gaining recognition.

This we feel needs to change. Because India is taking centre stage at the global forum. India has entered into the top 100 rankings on the World Bank's 'Ease of Doing Business' index. India has also emerged as the most competitive country in South Asia, appearing at No. 40 in the global competitiveness ranking of 137 countries by the World Economic Forum.

We realise that altering global perception towards India's innovation prowess is going to be a challenging and painful transformation journey. It is no longer a 'one and done' initiative.

For successful transformation necessitates multi-faceted change - fundamental business model change, cultural change and operational change.

And for this to transpire, the Government and sectoral leaders will need to create an encouraging environment to continuously evolve and respond to their external environment.

At Venus, we have made a meaningful effort in treading this journey. We have ventured into unchartered territories, unlearnt the old and imbibed the new, focused our presence on uncluttered segments, developed a basket of innovative products and created a pipeline of niche molecules.

While we realize that our efforts are yet to deliver the desired returns, we remain passionately committed to witness the change we envisaged at the start – of making a meaningful contribution in taking India on the global R&D map.

Warm regards
Pawan Chaudhury
Chairman and fellow shareholder

Management discussion and analysis

An economic overview

Global economy

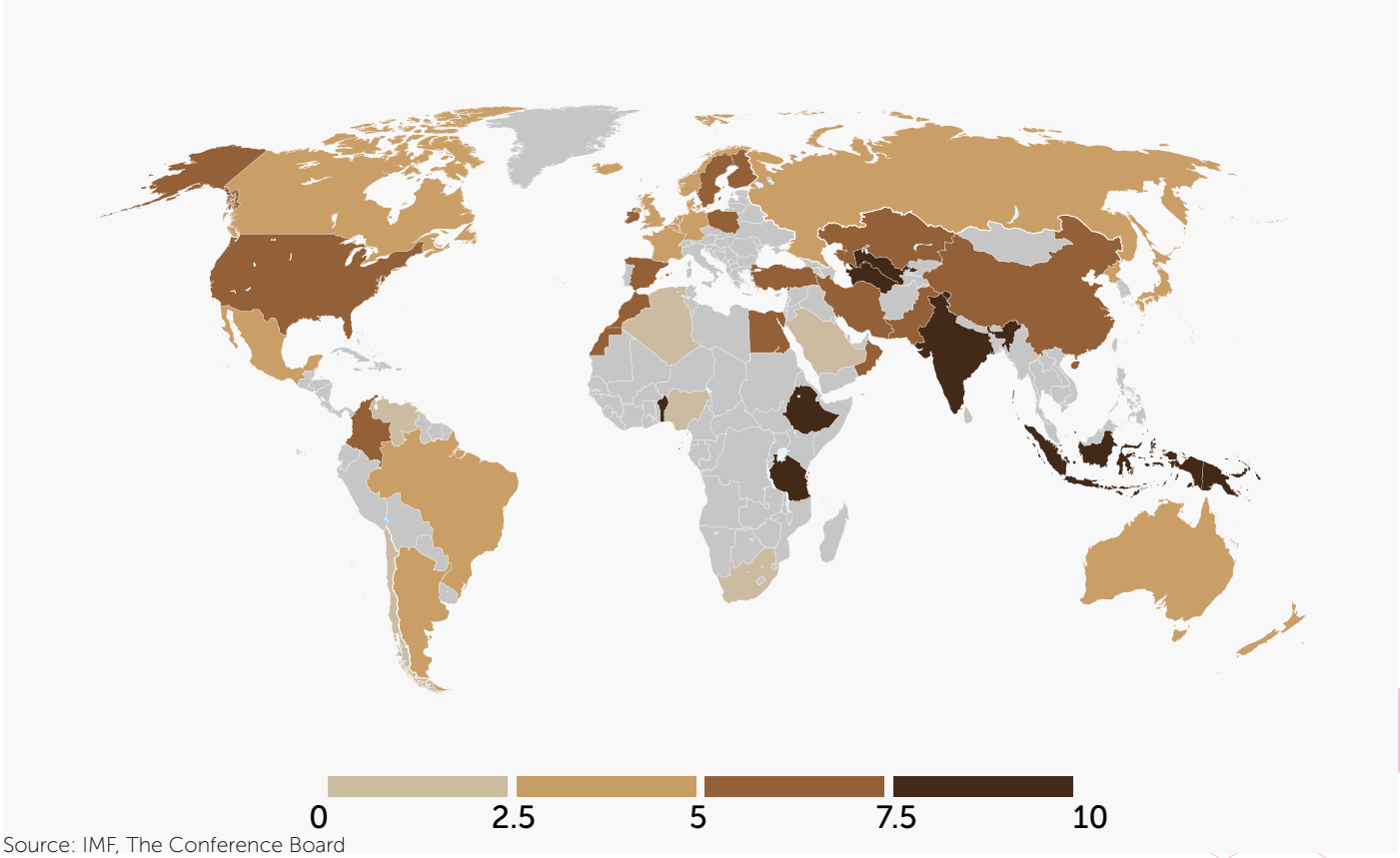
At 3.8% GDP growth, global growth in 2017 was the fastest since 2011. The global recovery that began in mid-2016 became broader and stronger. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 than in the previous year.

Growth this broad based and strong has not been seen since the world's initial sharp 2010 bounce back from the financial crisis of 2008-09. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters.

The synchronised expansion will help to dispel some remaining legacies of the crisis by speeding the exit from unconventional monetary policies in advanced economies, encouraging investment, and healing labour market scars. What is even more interesting is that economic activity in CY 2017 ended on a high note. Growth in the second half of the year was above 4%, the strongest since the second half of 2010.

With broad-based momentum and expectations of a sizable fiscal expansion in the United States over this year and the next, global growth is now projected at 3.9% for 2018.

Global GDP Growth Forecasts 2018 IMF



Source: IMF, The Conference Board

Indian economy

Fiscal 2017-18 was a defining year for the nation. India took the bold step of completely resetting its indirect tax system to a comprehensive GST regime despite the continuing overhang of demonetisation drive in November 2016 that shook the second most populous nation of the world.

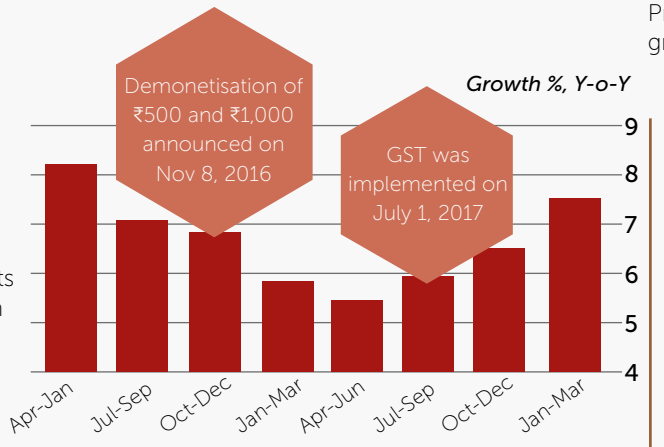
While this path-breaking change led to a short-term decline in India's economic progress, the nation bounced back aggressively to report a 7%-plus growth in the second half of the year – the nation registered a 7.7% growth in GDP in the quarter ended 31 March 2018, the fastest pace in seven quarters, signaling a strong turnaround and reclaiming its position as the fastest growing major economy of the world. The turnaround in the economy was led by robust agriculture (4.5%) and manufacturing growth (9.1%) as well as double-digit growth in construction activities (11.5%) in the March quarter. The economy, also received a boost from higher government spending (13.3%) in the March quarter. Gross fixed capital formation, a proxy for investment demand in the economy, expanded at a double-digit pace (14.4%) after a gap of seven quarters, signaling a revival in investment activities. The latest quarterly corporate earnings data suggest that consumer demand too is reviving.

Going forward, economic experts suggest that India would maintain its growth momentum. According to World Bank's India Report, India's GDP growth rate is expected to increase to 7.3% in 2018-19 and 7.5% in 2019-20.

Return To The High-Growth Path

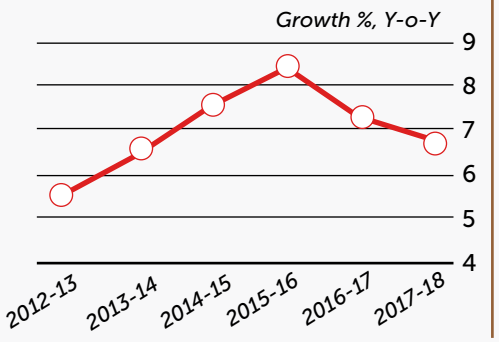
Quarterly growth

In Jan-Mar 2018, India's economy recorded its best quarterly growth since Apr-June 2016, as the effects of demonetisation waned. Growth was also aided by the low base of Jan-Mar 2017.

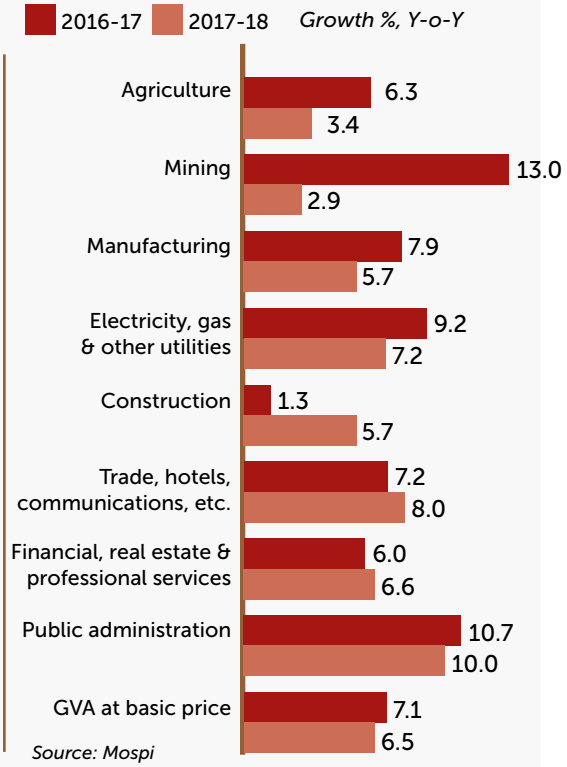


Annual growth

Despite the pick up of growth in the fourth quarter, the economy grew at its slowest pace since 2013-14 due to the lingering effects of demonetisation in the first half and disruption caused by implementation of GST in July 2017



Primary sector proved to be a drag on growth, while the services sector held it up



Source: Mospi

The pharmaceutical sector

Spending on medicines remains a topic of intense interest among policy makers, patients, payers and drug manufacturers. The level and growth of spending, the price of new, and old, drugs, and the allocation of costs among patients, employers, health plans, intermediaries and state and federal government agencies all command great attention.

Global pharmaceutical sector

In 2017, spending grew 0.6% net of off-invoice discounts and rebates, as invoice-level growth slowed to 1.4%. Overall, spending reached a total of US$453 billion on an invoice basis but US$324 billion on a net basis.

Spending growth slowed in 2017 due to lower price increases for protected branded products, price declines for generics and less growth from new products despite a large increase in the number of new product launches. Spending continued to shift from traditional to specialty medicines, which now accounts for 46.5%, or US$407, of the US$876 per person per year spent on medicines.

Real net per capita spending declined by 2.2% in 2017 with spending on traditional medicines declining by 7.3%

Outlook to 2022: Net total spending growth will average 2–5% over the next five years, while invoice growth will average 4–7%. Growth will continue to be driven by innovation, and be offset by slower price growth and the increasing impact of patent expiries

Medicine and life expectancy

Mortality has tormented human consciousness since time immemorial and human-kind has perpetually searched for a therapy that extends life. In this quest, the human race has been only partially successful; the life-expectancy has certainly increased but only up to a certain point.

And yes people are getting healthier, living longer – and spending more time with often debilitating illness and disability.

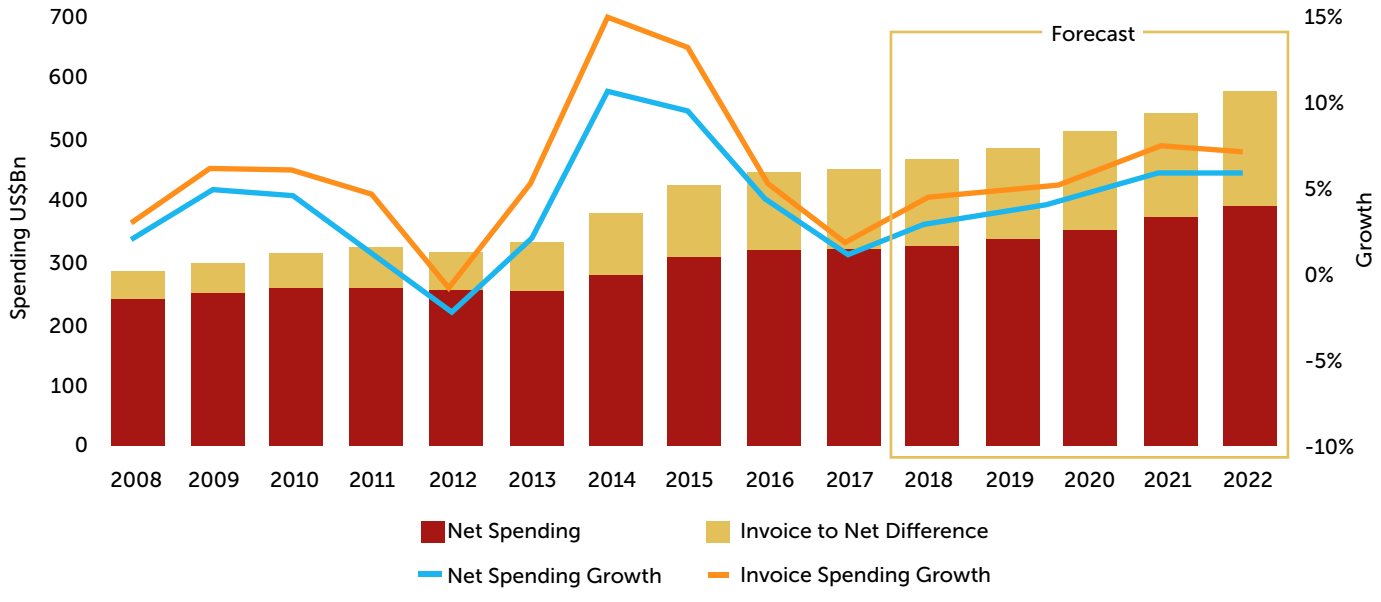
The gains in medical and health are masking an increasing amount of illness, disability and death from non-communicable diseases, according to a major new study.

The Global Burden of Disease study published in The Lancet found that healthy life expectancy had increased just steadily in 191 countries, meaning that people's average life spans had increased by 6.1 years over the last 15.

But overall life expectancy has increased by 10.1 years over the same period. That suggests that people are now having longer lives, and much more of those lives spent living with ill health.

The findings echo concerns by some medical professionals that more and more time is being spent prolonging life at the expense of the quality of life that people have in their final years.

Total Spending on Medicines, Growth and Outlook to 2022, US$Bn



Source: IQVIA Market Prognosis, IQVIA Institute, Mar 2018

Indian pharmaceutical industry

The pharmaceutical sector was valued at US$ 33 billion in 2017.

India accounts for 20% of global exports in generics. Indian drugs are exported to more than 200 countries in the world, with the US as the key market.

She supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in UK.

India's pharmaceutical exports stood at US$ 17.27 billion in 2017-18.

India has made considerable progress in healthcare outcomes over the past few decades. Over the years, focus on R&D has catalysed the development of new products - investment (as % of sales) in research & development by Indian pharma companies increased from 5.5% in FY11 to 9% in FY17. As a result, the average life expectancy of Indians has risen from 58 years in 1990 to 66 years in 2013.

Looking ahead: The country's pharmaceutical industry is expected to expand at a CAGR of 22.4% over 2015–20 to reach US$ 55 billion; exports are expected to reach US$ 20 billion by 2020.

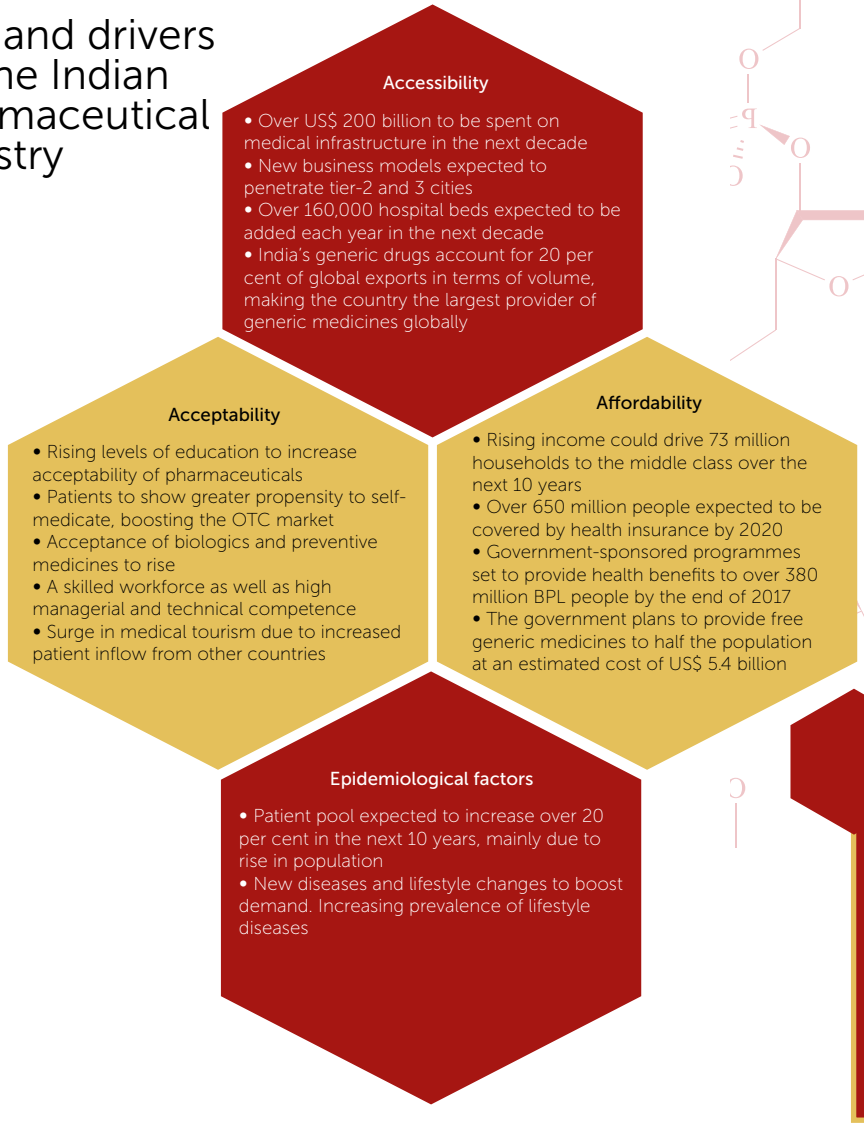
The domestic generics market is expected to reach US$ 27.9 billion by 2020. India's generics market has immense potential for growth. Indian pharmaceutical companies received record 300 generic drug approvals in USA during 2017 where the generic market is expected to reach US$ 88 billion by 2021.

Policy catalyst for the Indian pharmaceutical industry

The Government increased fund allocation to the healthcare sector directly and through its various schemes which is expected to support the growth of the Indian pharmaceutical industry

- The allocation to the Ministry of Health and Family Welfare has increased by 11.5% to Rs 52,800 crore (US$ 8.16 billion).
- The National Health Protection Scheme is largest government funded healthcare programme in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to Rs 5 lakh (US$ 7,723.2) per family per year for secondary and tertiary care hospitalisation.
- The government has allocated Rs 1,200 crore (US$ 185.36 million) towards the National Health Policy 2017 under which 150,000 health and wellness centres, will provide healthcare closer to homes of the people.
- The increased expenditure on healthcare is expected to benefit the pharmaceutical sector as well

Demand drivers for the Indian pharmaceutical industry



MEDICINES AND THE AVERAGE INDIAN

Medicines make up 50-60% of healthcare costs in India, and they are unaffordable for most. About 2 lakh people fall below the poverty line every year due to one health shock, and the biggest expense here usually turns out to be medicine.

Business operations

Venus Remedies, among the leading global injectable manufacturers, possesses a wide product basket catering to high-growth therapeutic segments manufactured at its three world-class manufacturing facilities (Panchkula and Baddi in India) and Werne (in Germany) which are certified for ISO 9001, ISO 14001 and OHSAS18001, European GMP and many other international regulatory authorities globally.

Venus, an R&D-led pharma company, is among the handful players in the pharmaceutical sector to launch world-class products in critical care segments such as Anti- cancer, Anti-infective, Neurology, Skin and Wound care and Pain management. The R&D team is among the very few globally to have successfully developed and delivered solutions in the antimicrobial resistant space.

The Company possesses a global footprint across more than 60 nations supported by overseas marketing offices (including a presence in the US and Germany).



Research and development



Venus Medicine Research Centre (VMRC) is the innovation hub where the strong team of research scientists – experts in diverse fields – work together to develop remedy-defining solutions. The research strength is sub-divided into dedicated teams to ensure focused delivery across the value chain.

VMRC focuses on the development of novel solutions that plug the gap between challenging ailments and available molecules in uncluttered therapies. It focuses on critical care and super specialty segment, including anti-infective {Anti-Microbial Resistance (AMR)}, anticancer, neurology, pain management and Skin & wound care.

The Centre also has a Cell Culture Molecular Biology (CCMB) laboratory, making it one of few Indian pharmaceutical companies with this facility, accelerating the testing cancer drugs.
Innovation program
The team's innovation program focuses some of the toughest health care challenges. The team's primary focus is on Anti Microbial Resistance (AMR). Besides AMR, anticancer targeted drug delivery system is another key area on which work is in progress which include cancer diagnostics and therapeutics

The team is currently working on a platform technology of stealth targeted nanotechnology based products for oral delivery of BCS Class 3 drugs for which there are no oral formulation in AMR segment. The technology is patent protected and is moving at exciting pace.

The other platform technology which is showing considerable promise is of anticancer nanoconjugates for targeted delivery of anticancer drugs to reduce frequent dosing related mortality. The team has prepared around 18 different nanoconjugates and patent has been filed.

Innovation pipeline

Venus's research pipeline consists of innovative solutions that promise to address some of the world's most challenging issues. The pipeline consists of products that targets Antimicrobial Resistance, Cancer Therapeutics, pain management, wound management, liver care and Hemostatic products. Majority of the products are niche products which are at different stages of the development cycle.

Filings

At VMRC, the team focuses not only on developing a pipeline of niche products that enables the Company to stand out of the clutter, but also on quality of filings which facilitates in faster product approvals and nurtures respect for the Company among global regulatory authorities.

The Right-At-First-Time approach is followed for each dossier submission to Health Authorities to minimise the queries raised during MOH evaluation.

To maintain the quality of submission to Health Authorities worldwide, DRA has strengthened its functional capabilities to provide the most updated and complete dossiers. It has created a Regulatory Repository by collating updated and complete Harmonised Documents received from Cross-Functional Departments (CFDs). In addition, the team regularly updates the specific documents for respective country regions - facilitating faster and accurate filings.

In addition, the team has institutionalised the Checker-Reviewer and Anticipated Queries concepts to address upcoming queries with respect to anticipated data gaps with speed.

Intellectual property

The team prepared 118 fresh dossiers apart from renewal and variations in existing Marketing Authorisations. The team submitted 70 dossiers to various distributors across globe and an additional 48 were submitted to MOH. The Company received 76 products with Marketing Authorisation of the total 315 filed (March 31, 2018) globally in various geographies including Asia, CIS, LATAM, Africa and EU.

Launches in 2017-18

The team successfully developed about 10 products customised to the requirement of the Indian Defence in collaboration with Institute of Nuclear Medicine & Allied Sciences (INMAS), DRDO. Further, the team worked on developing the Super oxidised solution. It seamlessly integrated the process under highly strict GMP conditions. It optimised the manufacturing process as per QbD, Poko Yoko and Qaigen principles.

Priorities for 2018-19

- Concluded studies and experiments for regulatory submissions of Elores in Europe and USA.
- Develop new product extensions for Trois (Herbal Nano Emulsion).
- Continue the develoment work on VRP-001 using the STN technology platform.
- Participate in global scientific platforms and conferences for showcasing the research and commitment towards Antimicrobial Resistance.
- Engage in research collaborations with government agencies and private organisations working on AMR and propagate concepts of using Antibiotic Resistance Breakers (ARB) for reviving the efficacy of traditional antibiotics.

Manufacturing operations



The Company has three manufacturing units, two being in India and another in Germany. This multi-geographic capability enables the Company to offer its clients an unparalleled value proposition: cutting-edge technology and optimised costs.

Panchkula

This unit has a capacity to manufacture 7.5 million units of large volume parenterals annually. The unit produces complex intravenous products catering to the Antibiotics, Total Parenteral Nutrition (TPN), Neuro and other super specialty therapeutic segments.

Baddi

The highly sophisticated unit manufactures high-end novel formulations across eight units dedicated to oncology liquid injections, oncology lyophilised, lyophilised injections, pre-filled syringes, cephalosporins, carbapenems, cardiology injections and liquid vials. The unit has an annual production capacity of 92.5 million units.

Venus Pharma, Germany

This unit is engaged in out-licensing CTDs, site variation projects, testing and batch release for Europe, warehousing and logistics support. Accredited with EU-GMP, this facility possesses world-class quality assurance, control laboratories and a warehousing capacity of 3,000 pallets under controlled temperature.

Venus's passion for quality is reflected in its ability to align its organisation-wide operations to global standards enabling it to secure global and national endorsements – its manufacturing facilities have thus far obtained more than 20 GMP approvals.

Progress in 2017-18

During the year, the Company continued to strengthen its operational process discipline to improve man-machine productivity and optimise cost of production even as it focused on improving product quality.

The team focused on streamlining its production planning discipline which helped in utilising its resources optimally, minimising inventories – hence optimising cost of production. The team worked on institutionalising the 'First-time-right' practice which facilitated in reduced over processing. The team also took steps to streamline inventory management practices as part of its cost management drive.

The Company also focused on optimising power consumption, an important element in its cost sheet. Conventional lighting fixtures were replaced with LED solution. The team installed capacitors to its existing panels, old motors were replaced with energy efficient variants – these measures helped in optimising power consumption.

The Company made important investments which promise to strengthen people productivity and product quality.

It invested in a new dry powder filling line with ultra modern features which provides error-free output with minimum wastage and spillage. This has helped in increasing the batch size and resulted in increase in the overall output.

To comply with dynamic environment of pharmaceutical industry, the Company invested in a TOC analyzer. This unit provides online water test reports to confirm total organic carbon content in water – it assures quality output.

Priorities for 2018-19

The Company has drawn up its blueprint aligned with the growth aspiration of the Company. During the year, the Company will focus on streamlining operational processes to enhance shopfloor productivity through the following:

- Intensify its training calendar to upgrade the skill and expertise of its shopfloor team in line with the demanding requirements of the industry and its customers
- Invest in low-cost automation across its plant operations to improve product quality

Quality assurance

At Venus, respect for quality is paramount. For the Company understand the criticality of their business operations for mankind. In keeping with this belief, the Company continually endeavours to better its own standards.

The Company's belief is manifest in its ability to institutionalise globally-accepted operational tools and techniques which has created an enduring quality culture within the organisation across all levels and at all functions.

The relevance and effectiveness of this quality culture is reflected in the numerous endorsements received by the Company from global regulatory authorities for its products. And their acceptance by large and respected global pharmaceutical leaders.

The Company has, over the year, patiently intertwined its quality commitment into every business activity.

Documentation: The Company's Validation Master Plan (VMP) addresses the stated validation and qualification strategy.

Investments: Venus' prudent investment towards ushering in state-of-the-art quality control and analytical laboratories facilitates the undertaking of stringent tests across the entire operational process. In addition, the Company has made investments in setting up niche facilities to conduct microbial limit testing, bacterial endotoxin testing and sterility testing, among others – that strengthen its product development capability and quality commitment.

Checks: The team conducts stability checks for different environmental parameters as per ICH guidelines. The Company ensures round-the-clock video surveillance at the manufacturing sites and warehousing facilities. Periodic audits ensure strict adherence to procedural discipline.

Management: The Company's quality discipline is spearheaded by an apex-level team and has been further broken down into dedicated cross-functional teams at the shopfloor level.

Progress in 2017-18

In keeping with its belief that quality management is a continuous journey, the Company implemented important measures to further strengthen its quality promise.

- Implemented important improvements to its operational processes which resulted in improved product quality
- Installed an on-line particle monitoring system which eliminated the possibility of any sub-standard product (injectable) from leaving the Company's premises
- Invested in an HPLC water system which has resulted in improved product (injectable) quality; also added the TOC to monitor total organic carbon count in water
- Intensified training of the quality assurance in line with the evolving regulatory standard across the globe.



Marketing

Venus' product spaces comprise a portfolio of critical injectables which cater to critical care segments – especially antimicrobial resistance (AMR) and anti-cancer – marked by relatively low competition and international relevance. It adopts a multi-pronged approach to ensure a wide product reach – retail sales, institutional sales and alliances with global pharmaceuticals.

Domestic business

Venus enjoys and entrenched presence in the domestic landmass owing to its robust distribution network comprising 1500 Stockist, 1000 Multi Speciality Hospitals, 50000 Retail Network, 50000 Doctors Network.

Venus's marketing team remains focused on maintaining healthy relations with key opinion influencers and decision makers in the pharmaceutical value chain to maximise its product acceptance. The Company maintains online vigil across all distributor stocks and sales and facilitates seamless supply chain management.

In the recent past, the business development team continued to invest their energies in creating a robust marketing edifice based on the following pillars:

- Focus on customers, people and products
- Conceptualise and execute innovative brand building campaigns for key products
- Create indication-wise customer segmentation
- Adoption of territories by senior managers to ensure Management by Example
- Strict adherence to basics of ethical Pharmaceutical selling

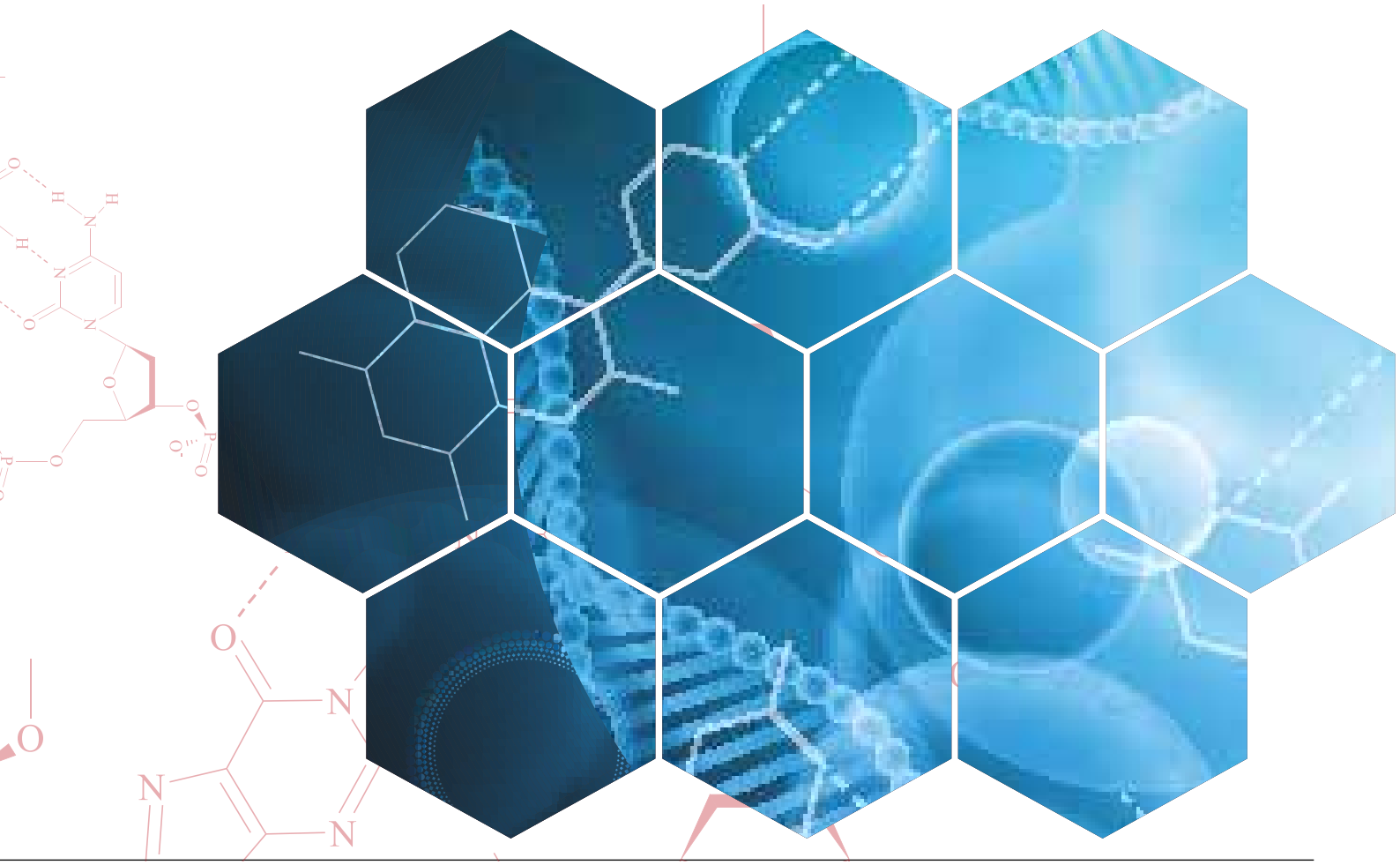
This has yielded rich dividends as the Company's research brands have started gaining traction among the key opinion leaders and renowned research institutions and corporate hospitals of India.

The Company enjoys strategic tie-ups with leading Indian pharmaceutical companies and the top hospitals of the country. In addition, the Company's have gained acceptance from a number of government agencies, the Indian Armed Forces and other leading institutions in India.

The Company tracks marketing activities based on three dimensions – People, Product & Customers. It has created dedicated back-end teams to monitor the activities of its field force. Dedicated team have been created for effectively spreading the awareness and acceptability of each brand. The Company introduced the 'profit-centre' concept where every HQ is considered as a Branch. Quarterly audits are conducted by the internal auditors on these three dimensions with a clear vision to make every Branch an independent Profit Center.

Progress in 2017-18

Revenue from domestic operations has increased over previous year owing to disciplined marketing efforts and accurate productivity. The Company launched campaigns, CME's and camps; it participated in National/Regional Conferences for growing product awareness which yielded rich dividend.



Revenue from institutional business has gone up over the previous year as the Company successfully forged contracts with RMSCL, NCT of Delhi, Government of Assam, AIIMS Delhi, PGIMER Chandigarh and GMSCL among others.

The Company added a number of products for Critical Care as well as Physician segments as part of its efforts of widening its product basket of fast moving products in the antibiotics and pain management spaces.

Priorities for 2018-19

- Launch of new SKU's for the patented brands in Pain Management and Wound Care segment; expand the product basket with fast moving products for improving cash flow
- Intensify brand building campaigns for select brands on a national basis
- Improve productivity by enhancing customer coverage by 25% and adopting market oriented policies
- Launch a Hospital Division for increasing the acceptability of the Company research product in targeted corporate hospitals
- Empanel with new government institutions like the Indian Railways, ESIC, various State Governments namely Uttar Pradesh, Bihar, Odisha and the Andaman and Nicobar
- Develop new distributor channels for widening the presence and increasing reach for the Company's products

International business

Venus, through its marketing alliances, enjoys an expansive global presence.

The Company has forged business strengthening alliances with pharmaceutical leaders enjoying deep distribution networks in the geographies of its focus. Besides, the Company has 11 global marketing offices which support its footprint across more than 60 nations.

Progress 2017-18

The company has established a footprint in new geographies and bagging tenders namely Nupco in Saudi Arabia and MSD tenders in Tanzania. The Company has entered into 10 new alliances for its key products. Company has also reached to the markets of Uzbekistan, Italy, Namibia and Malaysia.

Priorities for 2018-19

- Strengthen market share in select countries which provide a high-growth opportunity by growing the product basket in those select countries
- Widen the global footprint in by establishing a presence in new geographies





Intellectual capital

At Venus, people power is the bedrock for its success. For the intellectual capital resident within the organisation have formulated the contours of its differentiated business strategy and have played a defining role in transforming business strategies into on-ground realities.

With an average age of 35 years for the 900+ strong work force as on March 31, 2018, the Venus team is an invigorating combination of expertise, energy and enthusiasm.
The steering force behind this highly motivated and energetic team is the Company's continued investment in its people for nurture skills and building capabilities.

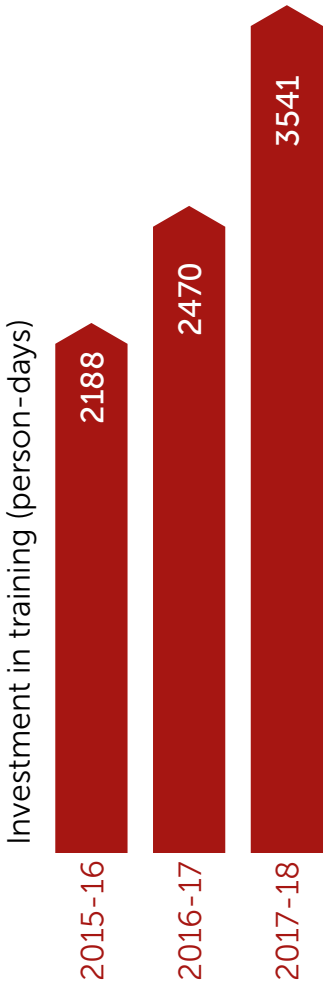
The Company's knowledge building comprises of a detailed learning and development calendar comprising multi-discipline training programmes (technical knowledge and soft skills). This calendar captures the development needs of employees through performance appraisals and business needs based on sectoral trends. Training programmes are conducted primarily by internal faculty.

It practices a unique training philosophy – 'understand and impart'. Under this methodology, the trained executives cascade the knowledge, experience and methods learnt across hierarchies, enabling the other team member to enrich their knowledge and upgrade their skills.

In addition, the Company promoted cross functional teams to undertake challenging projects. These projects provide a platform for better bonding and enabled the senior management to handpick the next generation of leaders.

Venus has institutionalised a transparent performance management system that rewarded star performers and encouraged others to perform better. In addition, the Company has created an environment that nurtures talent and has maintained a prudently balanced authority-responsibility structure across management hierarchies that facilitates in growing the entrepreneurial skills of its team members.

The Company has put Venus Service Commission (VSC) as an independent body for impartial consideration on all service matters with the final authority in people-related issues.



32

Proportion of the team with the Company for more than 10 years (%)

15

Proportion of the team comprising of women member (%)

Risk management

The essence of investment management is the management of risks, not the management of returns.

Benjamin Graham

Risk is the face of business uncertainty, affecting corporate performance and prospects. As a disciplined enterprise, Venus has a system-based approach to business risk management. Its risk mitigation framework comprises a study of emerging business trends, framing policies and strategies, structured reporting and control. The disciplined approach coupled with timely execution of proactive counter-measures strengthens the Company's viability across verticals, products, geographies and market cycles.

Growth risk: The Company may not possess adequate avenues to grow business.

Mitigation: Venus has a rich basket of niche molecules which promise to drive growth as the Company increases the awareness and acceptability of the product across the globe. Moreover, the Company has a robust pipeline of products which are expected to hit the market soon (in a phased manner) which should accelerate business growth.

Competition risk: The Company's fortunes could be impacted owing to growing competition.

Mitigation: Venus has selected to be present in uncluttered therapeutic segments namely Anti Microbial Resistance (AMR) which is expected to be one of the largest and most expensive adversity the globe could face over the coming years. Despite this large opportunity, the complexity in developing drugs that address AMR has limited competition in this space. From a delivery platform perspective, the Company focuses on injectables, which is also a complex platform for the quality standards are the most stringent – the entry barriers have restricted an influx of players.



Capacity risk: The Company's infrastructure may not be adequately utilised.

Mitigation: Venus has interestingly established its presence in the institutional business (supplying its products to Hospital and government agencies, which provides large volumes) and in the retail space (marketing its products through the entrenched distribution network). Recently, the Company has also secured business from the Indian Railways which promises to provide heartening volumes over the period of time. In addition, the Company's efforts to expand product awareness across the globe is gaining traction which is also expected to generate interesting volumes. These factors should help in operating the existing infrastructure at an optimal utilisation.

Quality risk: Inability to sustain its quality commitment could impact business growth.

Mitigation: Venus has institutionalised globally-accepted operational tools and techniques which has created an enduring quality culture within the organisation across all levels and at all functions. To strengthen this culture, the Company continuously upgrades the knowledge of its team members on evolving global quality standards through intensive training efforts by subject-experts. In addition, the Company continually invests in sophisticated equipment to enhance product quality. The acceptance of the Company's products in leading hospitals in India testifies to its quality commitment.

Geographic risk: The Company's growth would taper if it relied on only a single geography.

Mitigation: Venus has an expansive marketing presence which comprises advanced and pharmerging markets and India. While the Company continues to strengthen its presence in India, its team has been able to establish a meaningful presence in more than 60 nations across the globe. This ensures that business growth is not reliant on the opportunities arising out of a single geography. Moreover, with the growing product basket (over the coming years), the Company hopes to capitalise on growth opportunities in all geographies of its presence.

Funding risk: Inadequate funding could impede the Company's progress going forward.

Venus is aggressively striving towards initiation of corrective measures to grow sales and improve the liquidity position. Besides, the Company does not have any aggressive capital expenditure plans at present – the management is focused on sweating its assets (infrastructure and products) for maximising returns. The untiring efforts of the entire team towards this goal should strengthen business liquidity over the coming years.

For a better Indian

Venus was born to be a global research solutions company with social sensitivity. Ever since its inception, social cause has been an innate part of our vision which is explicitly articulated in the same as 'our focus on developing treatments for unmet medical needs'. This inherent organisational DNA finds a natural alignment with several global and national frameworks of responsibility.

Venus's social responsibility matters get a direction and inspiration right from the Board level. The Board is in charge of setting the focus, direction and criteria for responsibility initiatives.

Because, at Venus, growth with sustainability is the mantra. For the management believes that if you are to grow, you have to take the stakeholders along with you. For it is convinced that an island of prosperity cannot sustain in an otherwise matrix of misery.

The Company's social responsibility initiatives are not limited to healthcare segment alone but it is actively working in every sphere of social framework including child education, empowering women and promoting gender equality, poverty reduction and eradicating hunger, environmental sustainability, empowering social business projects etc.

1) Manav Uthan Yozna

a) Funded and facilitated in transforming the Government Primary Schools into Smart School and handed over to School Authorities.
b) Funded upgrading of infrastructure of adopted schools which included painting repair of black boards, upgrading water pump, electricity works, soil levelling to resolve water storage problem
c) Funded repairs of washrooms, upgrading school kitchen which included mason work, painting and creating a separate utensil washing facility
d) Provided financial assistance to Company employees as per their need
e) Distributed clothes to needy people.

2) Environment Uthan Yozna

a) Planted approximately 1,400 plants in Panchkula and Baddi.
b) Initiated a monthly Havan for maintaining a Hygiene Environment
c) Cleanliness and Hygiene activities done under Swachh Bharat Mission.
d) Vehicle maintenance & cleaning drive undertaken for safety and pollution control.

3) Social Uthan Yozna

a) Organised a blood donation camp at Unit I Panchkula
b) Organised devotional activities at Unit I and Unit II like Ramayan Path, Hawan etc.
d) Celebrated International Yoga Day



plea

(Preserving life of existing antibiotics)

Antibiotic resistance is one of the major public health problems especially in developing countries where relatively easy availability and higher consumption of medicines have lead to disproportionately higher incidence of inappropriate use of antibiotics and greater levels of resistance and due to this most of the currently used antibiotics are becoming ineffective.

Today, more than 700,000 deaths every year are happening worldwide because of infections caused by drug-resistant microorganisms like bacteria. If resistance is left unchecked, by 2050, over 10 million people will die of infections caused by drug resistant microorganisms (one death every 3 seconds). This is more than the total number of current deaths due to cancer i.e. 8.2 million.

India is among the nations with the highest burden of bacterial infections. An estimated 410,000 children aged 5 years or less die from pneumonia in India annually; accounting for almost 25% of all child deaths in India. The crude infectious disease mortality rate in India today is 416.75 per 100,000 persons and is twice the rate prevailing in the United States. It is estimated that 58,000 neonatal deaths are attributable to sepsis (bloodstream infection) caused by drug-resistant bacteria to first-line antibiotics each year.

Plea is our step towards antibiotic stewardship. Since 2004, Venus is working towards spreading awareness on antibiotic use and abuse, organizing health camps, educating doctors, microbiologists, paramedical staff & other stakeholders.

Activities under Plea

- Promoting research in the areas of Antibiotic Resistance Breakers (ARB) as orthogonal strategy complimentary to new antibiotic discovery
- Awareness on antibiotics use and abuse
- Platform for knowledge sharing amongst all stakeholders.
- Promoting antibiotic stewardship
- Partnering with various organizations across globe to raise strong voice against antibiotics abuse.

Venus took celebrated the World Antibiotic Awareness Week (November 2017) during which the team took important steps to create awareness on AMR.

300k+
People were educated on antibiotic resistance online

50k+
Doctors, paramedical staff & patients were educated on ground



350+
Plea volunteers on ground during the week

100+
Doctor video bites on antibiotic awareness

250+
Custom handwritten pledges by doctor

15+
CMEs on antibiotic stewardship in various hospitals during the week

Director's **Report**

To the esteemed stakeholders of
VENUS REMEDIES LIMITED

Operations & Company's State of affairs

(₹ in Millions)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Sales & Other Income	3,557.93	3,762.35	3,746.69	4,023.10
Financial Charges	349.77	335.61	354.27	343.72
Depreciation	327.27	393.16	338.33	402.57
Profit before Exceptional items	(234.23)	(248.00)	(275.32)	(216.38)
Profit before Tax	(234.23)	(248.00)	(275.32)	(216.38)
Profit After Tax (PAT)	(265.83)	(202.43)	(306.92)	(170.81)
Other Comprehensive Income	3.44	(0.35)	3.44	(0.35)
Total Comprehensive Income for the year	(262.39)	(202.78)	(303.48)	(171.16)

Operations & Company's State of affairs

During the year under review, your Company achieved a turnover Rs.3557.93 millions. There was decline in sale during 2017-18. The sales target of the company was adversely impacted due to the severe pricing pressures in generic product market. The business of the company also suffered many hardships including severe competition globally & several other extraneous factors .

VRL is a fully integrated company from research to market. The company is focused in manufacturing high growth therapeutic segments like Anti-infective (antibiotics), oncology, neurology, pain management, skin & wound care and is amongst the very few R&D focused Pharmaceuticals companies in India, working on to eradicate growing Anti-Microbial Resistance (AMR) recognized by WHO as being severe medical crisis across the globe.

Listing of Shares

The equity shares of the Company are listed on Bombay Stock Exchange Ltd.(BSE) and National Stock Exchange (India) Ltd. (NSE). The Company has paid the Annual listing fees for the financial year 2018-19 to both stock exchange.

Extract of Annual Report:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format MGT 9 is appended as annexure-1 to the Board's report.

Meetings of the Board of Directors:

The Board met 8 times during the financial year, the details are given in the Corporate Governance Report which forms part of the Annual Report.

Directors' Responsibility Statement

Your Directors pursuant to Section 134(3)(c) of the Companies Act, 2013 state as follows:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. 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;

iii. 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;

iv. the directors had prepared the annual accounts on a going concern basis;

v. the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi. 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.

Declaration by Independent Directors:

The Company has received necessary declaration from each independent director under section 149(6) of the Companies Act, 2013.

Policy on directors' appointment and remuneration:

Policy on directors' appointment and remuneration provided under section 178(3) of the Companies Act, 2013, adopted by the Board and is appended as Annexure 2 to the Board's report as Nomination and remuneration Policy.

Auditors

M/s Prem Garg & Associates was appointed as the Statutory Auditors of the Company for FY 2017-18. M/s Prem Garg & Associates, have resigned from the position w.e.f. 28th May 2018 due to pre-occupation. Company has appointed M/s Vinod Kumar & Associates, Chartered Accountants as the Statutory Auditors of the Company to fill the casual vacancy. The said appointment is subject to approval of members of the company. M/s Vinod Kumar & Associates will hold the office of statutory auditor upto the annual general meeting of the Company.

Further, the Company appointed M/s P. Chadha & Associates, Company Secretaries as the Secretarial Auditor of the Company for financial year 2017-18. The secretarial audit report for FY 2017-18 forms part of Annual Report. Qualifications, if any, in the Statutory audit report and are mentioned in the reports which are the part of this Annual Report.

Company is required to maintain the cost records as specified by the Central Government under sub section (1) of section148 of Companies Act, 2013 and such accounts & records are duly maintained by the Company. M/s C. L. Bansal & Associates, Cost Accountants was appointed as cost auditors of the Company for financial year 2017-18.

Particulars of Loan, Guarantee or investment:

Company has provided guarantee/security under section 186 of the Companies Act, 2013 to banks for the credit facility provided to the company.

Particulars of Contract or Arrangements made with related parties:

Particulars of Contracts or Arrangements made with related parties referred in section 188(1) of the Companies Act, 2013 disclosed in form AOC-2 as annexure-3 and also forms part of the financial statement in annual report.

Transfer to Reserves:

During the period of review Company has not transferred any amount to Reserves & Surplus.

Dividend

The Board has not recommended the dividend for the year 2017-18.

Significant and material orders:

There are no material changes or commitments, effecting the Financial position of the Company happening between the end of the Financial Year of the Company and date of this Report

Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the going concerns status and Company's Operations in Future

There are no significant and material orders passed by the regulatory or courts or tribunals impacting the company's operations in future.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The prescribed particulars as required under section 134(3)(m) of the Companies Act 2013 read with Companies (Accounts) Rules, 2014 are set out in the annexure-4 & 5 forming a part of this report.

Development and Implementation of Risk Management

The Company has in place comprehensive risk assessment and minimization procedures. The Company is exposed to inherent uncertainties owing to the sectors in which it operates. Many risks exist in a company's operating

environment and they emerge on a regular basis. The risks faced by the Company and their minimization procedures are assessed categorically under the broad heads of High, Medium and Low risks. Further, the Company identifies risks and control systems are instituted to ensure that the risks in each business process are minimized/mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis.

Subsidiaries/Associates/Joint Ventures

The Company has no Joint Venture or Associates as defined in the Companies Act, 2013. The company has one wholly owned foreign subsidiary in the name of Venus Pharma GmbH in Germany. The financial statement of the subsidiary forming part of this annual report in consolidated financial statement. Separate audited accounts are placed on the Company website www.venusremedies.com. Report on the performance and Financial position of the Subsidiary Company in the specified format AOC-1 is annexed to the Directors' Report as Annexure-6.

Board Evaluation:

The evaluation of all the directors and board as a whole has made as per the Companies Act, 2013. Criteria and framework as adopted by the Board is explained in the Corporate Governance Report which forms part of the Annual Report.

Key Managerial Personnel:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Sr. No.	Names	Designation
1	Mr. Pawan Chaudhary	Managing Director
2	Mrs. Neha Kodan	Company Secretary
3	Mr. Pawan Chaudhary	CFO

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has adopted a policy for prevention of Sexual Harassment of women at work place. Company has complied with provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.During the year, Company has not received any complaint of harrasement.

Share Capital

- **ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS**
  Company has not issued any shares with Differential Rights.
- **ISSUE OF SWEAT EQUITY SHARE**
  During the year under review, Company has not issued any Sweat Equity shares or Employee Stock Options.

Corporate Social Responsibility

For financial year 2017-18, Company does not cover under any of the parameter as mentioned under the preview of Section 135 of the Companies Act, 2013, and rules made thereunder. Company has prepared the policy on CSR which is available at Company's website www.venusremedies.com. Company has also constituted the CSR committee, details of which available in Corporate Governance which forms part of Annual Report.

CSR Spending of the year:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads*: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period*	Amount spent: Direct or through implementing agency
NIL							

Management discussion and analysis

A detailed report on the Management discussion and analysis is provided as a separate section in the annual report.

Events having bearing on affairs of the Company

The Company is under CDR mechanism and repaying the debt as per the approved CDR package, however there are delays in making interest and principle repayments to the financial Institutions & banks. Further, during the year Company & its directors were declared as willful defaulters by the bank.

However, Company has clarified to the bank that delay in making payments are due to liquidity problems. Hence, company & its directors are not willful defaulters.

Pledge of Promoter's shareholding

The promoters have pledged 4630000 shares as collateral security to bank for credit facility sanctioned to the Company.

Change in the Nature of Business

There is no change in the nature of business of the Company

Deposits:

Your Company has not accepted any fixed deposits and no amount of principal or interest was outstanding during the year.

Particulars of Employees:

During FY 2017-18 no employee is taking remuneration more than one crore and two lakh rupees in accordance with the provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014.

Corporate Governance:

The company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency, integrity and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large.

Share/ warrants issued during the year:

During the year Company has not issued or allotted any shares or warrants.

Transfer of unpaid and Unclaimed Amounts to Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, the Unclaimed Dividend of Rs. 5,93,757/- relating to the financial years 2009-10 was transferred to the Investor Education and Protection Fund established by the Central Government. Unclaimed dividend for the year 2010-11 is due to be transferred to the Investor Education and Protection Fund on 29.09.2018.

Disclosure of Accounting Treatment

The Company has followed prescribed Indian Accounting Standards(Ind AS) in preparation of its financial statements.

Cash Flow Analysis

In conformity with the provisions of Clause 34(2) of SEBI (LODR) Regulations, 2015, the Cash Flow Statement for the year ended on 31st March, 2018 forms an integral part of the Financial Statements.

Vigil Mechanism/Whistle Blower Policy

Company has adopted Vigil Mechanism/ Whistle blower policy and same is available on Company Website www.venusremedies.com

Committees of the Board:

A detailed note on the Board and committee meetings including the composition is given in the Corporate Governance Report which forms part of the Annual Report.

Directors

Due to pre-occupation Mr. Jagdish Chander, (DIN-00444226) resigned as director (Non- Executive & Independent director) of the Company w.e.f. 01.02.2018.

Mr. Pravindra Singh Chauhan, (DIN-08068504) has been appointed as the Additional Director (Non- Executive & Independent director) of the Company w.e.f. 13.02.2018

Mrs. Manu Chaudhary, (DIN-00435834) retires at the ensuing Annual General meeting and being eligible, seeks re-appointment. The Board recommends her re-appointment. The details of the appointment are mentioned in the Notice of the meeting.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

Internal Financial Control followed by the Company which helps in 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 timely preparation of reliable financial information.

The Company has appointed auditors for internal financial control. Auditors work in line with accounting standards. Various policies and SOPs have been formed for various process. They are continuously monitor the efficacy of internal controls/ compliance with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management, control and governance processes.

Acknowledgments

The Board sincerely thanks employees for their dedicated services at all levels. We also acknowledge the support and wise counsel extended to us by the analysts, bankers, government agencies, and investors at large, the advisers on our panel, all concerned regulatory authorities, our business associates, suppliers, the medical fraternity, patients and last but not the least, our shareholders for their unflinching support, constant guidance and trust in Venus Remedies Limited.

For and on behalf of Board of Directors,
For **VENUS REMEDIES LIMITED**

Pawan Chaudhary
Sd/-
Chairman & Managing Director
DIN-00435503

Place: Panchkula
Date: 13.08.2018

Annexure -1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24232CH1989PLC009705
2.	Registration Date	15.09.1989
3.	Name of the Company	Venus Remedies Limited
4.	Category/Sub-category of the Company	Public Company (Limited by Shares)
5.	Address of the Registered office & contact details	SCO-857, Cabine no. 10, NAC Manimajra, NAC, Chandigarh. Ph- 0172-3933090, Fax: 0172-2565566, Website:www.venusrenmedies.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. 44, Community Centre, 2nd Floor, Naraina Industrial, phase—1, Near PVR Naraina, New Delhi-110028 Phone: 011-41410592, Fax: 011-41410591, email- delhi@linkintime.co.in

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Pharmaceutical product manufacturing	210	100

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1	Venus Pharma GmbH AM bahnhof 1-3, D-59368, Werne, Germany	--	Subsidiary	100%	2(87)

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

Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year 2017-18				Shareholding at the end of the year 2017-18				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	2330000	0	2330000	18.8786	2330000	0	2330000	18.8786	0
(b)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)									
	Bodies Corporate	2300000	0	2300000	18.6356	2300000	0	2300000	18.6356	0
	Sub Total (A)(1)	4630000	0	4630000	37.5142	4630000	0	4630000	37.5142	0
[2]	**Foreign**									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Government	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**4630000**	**0**	**4630000**	**37.5142**	**4630000**	**0**	**4630000**	**37.5142**	**0**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	0	1200	1200	0.0097	0	1200	1200	0.0097	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investor	58944	0	58944	0.4776	58944	0	58944	0.4776	0
(f)	Financial Institutions / Banks	33383	0	33383	0.2705	54682	0	54682	0.4431	0.1726
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
(i)	Any Other (Specify)									
	Sub Total (B)(1)	92327	1200	93527	0.7578	113626	1200	114826	0.9304	0.1726
[2]	**Central Government/ State Government(s)/ President of India**									
	Central Government / State Government(s)	0	0	0	0	900	0	900	0.0073	0.0073
	Sub Total (B)(2)	0	0	0	0	900	0	900	0.0073	0.0073
[3]	**Non-Institutions**									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	4786663	270678	5057341	40.9767	4902389	266778	5169167	41.8828	0.9061
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1056699	0	1056699	8.5618	827357	0	827357	6.7036	-1.8582
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0

Sr No	Category of Shareholders	Shareholding at the beginning of the year 2017-18				Shareholding at the end of the year 2017-18				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c)	Employee Trusts	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)									
	Foreign Nationals	200	0	200	0.0016	200	0	200	0.0016	0
	Hindu Undivided Family	329207	0	329207	2.6674	276112	0	276112	2.2372	-0.4302
	Non Resident Indians (Non Repat)	51273	0	51273	0.4154	63225	0	63225	0.5123	0.0969
	Non Resident Indians (Repat)	234985	0	234985	1.9039	218068	0	218068	1.7669	-0.137
	Clearing Member	221840	0	221840	1.7974	307281	0	307281	2.4897	0.6923
	Bodies Corporate	659116	7800	666916	5.4036	727052	7800	734852	5.9541	0.5505
	Sub Total (B)(3)	7339983	278478	7618461	61.728	7321684	274578	7596262	61.5481	-0.1799
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	7432310	279678	7711988	62.4858	7436210	275778	7711988	62.4858	0
	Total (A)+(B)	11162310	279678	12341988	100	12066210	275778	12341988	100	0
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0	0	0	0	0	0
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0
	Total (A)+(B)+(C)	**11162310**	**279678**	**12341988**	**100**	**12066210**	**275778**	**12341988**	**100**	0

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year 2017-18			Shareholding at the end of the year 2017-18			% change in shareholding 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 capital	
1	Mr. Pawan Chaudhary	1187000	9.62	9.62	1187000	9.62	9.62	NIL
2	Mrs. Manu Chaudhary	1143000	9.26	9.26	1143000	9.26	9.26	NIL
3	Sunev Pharma Solutions Ltd.	2300000	18.64	18.64	2300000	18.64	18.64	NIL

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

SN	Particulars	Shareholding at the beginning of the year 2017-18		Cumulative Shareholding during the year 2017-18	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Pawan Chaudhary	1187000	9.62	1187000	9.62
2	Manu Chaudhary	1143000	9.26	1143000	9.26
3	Sunev Pharma Solutions Ltd.	2300000	18.64	2300000	18.64

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year 2017-18		Transactions during the year		Cumulative Shareholding at the end of the year 2017-18	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	PUNEET MAHENDRA SHARMA	47357	0.3837			47357	0.3837
	Acquired			22 Dec 2017	20000	67357	0.5458
	AT THE END OF THE YEAR					67357	0.5458
2	VIVEK BHARATI	65000	0.5267			65000	0.5267
	AT THE END OF THE YEAR					65000	0.5267
3	K.B.SHEKAR	51577	0.4179			51577	0.4179
	Acquired			02 Jun 2017	3000	54577	0.4422
	Acquired			16 Feb 2018	8900	63477	0.5143
	AT THE END OF THE YEAR					63477	0.5143
4	EDELWEISS CUSTODIAL SERVICES LTD	18924	0.1533			18924	0.1533
	Acquired			07 Apr 2017	11	18935	0.1534
	Acquired			14 Apr 2017	111	19046	0.1543
	Acquired			21 Apr 2017	14742	33788	0.2738
	Sold			28 Apr 2017	(389)	33399	0.2706
	Acquired			05 May 2017	2329	35728	0.2895
	Acquired			12 May 2017	64	35792	0.2900
	sold			19 May 2017	(1337)	34455	0.2792
	Acquired			26 May 2017	1271	35726	0.2895
	Sold			02 Jun 2017	(556)	35170	0.2850
	Acquired			09 Jun 2017	78	35248	0.2856
	Acquired			16 Jun 2017	3108	38356	0.3108
	Sold			23 Jun 2017	(2968)	35388	0.2867
	Sold			30 Jun 2017	(1299)	34089	0.2762
	Acquired			07 Jul 2017	614	34703	0.2812
	Acquired			14 Jul 2017	23	34726	0.2814
	Acquired			21 Jul 2017	5235	39961	0.3238
	Sold			28 Jul 2017	(331)	39630	0.3211
	Sold			04 Aug 2017	(483)	39147	0.3172
	Acquired			11 Aug 2017	9900	49047	0.3974
	Acquired			18 Aug 2017	3738	52785	0.4277
	Acquired			25 Aug 2017	2771	55556	0.4501
	Sold			01 Sep 2017	(11983)	43573	0.3530
	Sold			08 Sep 2017	(5950)	37623	0.3048
	Sold			15 Sep 2017	(521)	37102	0.3006
	Sold			22 Sep 2017	(3383)	33719	0.2732
	Sold			29 Sep 2017	(670)	33049	0.2678
	Acquired			06 Oct 2017	88	33137	0.2685
	Acquired			13 Oct 2017	9173	42310	0.3428
	Sold			27 Oct 2017	(100)	42210	0.3420
	Acquired			03 Nov 2017	19996	62206	0.5040
	Sold			10 Nov 2017	(615)	61591	0.4990
	Sold			17 Nov 2017	(160)	61431	0.4977
	Sold			24 Nov 2017	(22165)	39266	0.3181
	Sold			01 Dec 2017	(94)	39172	0.3174

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year 2017-18		Transactions during the year		Cumulative Shareholding at the end of the year 2017-18	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Acquired			08 Dec 2017	725	39897	0.3233
	Acquired			15 Dec 2017	14761	54658	0.4429
	Acquired			22 Dec 2017	24	54682	0.4431
	Sold			29 Dec 2017	(25)	54657	0.4429
	Acquired			05 Jan 2018	40	54697	0.4432
	Acquired			12 Jan 2018	55013	109710	0.8889
	Acquired			19 Jan 2018	6248	115958	0.9395
	Sold			26 Jan 2018	(47645)	68313	0.5535
	Acquired			02 Feb 2018	640	68953	0.5587
	Acquired			09 Feb 2018	5613	74566	0.6042
	Acquired			16 Feb 2018	10	74576	0.6042
	Sold			23 Feb 2018	(9606)	64970	0.5264
	Sold			02 Mar 2018	(300)	64670	0.5240
	Acquired			09 Mar 2018	171	64841	0.5254
	Acquired			16 Mar 2018	7000	71841	0.5821
	Sold			23 Mar 2018	(1466)	70375	0.5702
	Sold			31 Mar 2018	(10950)	59425	0.4815
	AT THE END OF THE YEAR					59425	0.4815
5	FIDUCIAN INDIA FUND	53944	0.4371			53944	0.4371
	AT THE END OF THE YEAR					53944	0.4371
6	KARVY STOCK BROKING LIMITED-CLIENT ACCOUNT-NSE CM	28957	0.2346			28957	0.2346
	Sold			07 Apr 2017	(3097)	25860	0.2095
	Acquired			14 Apr 2017	606	26466	0.2144
	Acquired			21 Apr 2017	429	26895	0.2179
	Acquired			28 Apr 2017	22379	49274	0.3992
	Sold			05 May 2017	(1020)	48254	0.3910
	Acquired			12 May 2017	306	48560	0.3935
	Sold			19 May 2017	(1408)	47152	0.3820
	Sold			26 May 2017	(963)	46189	0.3742
	Sold			02 Jun 2017	(19332)	26857	0.2176
	Acquired			09 Jun 2017	373	27230	0.2206
	Sold			16 Jun 2017	(523)	26707	0.2164
	Acquired			23 Jun 2017	93	26800	0.2171
	Acquired			30 Jun 2017	860	27660	0.2241
	Sold			07 Jul 2017	(304)	27356	0.2216
	Acquired			14 Jul 2017	232	27588	0.2235
	Acquired			21 Jul 2017	364	27952	0.2265
	Acquired			28 Jul 2017	200	28152	0.2281
	Acquired			04 Aug 2017	504	28656	0.2322
	Sold			11 Aug 2017	(4050)	24606	0.1994
	Acquired			18 Aug 2017	660	25266	0.2047
	Acquired			25 Aug 2017	710	25976	0.2105
	Sold			01 Sep 2017	(1167)	24809	0.2010
	Sold			08 Sep 2017	(2633)	22176	0.1797
	Acquired			15 Sep 2017	1139	23315	0.1889
	Sold			22 Sep 2017	(1231)	22084	0.1789

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year 2017-18		Transactions during the year		Cumulative Shareholding at the end of the year 2017-18	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Acquired			29 Sep 2017	616	22700	0.1839
	Sold			06 Oct 2017	(589)	22111	0.1792
	Sold			13 Oct 2017	19587	41698	0.3379
	Sold			20 Oct 2017	(2699)	38999	0.3160
	Sold			27 Oct 2017	(4129)	34870	0.2825
	Sold			03 Nov 2017	(2978)	31892	0.2584
	Sold			10 Nov 2017	(381)	31511	0.2553
	Acquired			17 Nov 2017	16	31527	0.2554
	Acquired			24 Nov 2017	1212	32739	0.2653
	Sold			01 Dec 2017	(783)	31956	0.2589
	Sold			08 Dec 2017	(500)	31456	0.2549
	Acquired			15 Dec 2017	1484	32940	0.2669
	Sold			22 Dec 2017	(1864)	31076	0.2518
	Acquired			29 Dec 2017	436	31512	0.2553
	Sold			05 Jan 2018	(201)	31311	0.2537
	Sold			12 Jan 2018	(8271)	23040	0.1867
	Acquired			19 Jan 2018	16088	39128	0.3170
	Acquired			26 Jan 2018	466	39594	0.3208
	Acquired			02 Feb 2018	2501	42095	0.3411
	Acquired			09 Feb 2018	5633	47728	0.3867
	sold			16 Feb 2018	(1402)	46326	0.3754
	Acquired			23 Feb 2018	1353	47679	0.3863
	sold			02 Mar 2018	(2390)	45289	0.3670
	sold			09 Mar 2018	(144)	45145	0.3658
	Acquired			16 Mar 2018	1426	46571	0.3773
	Acquired			23 Mar 2018	2859	49430	0.4005
	Acquired			31 Mar 2018	865	50295	0.4075
	AT THE END OF THE YEAR					50295	0.4075
7	K.MOHAN	60000	0.4861			60000	0.4861
	Sold			04 Aug 2017	(15000)	45000	0.3646
	Acquired			27 Oct 2017	5000	50000	0.4051
	AT THE END OF THE YEAR					50000	0.4051
8	GIRISH KUMAR SHARDA	70179	0.5686			70179	0.5686
	Sold			02 Jun 2017	(5000)	65179	0.5281
	Sold			23 Jun 2017	(10000)	55179	0.4471
	Sold			21 Jul 2017	(5000)	50179	0.4066
	Sold			12 Jan 2018	(2500)	47679	0.3863
	Sold			26 Jan 2018	(5000)	42679	0.3458
	AT THE END OF THE YEAR					42679	0.3458
9	ANGEL BROKING PRIVATE LIMITED	29424	0.2384			29424	0.2384
	Sold			07 Apr 2017	(1475)	27949	0.2265
	Sold			14 Apr 2017	(4579)	23370	0.1894
	Acquired			21 Apr 2017	6004	29374	0.2380
	Acquired			28 Apr 2017	6818	36192	0.2932
	Sold			05 May 2017	(7751)	28441	0.2304
	Acquired			12 May 2017	1804	30245	0.2451
	Sold			19 May 2017	(3572)	26673	0.2161

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year 2017-18		Transactions during the year		Cumulative Shareholding at the end of the year 2017-18	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Acquired			26 May 2017	1376	28049	0.2273
	Sold			02 Jun 2017	(7962)	20087	0.1628
	Acquired			09 Jun 2017	814	20901	0.1693
	Sold			16 Jun 2017	(882)	20019	0.1622
	Sold			23 Jun 2017	(1559)	18460	0.1496
	Acquired			30 Jun 2017	531	18991	0.1539
	Sold			07 Jul 2017	(2248)	16743	0.1357
	Acquired			14 Jul 2017	128	16871	0.1367
	Acquired			21 Jul 2017	885	17756	0.1439
	Acquired			28 Jul 2017	434	18190	0.1474
	Acquired			04 Aug 2017	2563	20753	0.1681
	Sold			11 Aug 2017	(1739)	19014	0.1541
	Acquired			18 Aug 2017	351	19365	0.1569
	Acquired			25 Aug 2017	6330	25695	0.2082
	Acquired			01 Sep 2017	4636	30331	0.2458
	Acquired			08 Sep 2017	807	31138	0.2523
	Sold			15 Sep 2017	(11784)	19354	0.1568
	Acquired			22 Sep 2017	1990	21344	0.1729
	Sold			29 Sep 2017	(3672)	17672	0.1432
	Acquired			06 Oct 2017	2328	20000	0.1620
	Sold			13 Oct 2017	(285)	19715	0.1597
	Sold			20 Oct 2017	(1828)	17887	0.1449
	Acquired			27 Oct 2017	11279	29166	0.2363
	Sold			03 Nov 2017	(2043)	27123	0.2198
	Sold			10 Nov 2017	(2529)	24594	0.1993
	Sold			17 Nov 2017	(2779)	21815	0.1768
	Acquired			24 Nov 2017	852	22667	0.1837
	Sold			01 Dec 2017	(2880)	19787	0.1603
	Sold			08 Dec 2017	(1644)	18143	0.1470
	Acquired			15 Dec 2017	3003	21146	0.1713
	Sold			22 Dec 2017	(2588)	18558	0.1504
	Acquired			29 Dec 2017	13328	31886	0.2584
	Acquired			05 Jan 2018	1708	33594	0.2722
	Sold			12 Jan 2018	(10705)	22889	0.1855
	Acquired			19 Jan 2018	19880	42769	0.3465
	Acquired			26 Jan 2018	7099	49868	0.4041
	Acquired			02 Feb 2018	1264	51132	0.4143
	Sold			09 Feb 2018	(2194)	48938	0.3965
	Sold			16 Feb 2018	(2358)	46580	0.3774
	Acquired			23 Feb 2018	392	46972	0.3806
	Sold			02 Mar 2018	(1845)	45127	0.3656
	Sold			09 Mar 2018	(8766)	36361	0.2946
	Acquired			16 Mar 2018	12882	49243	0.3990
	Acquired			23 Mar 2018	2962	52205	0.4230
	Sold			31 Mar 2018	(10203)	42002	0.3403
	AT THE END OF THE YEAR					42002	0.3403
10	MEHEK MERCANTILE PVT LTD	0	0.0000			0	0.0000
	Acquired			16 Jun 2017	3292	3292	0.0267

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year 2017-18		Transactions during the year		Cumulative Shareholding at the end of the year 2017-18	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Acquired			04 Aug 2017	8844	12136	0.0983
	Acquired			25 Aug 2017	24717	36853	0.2986
	Acquired			08 Sep 2017	6000	42853	0.3472
	Acquired			15 Sep 2017	47068	89921	0.7286
	Acquired			08 Dec 2017	8621	98542	0.7984
	Sold			19 Jan 2018	(57597)	40945	0.3318
	AT THE END OF THE YEAR					40945	0.3318
11	SHRI PARASRAM HOLDINGS PVT.LTD.	49620	0.4020			49620	0.4020
	Sold			07 Apr 2017	(17414)	32206	0.2609
	Acquired			14 Apr 2017	6	32212	0.2610
	Sold			21 Apr 2017	(4189)	28023	0.2271
	Sold			28 Apr 2017	(3140)	24883	0.2016
	Acquired			05 May 2017	4583	29466	0.2387
	Acquired			12 May 2017	4105	33571	0.2720
	Sold			19 May 2017	(5510)	28061	0.2274
	Sold			26 May 2017	(9600)	18461	0.1496
	Acquired			02 Jun 2017	690	19151	0.1552
	Sold			09 Jun 2017	(4011)	15140	0.1227
	Sold			16 Jun 2017	(47)	15093	0.1223
	Sold			23 Jun 2017	(20)	15073	0.1221
	Acquired			30 Jun 2017	399	15472	0.1254
	Sold			07 Jul 2017	(600)	14872	0.1205
	Sold			14 Jul 2017	(440)	14432	0.1169
	Sold			21 Jul 2017	(310)	14122	0.1144
	Sold			28 Jul 2017	(131)	13991	0.1134
	Sold			04 Aug 2017	(980)	13011	0.1054
	Acquired			11 Aug 2017	785	13796	0.1118
	Acquired			18 Aug 2017	375	14171	0.1148
	Acquired			25 Aug 2017	1135	15306	0.1240
	Acquired			01 Sep 2017	3555	18861	0.1528
	Sold			08 Sep 2017	(205)	18656	0.1512
	Acquired			15 Sep 2017	1345	20001	0.1621
	Sold			22 Sep 2017	(6584)	13417	0.1087
	Sold			29 Sep 2017	(1195)	12222	0.0990
	Acquired			06 Oct 2017	9509	21731	0.1761
	Sold			13 Oct 2017	(1404)	20327	0.1647
	Acquired			20 Oct 2017	5020	25347	0.2054
	Acquired			27 Oct 2017	13617	38964	0.3157
	Sold			03 Nov 2017	(5439)	33525	0.2716
	Sold			10 Nov 2017	(425)	33100	0.2682
	Sold			17 Nov 2017	1150	34250	0.2775
	Sold			24 Nov 2017	(272)	33978	0.2753
	Sold			01 Dec 2017	(496)	33482	0.2713
	Sold			08 Dec 2017	(1673)	31809	0.2577
	Acquired			15 Dec 2017	13374	45183	0.3661
	Acquired			22 Dec 2017	3981	49164	0.3983
	Sold			29 Dec 2017	(700)	48464	0.3927

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year 2017-18		Transactions during the year		Cumulative Shareholding at the end of the year 2017-18	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
	Acquired			05 Jan 2018	113	48577	0.3936
	Sold			12 Jan 2018	(40058)	8519	0.0690
	Acquired			19 Jan 2018	2639	11158	0.0904
	Acquired			26 Jan 2018	6950	18108	0.1467
	Sold			02 Feb 2018	(232)	17876	0.1448
	Acquired			09 Feb 2018	3475	21351	0.1730
	Sold			16 Feb 2018	(160)	21191	0.1717
	Acquired			23 Feb 2018	170	21361	0.1731
	Acquired			09 Mar 2018	235	21596	0.1750
	Acquired			16 Mar 2018	355	21951	0.1779
	Acquired			23 Mar 2018	30	21981	0.1781
	Acquired			31 Mar 2018	825	22806	0.1848
	AT THE END OF THE YEAR					22806	0.1848
12	GIRDHAR LAL SHARDA	61076	0.4949			61076	0.4949
	Sold			07 Jul 2017	(4396)	56680	0.4592
	Sold			14 Jul 2017	(400)	56280	0.4560
	Sold			19 Jan 2018	(15000)	41280	0.3345
	Sold			09 Feb 2018	(15545)	25735	0.2085
	Sold			23 Feb 2018	(10000)	15735	0.1275
	AT THE END OF THE YEAR					15735	0.1275
13	MANU GOPALDAS CHHABRIA	117509	0.9521			117509	0.9521
	Sold			21 Apr 2017	(4394)	113115	0.9165
	Acquired			21 Jul 2017	500	113615	0.9206
	Sold			04 Aug 2017	(4700)	108915	0.8825
	Sold			29 Sep 2017	(22677)	86238	0.6987
	Sold			06 Oct 2017	(5100)	81138	0.6574
	Sold			13 Oct 2017	(15382)	65756	0.5328
	Acquired			20 Oct 2017	5276	71032	0.5755
	Acquired			27 Oct 2017	2400	73432	0.5950
	Sold			08 Dec 2017	(13656)	59776	0.4843
	Sold			22 Dec 2017	(10587)	49189	0.3986
	Sold			05 Jan 2018	(11504)	37685	0.3053
	Sold			12 Jan 2018	(23719)	13966	0.1132
	Acquired			02 Feb 2018	2400	16366	0.1326
	Sold			09 Mar 2018	(14402)	1964	0.0159
	Sold			16 Mar 2018	(1964)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
14	GIRDHARLAL GIRISH SHARDA HUF .	46493	0.3767			46493	0.3767
	Sold			28 Jul 2017	(5000)	41493	0.3362
	Sold			09 Feb 2018	(41493)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 12341988 Shares.
2. The details of holding has been clubbed based on PAN.

E) Shareholding of Directors and Key Managerial Personnel:

Sr No.	Name & Type of Transaction	Shareholding at the beginning		Transactions during the year	
		No. of shares	% of totalshares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year • Mr. Pawan Chaudhary • Mrs. Manu Chaudhary • Mr. Peeyush Jain • Mr. Ashutosh Jain	As mentioned above in point no. IV(c)			
	• KMP	NIL			
	At the end of the year • Mr. Pawan Chaudhary • Mrs. Manu Chaudhary • Mr. Peeyush Jain • Mr. Ashutosh Jain	As mentioned above in point no. IV(c)			
	• KMP	NIL			

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment for the financial year 2017-18:

(₹ in Millions)

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2590.11	340.10	0	2930.21
ii) Interest due but not paid	81.69	151.18	0	232.87
Total (i+ii+iii)	**2671.80**	**491.28**	**0**	**3163.08**
Change in Indebtedness during the financial year				
Addition	107.84	17.09	0	124.93
Reduction	75.68	0	0	75.68
Net Change	**32.16**	**17.09**	**0**	**49.25**
Indebtedness at the end of the financial year				
i) Principal Amount	2514.43	340.1	0	2854.53
ii) Interest due but not paid	189.53	168.27	0	357.80
Total (i+ii+iii)	**2703.96**	**508.37**	**0**	**3212.33**

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

Sr No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (Rs. In cr.)
		Pawan Chaudhary	Manu Chaudhary	Peeyush Jain	Ashutosh Jain	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.63	0.60	0.36	0.33	1.92
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.01	-	0.005	-	0.015
	(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					
	-	-	-	-		
	Total (A)	**0.64**	**0.60**	**0.37**	**0.33**	**1.94**
	Ceiling as per the Act	As per the Companies Act 2013				

B. Remuneration to other directors

Sr No.	Particulars of Remuneration	Name of Directors					Total Amount (Amt. In Rs.)
1.	Independent Directors	Jagdish Chander	S.K. Chadha	Rupinder Tewari	Gilbert Wezel	Pravindra Singh Chauhan	
	Fee for attending board committee meetings	15075	30075	10050	NIL	NIL	55200
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	15075	30075	10050	NIL	NIL	55200
2	Other Non-Executive Directors	NIL	NIL	NIL	NIL	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	15075	30075	10050	NIL	NIL	55200
	Total Managerial Remuneration	NIL	NIL	NIL	NIL		NIL
	Overall Ceiling as per the Act	As per the Companies Act 2013					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in Rs,)

Sr No.	Particulars of Remuneration	Key Managerial Personnel
		Company Secretary
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	636000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(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	-
	Total	636000

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeall made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE TO DIRECTORS' REPORT

Annexure-2

Nomination & Remuneration Policy

Introduction:

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

Objective

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in
- senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Recommend to the Board their appointment and removal;
- The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;
- Evaluate the Board performance.

Definitions:

"Board" means Board of Directors of the Company.
"Directors" mean Directors of the Company.

"Key Managerial Personnel" manes:

i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Wholetime Director;
ii) Chief Financial Officer;
iii) Company Secretary; and
iv) such other officer as may be prescribed.

"Nomination and Remuneration Committee"

Appointment a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178of the Companies Act, 2013 and the Listing Agreement.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961

"Senior Managerial Personnel" means:

The personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

POLICY FOR APPOINTMENT & REMOVAL OF DIRECTORS / KMP / SENIOR MANAGEMENT PERSONNEL

i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment;

ii. The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term;

iii. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company;

iv. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director

shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly;

v. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act;

vi. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly);

vii. The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company;

viii. The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/ KMP/SENIOR MANAGEMENT PERSONNEL

i. The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;

ii. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;

iii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;

iv. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;

v. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION, REVIEW & AMENDMENT

i. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate;

ii. The Nomination & Remuneration Committee or the Board may review the Policy as and when it deems necessary;

iii. This Policy may be amended or substituted by the Nomination & Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Annexure 3

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 arms length transaction under third proviso thereto.`

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Names of related party transaction	Nature of Contract/Duration/ arrangements	Terms of Contract	Date of Board approval
1.	Spine Software Systems (P) Ltd.	11 months	Renting the property	01.09.2017

For and on behalf of Board of Directors,
For VENUS REMEDIES LIMITED
Pawan Chaudhary

Chairman & Managing Director
(DIN-00435503)

Place: Panchkula
Date: 13.08.2018

Annexure 4

1. Conservation of Energy:

This Committee and the Policy is formulated in compliance with Section 178 of the

A) Steps Taken During The Year For Energy Conservation

1. B facility Blender machine Motor connected with VFD and conserve electricity . .
2. In Water system Multicoloum , PSG , HPW , convert into auto mode operation which shut the system at required parameters and help to conserve electricity.
3. In VMRC we installed new drive on HOCL machine to control the speed of motor and conserve energy.
4. Replacement of motors, installed new energy efficient motors.

B) Impact of the above measures for reduction of energy consumption and consequent impact on the cost of reduction of goods:

The Company saved cost as well as energy through the measures outlined above.

C. Total energy consumption and energy consumption per unit of production:

FORM A

A. Power and Fuel Consumption:

		2017-18	2016-17
1	Electricity		
a)	Purchased		
	Units	3804316	3424331
	Total Amount (Rs.)	27091644	25607768
	Rate/Unit (Rs.)	7.12	7.48
b)	Own Generation		
(i)	Through D.G. Set		
	Units	159370	247294
	Total Amount (Rs.)	3064239	4865001
	Rate/Unit (Rs.)	19.23	19.67
(ii)	Through Steam Turbine/Generation	Nil	Nil
2	Coal Consumption	Nil	Nil
3	Furnace Oil and LDO		
	Quantity (Ltrs)	128729	121975
	Total Amount (Rs.)	3281594	3102205
	Average rate (Rs. / Unit)	25.49	25.43
4	Other/Internal Generation	Nil	NIL

B. Consumption per unit of Production:

There are no specific standards as the consumption per unit depends on the product mix.

2. TECHNOLOGY ABSORPTION

FORM B

Research and Developments

1. Specific areas in which R & D carried out by the Company:

Being research and development driven global pharmaceutical company, we are actively involved in translating innovative concepts to workable solutions and as such pursuing many projects in niche areas which are rare in India

Venus Medicine Research Center (VMRC) is a fully equipped interdisciplinary drug discovery and development center duly approved by Department of Scientific and Industrial Research (DSIR) Government of India. VMRC has established itself as an Intellectual Property wealth generation resource for the company. It is driven by a team of more than 30 intellectuals. A well qualified and experienced team of scientists conduct

research in discovering the most needed and efficacious medicines which are safe and cost effective and also generating medical knowledge for evidence based healthcare. VMRC excels in translational research and pharmaceutics having an in-depth experience and expertise into Novel Drug Delivery Systems, Nanomedicine and targeted oncology therapeutics. Thrust areas of research include antibiotics, oncology, neurology, emergency care medicine, pain management and wound care.

VMRC is committed to developing therapeutics to meet the challenges of antimicrobial resistance and has come up with many solutions. Modern medicine has made several advancements and newer classes of antibiotics such as Cephalosporins, Fluoroquinolones and Carbapenems have been developed. These constitute of both first-line antibiotics like Penicillin and last-resort antibiotics like Carbapenems.

Thrust Areas of Research:

Our R&D approach towards uncluttered spaces and unique therapies has pushed us to develop novel solutions that fill the gap between challenging ailments and available molecules. With the objective of saving human life through innovations, we are focusing on:

Development of Novel Antibiotic Adjuvant Entity (AAE) to combat growing anti-microbial resistance

Novel Drug Delivery System (NDDS)

Target based Oncology Drug Delivery

Developing Diagnostic device for early detection

Venus is one of the few research companies working on AMR medicines for more than 10 years and has developed significant product pipeline under patent protection.

Antimicrobial Resistance (AMR) can be defined as resistance of a microorganism to an antimicrobial medicine to which it was previously sensitive.

Antibiotic resistance refers to ability of the bacteria to render an antibiotic drug ineffective by developing mechanisms that counteract the functioning of antibiotic drugs. In other words, the antibiotic can no longer kill the bacteria and bacterial growth is not stopped.

This has severe life threatening implications as common infections like pneumonia that were otherwise treatable can now become fatal. Moreover, it challenges all the advances that we have made in modern medicine, making child birth and surgeries a much riskier proposition. At Venus, we provide a AMR surveillance portal for capturing and sharing resistance data.

Venus has a comprehensive software system for pan India AMR surveillance program . Implemented through a vast network across 15 states, 250 districts through 150 centers including various Healthcare Institutions/Hospitals/ Research Centers across India for data collection, feed and analysis of to understand trends of emerging resistance.

Venus has mapped emerging microbial resistance pattern for more than 40 antibiotics/combinations for close to 25000 strains and helpings Physicians to take informed decision on designing therapy.

Significant breakthroughs have been achieved by VMRC in 'Antibiotic Adjuvant Entities' for notable resistance barriers like ESBLs, carbapenem resistant metalo-beta-actamases, MRSA, CREs bacterial biofilms and efflux.

Modern Research Infrastructure

- Dedicated Pilot Facilities for different forms of injections
- Tech Research Laboratories of International standard following GLP
- Well Developed Animal House approved by Committee for the Purpose of Control and Supervision on Experiments on Animals (CPCSEA)

Key drivers are:

- Innovative Solutions for incurable diseases
- Combating Antimicrobial resistance
- Reduction in treatment time and cost
- Improved QoL of patient
- Reduction in side effects
- Decreased frequency of drug administration

The Major functional divisions at VMRC include:

1. Formulation Development: NDDS (Novel Drug Delivery System) based product development, Nanotechnology, Targeted Delivery, Sustained Delivery, Pulsatile Drug Delivery and development of Antibiotic adjuvant entity, Non infringing formulations products with Improved Bioavailability, Process Development and Technology Transfer.

2. Analytical Research: Analytical method development and validation, Bioanalytical method development and validation, Drug drug interaction, Stability studies and Physio-chemical research, Elemental Analysis
3. Pre- Clinical: Toxicity studies, Pk/Pd Studies, Proof of Mechanism, Proof of Concept, Safety Pharmacology, QTC studies, Histopathological Study, Pharmacokinetic research using Hollow Fiber Infection Model.
4. Cell Culture and Microbial Biotechnology (CCMB): Genetic characterization of resistant strains, Novel Biomarker and Therapeutic target identification of oncology drugs, micro-imaging studies on cellular functions, molecular imaging and imaging biomarkers, Semi-quantitative and quantitative gene expression, Protein profiling, cytotoxicity, Method validation for BET and Sterility, Microbio Assay, Clinical microbiology, TKC, Carcinogenicity and Mutageneticity Studies.
5. Clinical Research: Early phase clinical studies (Phase I, II),Late phase clinical studies (Phase III and IV), Bridging phase trials, PK, BA/BE studies and Pharmacovigilence
6. Intellectual Property Protection and Commercialization Cell: Patent filing, prior art search, patent maintenance and prosecution, NBA NOC handling, Technology evaluation for in lincensing, Research valuation, Market survey and lead generation
7. Drug Regulatory Affairs: Dossier preparation in eCTD, CTD, ACTD and Nees formats, filing and maintenance, variation filing, regulatory submissions for India DCGI, NDAC and International pre IND meetings, regulatory documents submission for tenders

IPR Wealth

Venus has been building a strategic portfolio of IP wealth which has not only catered the unmet medical needs, the efforts have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place besides getting recognition for delivering unique solution for medical needs The company has its well defined IP policy in place. Efforts of Venus Medicine Research Centre for innovations are well reflected in the number of patents filed so far, which stands around 360.

2. Benefits derived as a result of the above R & D:

Venus Medicine Research Centre has enhanced the value in terms of recognition of our capabilities, commitment, sustainability and creativity besides laurels for the nation. We have focused our research and development on discovering and developing potential new medical solutions for unmet medical needs and hard to treat diseases. The benefit of translational medicine is increasingly being recognized worldwide. We combine the best of academia and corporate world. This attitude has led to the emergence of industry-academic-government networks to facilitate collaboration. Venus has been building a strategic portfolio of IP wealth which has not only catered the unmet social needs, the effort have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place.

3. Future plan of action:

Energizing R&D activities to realize the Mission 2020 to be recognized globally and expand focus from product development and IP wealth creation to wealth propagation and to deliver timely healthcare solutions for unmet medical needs focused on improving patient outcomes. This imperative will require focused flexible approach to reach out to customer, radically evolve the value proposition for future differentiated products and to integrate all resources in pursuit of developing, delivering, understanding and maintaining the best possible therapies and services to the global market. Aligning our priorities across these functions ensures that we develop potential therapeutics in a manner that not only addresses unmet medical needs abut also meets the changing demands of the market place.

Venus is looking strongly in development of a IP wealth cycle that would provide a seamless opportunities to gain predicted outcomes and balance risks.

The foremost priorities are given below.

1. Concluding studies and experiments for regulatory submissions of Elores in Europe and USA.
2. New product extensions (SKUs) for Trois (Herbal Nano Emulsion)
3. Develoment work on VRP-001 using platform STN teachnology
4. Participation in global scientific platforms and conferences for showcasing our Research work and commitment towards Antimicrobial Resistance.
5. Research collaborations with Government and Private Organization working on AMR and propagating concepts of using Antibiotic Resistance Breakers (ARB) for reviving efficacy of old Antibiotics.

The annual spending on research would be kept incremental in proportion to the increase in the sales as per the Company's plans:

Particulars	2017-18	2017-18	2016-17	2016-17
	Rs. in million	% to turnover	Rs. in million	% to turnover
Recurring Expenditure (R&D & IPR))	306.39	8.63	364.10	9.69

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1) Efforts, in brief, made towards technology absorption, adaptation and innovation.

The Company fixes stringent targets for technology improvement and up-gradation based upon global competition and quality criteria. Scientists at Venus Remedies undertake extensive up-gradation programs to improve and acquire latest technology with far reaching beneficial effects from research to manufacturing to marketing. Venus Scientists work in close relation with the manufacturing team to ensure smooth understanding and transfer of technology for large scale manufacturing. A stringent quality standard is maintained by Venus scientists with respect to GXP (GMP, GLP, GCP, etc.). Venus does invest into technology/product in-licensing as well as collaborative development with the industry and academic.

In-licensed technology for Solid Tumor Detection from University of Illinois, Chicago, US which would help in early detection and stage of solid tumors. This technology would be helpful even in remote areas where advanced detection techniques are not available.

Venus Remedies continually invites, explore collaboration and partnership with the single most objective to alleviate human sufferings and make better tomorrow. Venus Medicine Research Centre (VMRC), a research unit of Venus Remedies Limited entered into joint product development collaboration with Institute of Nuclear Medicine & Science (INMAS), a unit of DRDO. Under this collaboration, VMRC shall be developing various products for use in defence/paramilitary forces. Venus has entered into a research collaboration with University of Illinois, Chicago, Punjab University, KGMC Lucknow, IMTECH, Punjab, GJU Hissar and Shoolini University, Himachal Pradesh.

2) Benefits derived as a result of the above efforts e.g. product development, import, substitutions etc.

Commercial Launch of new products including novel drugs for antimicrobial resistance, oncology therapeutics, pain control etc. have differentiated Venus from the league of generic drug makers. Strengthening of Company's Product Basket specially with innovative and potential blockbuster drugs Supply of high Quality, research products with great potential to strategic partners

Venus has carved a niche for itself in super specialty parenterals especially in Oncology and Antimicrobial resistance and is one of the leading IPR wealth generator among Indian Pharma sector.

Venus has been building a strategic portfolio of IP wealth which has not only catered the unmet social needs, the efforts have brought extension of technologies in various products and applications. The effort in addition to economic benefit, have ensured a strategic and competitive benefit in the market place besides getting recognition for delivering unique solution for medical needs.

3) Import of Technology

The Company has not imported any technology during the financial year under review.

Annexure 5

FORM C

3. Foreign Exchange Earnings and Outgo

Particulars	Currency	Current Year	Current Year
		2017-18	2016-17
A. Earning in Foreign Exchange			
Sales	USD	99.84	91.98
	EURO	37.27	85.68
	GBP	19.66	21.61
R & D Activities	USD	0.22	1.31
	EURO	0.06	0.06
B. Expenditure in Foreign Exchange			
Particulars		Current Year	Previous Year
Salary	USD	0.99	1.01
Traveling	USD	0.05	0.01
	EURO	0.02	0.0009
	RMB	-	0.01
Regulatory Fee for Patent / Products & Plant Registration / Export	USD	0.88	10.51
	EURO	0.13	0.11
Subscription / Publication	USD	-	0.002
Commission / Incentive	USD	0.43	0.62
	EURO	0.09	0.03

Annexure 6

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

(Information in respect of each subsidiary to be presented with amounts in LACS)

Particulars	Name of the subsidiary
Reporting period for the subsidiary	1st April 2017 to 31st March 2018
Reporting currency and Exchange rate	EURO The figures in the Balance sheet for the year have been translated from Euro at the Closing RBI reference rate as on 31.03.2018 i.e. 1 Euro= Rs.80.6222. The figures in the profit & loss account for the year have been translated from Euro at the Average RBI reference rate for the year ending 31.03.2018 I.e 1 Euro=Rs.74.9349.
Share capital*	3984.99 lacs
Reserves & surplus	(1722.98) lacs
Total assets	3598.73 lacs
Total Liabilities	3598.73 lacs
Investments	--
Turnover	6130.82
Profit before taxation	(410.91)
Provision for taxation	--
Profit after taxation	(410.91)
Proposed Dividend	--
% of shareholding	100%

Notes:
1.Names of subsidiaries which are yet to commence operations: NIL
2.Names of subsidiaries which have been liquidated or sold during the year: NIL
* Share Capital above includes money received against share capital amounting Rs. 3964.83 lacs.

Part "B": Associates and Joint Ventures: N.A.

For and on behalf of the Board of Directors

(Peeyush Jain) Deputy Managing Director	**(Pawan Chaudhary)** Chairman cum Managing Director	**(Neha Kodan)** Company Secretary	**(Ajeet Kapoor)** CGM Accounts

PLACE : PANCHKULA
DATE : 13.08.2018

Annexure 7

Particulars of Employees Remuneration

Particulars of employees pursuant to section 134(3)(q) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014

The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Pawan Chaudhary	38.6:1
	Mrs. Manu Chaudhary	36.6:1
	Mr. Peeyush Jain	22.3:1
	Mr. Ashutosh Jain	20.1:1
The % of increase in remuneration of each director, Chief Financial officer, Chief Executive officer, Company Secretary or Manager, if any, in the Financial year	Mr. Pawan Chaudhary	0.04%
	Mrs. Manu Chaudhary	No change
	Mr. Peeyush Jain	(0.73)%
	Mr. Ashutosh Jain	No change
	Mrs. Neha	12.77%
The percentage increase in the median remuneration of the employees in the financial year	*(4.69)%	
Total no. of employees as on 31.03.2018	925	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average Salary increase in employees is 23.40%. There were no change in the remuneration of the managerial personnel from last financial year. There is no exceptional circumstances for increase in the managerial remuneration	
the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Managing Director of the Company is the highest paid director and no other employee is getting remuneration higher than the Managing Director.	
affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year is as per the Remuneration policy of the Company.	

* Due to change in number of employees during the year.

Secretarial Audit Report

for the Financial Year 31st March 2016 (Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and remuneration Personnel)Rule, 2014

To,
The Members,
Venus Remedies Limited

(CIN: L24232CH1986PLC009705)

Our report of even date is to be read along with this letter:

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the compliance of law, rules, regulations and happening of event etc.
- The compliance of provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verifications of procedures on test basis.
- The Secretarial Audit reports is neither an assurances as to the future viability neither of Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For P. Chadha and Associates
Practising Company Secretary

Place : Chandigarh
Date : 13.08.2018

(Prince Chadha)
ACS 32856, CP 12409

Form no. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014]

To,
The Members,
Venus Remedies Limited
(CIN: L24232CH1986PLC009705)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s Venus Remedies Limited (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Companies books, papers, minutes book, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with statutory provisions listed hereunder and also that company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(A) We have examined the books, papers, minute books, forms and returns filed and other records maintained by Venus Remedies Limited and produced before us for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, the Company has paid managerial remuneration in excess of limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V of the Act;
- The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The company could not serve the interest and principal repayments amounting to Rs. 3709.31 lacs to the financial institution, bank or debenture holders;

(ii) The Securities Contract (Regulation) Act,1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act,1996 and Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act,1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercials Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with clients;
- We have also examined compliance with the applicable clauses of the following:

(i) Secretarial standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the institute of company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations 2015;

During the period under review, the Company has generally complied with the provision of the Acts, Rules, Regulations, Guidelines and Standards and there was no prosecution

initiated against or show cause notice received by the Company under the Acts as mentioned above.

During the period under review, the provision of the following Regulations (as enumerated in the prescribed format of Form MR-3) were not applicable to the Company:

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations,1998;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; and
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

During the period under review, the Company carried on the business of Pharmaceuticals. As per Management Representation, the Company has complied with the provisions of following Acts and Rules made there under. The company has complied with the following acts specifically applicable to the pharmaceutical Industry.

(i) Drugs and Cosmetics Act, 1940
(ii) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
(iii) Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
(iv) Food Safety And Standards Act, 2006
(v) The Indian Copyright Act, 1957
(vi) The Patents Act, 1970
(vii) The Trade Marks Act, 1999
(viii) The Pharmacy Act 1948
(ix) Drug Control Act 1950
(x) Goods and Services Tax Act, 2017
(x) Industrial (Development & Regulation) Act, 1951

We further report that the board of directors of the company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the relevant act. However, the Company has paid managerial remuneration in excess of limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V of the Act;

- Further, The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The company could not serve the interest and principal repayments amounting to Rs. 3709.31 lacs to the financial institution, bank or debenture holders;

We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting 4 Board meetings were called on 13.04.2017, 03.08.2017, 08.01.2018 and10.01.2018 on shorter notice after due compliance and obtaining requisite consents to transact some urgent matter.

We further report that majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the company commensurate with the size and operations the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines referred to above.

We further report that during the audit period no specific events/ actions has taken place which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For P. Chadha and Associates
Practising Company Secretary

(Prince Chadha)
ACS 32856, CP 12409

Place: Chandigarh
Date: 13.08.2018

CORPORATE GOVERNANCE **Report**

1. Company's philosophy on Corporate Governance:

The company operates not only within the regulatory framework, but is also guided by broader business ethics. The idea is to ensure good conscience, transparency, integrity and openness which would lead to accountability of the persons in charge of the company and bring benefits to investors, customers, creditors, employees and the society at large.

2. Board of Directors :

A. Composition, Category, attendance and number of other Directorships of the Directors are furnished below :

As at March 31, 2018, the Board consisted of 8 members. The Composition, category of directors and directorships held in other companies by the Directors on the Board of the Company was as under:

Name of Director	Category of Director	No. of outside Directorships in Indian Public Companies	No. of Board Committee other than Venus Remedies Limited In Which Chairman/ Member	No. of Board Meetings attended	Attendance at last AGM	Number of shares/ convertible securities held by non executive directors
Mr. Pawan Chaudhary (Chairman & Managing Director)	Promoter, Whole-time Director	1	Nil	8	Yes	-
Mrs. Manu Chaudhary (Joint Managing Director)	Promoter, Whole-time Director	1	Nil	8	No	-
Mr. Peeyush Jain (Dy. Managing Director)	Whole-time Director	Nil	Nil	7	Yes	-
Mr. Ashutosh Jain (Executive Director)	Whole-time Director	1	Nil	7	Yes	-
Mr. Jagdish Chander*	Independent Non-Executive	Nil	Nil	7	Yes	-
Dr. S. K. Chadha	Independent Non-Executive	Nil	Nil	6	No	-
Dr. Gilbert Wenzel	Independent Non-Executive	Nil	Nil	1	No	-
Dr. Rupinder Tewari	Independent Non-Executive	Nil	Nil	4	No	-
Mr. Pravindra Singh Chauhan**	Independent Non-Executive	Nil	Nil	N.A.	N.A.	-

*Resigned w.e.f. 01.02.2018

**Appointed w.e.f. 13.02.2018

B. Details of Board Meetings held during the year.

Sr.No.	Date	Board Strength	No. of Directors present
1.	13.04.2017	8	6
2.	30.05.2017	8	6
3.	03.08.2017	8	5
4.	01.09.2017	8	6
5.	07.12.2017	8	6
6.	08.01.2018	8	6
7.	10.01.2018	8	6
8.	12.02.2018	7	7

E. Inter-se relationships among directors:
Mr. Pawan Chaudhary and Mrs. Manu Chaudhary are husband and wife. Mr. Peeyush Jain and Mr. Ashutosh Jain are brothers of Mrs. Manu Chaudhary. Except this, there are no inter-se relationship among the Directors.

F. Familiarization programme imparted to Directors:
Details of familiarization programmes imparted to directors are uploaded on Company's website www.venusremedies.com

G. Independent Directors:
The Independent Directors fulfill the criteria of independence as per the provisions of Listing Agreement, Companies Act, 2013 and SEBI (Listing obligations and Disclosure requirements) Regulations 2015 and have given declaration of Independence. Dr. Rupinder Tewari, Dr. Suresh Kumar Chadha and Dr. Gilbert Wenzel, Independent directors are appointed for the tenure of 5 years from the AGM held on 30.12.14 till the conclusion of AGM to be held in the year 2019. Mr. Pravindra Singh Chauhan appointed as the Additional Director(Non-Executive and Independent) w.e.f. 13.02.2018 till the conclusion of Annual General Meeting.

A Separate meeting of Independent Directors was held on 12.02.2018. Dr. Rupinder Tewari, Dr. Suresh Kumar Chadha and Dr. Gilbert Wenzel were present at the meeting.

3. Audit Committee

A) The Audit Committee performs the following functions:

a) Overseeing the Company's financial process and disclosure of financial information to ensure that the financial statement is correct;
b) Recommending the appointment and removal of external and internal auditor, fixation of audit fee and approval for payment of any services;
c) Reviewing with the management annual financial statement before submission to the Board;
d) Reviewing significant audit finding with the management and external and internal auditors, the adequacy of internal control system.;
e) Scrutiny of inter-corporate loans & Investments, if any;
f) Approval of related party transaction;
g) Discussing with internal auditors any significant finding and follow up on such issues;
h) Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern;
i) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
j) Examining reasons for substantial default in the payment to depositors, debenture holders, shareholders and creditors, if any;
k) Recommendation for appointment, remuneration and terms of appointment of auditors;
l) To evaluation of internal financial controls and risk management systems;
m) To review the functioning of the whistle blower mechanism;
n) To review management letters / letters of internal control weaknesses issued by the statutory auditors.
o) Carrying out any other function as mentioned in the terms of reference of Audit Committee.

B) During the year five Audit Committee Meetings were held:

S.No.	Date
1.	13.04.2017
2.	30.05.2017
3.	01.09.2017
4.	07.12.2017
5.	12.02.2018

C) Composition:
Composition of audit committee is in compliance with the requirements of section 177 of the companies act, 2013, as per the regulation 18 of the SEBI (Listing obligations and disclosure requirements) regulations 2015. Chairman of the audit committee was present at the last annual general meeting.

The Committee is comprised of three directors having financial and management expertise. The committee is headed by Non-Executive Independent Director of the Company.

Sr. No.	Name of Director/ Member	Designation	Category	No. of Meetings attended
1	Mr. Jagdish Chander*	Chairman	Non-Executive Independent	4
2	Mr. Pravindra Singh Chauhan**	Chairman	Non-Executive Independent	N.A.
3	Dr. S.K. Chadha	Member	Non-Executive Independent	5
4	Mr. Pawan Chaudhary	Member	Managing Director	5

Company Secretary of the Company act as the Secretary to the audit committee.

*Resigned w.e.f. 01.02.2018

**Appointed as the member & Chairman of committee in February 2018

4. Nomination & Remuneration Committee

A) Role of Nomination and Remuneration committee is as follows:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of Independent Directors and the Board;

c) Devising a policy on Board diversity;

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board for their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;

e) Recommend to the Board their appointment and removal;

f) The Committee deals with all elements of the remuneration package of all Whole-time Directors and also administers the stock option plan of the Company;

g) Evaluate the Board performance.

B) During the year one Nomination & Remuneration Committee Meetings held on 12.02.2018

C) Composition & Attendance:

The Nomination & Remuneration Committee comprises of Non Executive and Independent Directors.

Sr. No.	Name of Director/ Member	Designation	Category	No. of Meetings attended
1	*Mr. Jagdish Chander	Chairman	Non-Executive Independent	NIL
2	**Mr. Pravindra Singh Chauhan	Chairman	Non-Executive Independent	N.A.
3	Mr. S.K. Chadha	Member	Non-Executive Independent	1
4	Dr. Rupinder Tewari	Member	Non-Executive Independent	1

Company Secretary of the Company act as the Secretary to the audit committee.

*Resigned w.e.f. 01.02.2018

**Appointed as the member and chairman of committee in February 2018

D) Remuneration of Directors

Name of Director	Salary	Sitting Fee	Perquisites	Superannuation	PF	Commission	Total
Mr. Pawan Chaudhary	6272640	Nil	100069	Nil	Nil	Nil	6372709
Mrs. Manu Chaudhary	6044544	Nil	Nil	Nil	Nil	Nil	6044544
Mr. Peeyush Jain	3638136	Nil	50363	Nil	Nil	Nil	3688499
Mr. Ashutosh Jain	3311964	Nil	Nil	Nil	Nil	Nil	3311965
Mr. Jagdish Chander	Nil	15075	Nil	Nil	Nil	Nil	15075
Dr. S. K. Chadha	Nil	30075	Nil	Nil	Nil	Nil	30075
Dr. Gilbert Wenzel	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Rupinder Tewari	Nil	10050	Nil	Nil	Nil	Nil	10050

a) None of the non-executive directors are holding any shares or convertible instruments in the Company.

b) The non-executive directors are paid only sitting fees for attending the Board /Committee meetings.

c) There is no provision for performance linked incentives to directors.

d) There was no pecuniary relation and transactions between the Non-executive directors and the company during the year.

E) Evaluation Criteria:

The Nomination & Remuneration Committee lays down the criteria for performance of the Directors. The criteria for performance evaluation of Directors covers parameters such as decision taken in the interest of the organization objectively, assist the Company in implementing the Corporate Governance, monitor performance of organization based on agreed goals and financial performance, actively participate in the affairs of the Company as Board member and/or committees. Policy on performance evaluation available on Company's website www.venusremedies.com .

F) POLICY FOR REMUNERATION TO DIRECTORS/KMP/ SENIOR MANAGEMENT PERSONNEL

i. The Remuneration/ Compensation/ Commission etc. to be paid to Managing Director/ Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company;

ii. The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force;

iii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration;

iv. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy;

v. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

G) Criteria for making payment to Non-Executive/ Independent Directors

With changes in the Corporate Governance norms, the Non-executive/ Independent Directors bring in a wider perspective in the deliberations and decision-making of the Board which adds value to the Company. They also play a crucial role in the Independent functioning of the Board.

The Non-Executive/ Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission as detailed hereunder:

H) Payment to Independent Directors:

An Independent Director shall not be entitled to any stock option and shall receive Sitting fees and reimbursement of expenses for participation in meetings of the Board or committee thereof , as may be permissible under the Companies Act, 2013 and any other applicable law at the discretion of the Board.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.

The above said policies are available at the company's website www.venusremedies.com

5. Stakeholders Relationship Committee:

The stakeholders' Relationship Committee has been constituted to approve transfer, transmission, sub-division, issue of duplicate/split/consolidation of shares/debentures, demat/remat and for redressal of Investor complaints on all matters. The committee meets fortnightly or as may be required, during the year 25 meetings of stakeholders' Relationship Committee held.

The present composition of of stakeholders' Relationship Committee:

Sr. No.	Name of Director/ Member	Designation	Category
1	Mr. Jagdish Chander*	Chairman	Non-Executive Independent
2	Dr. Rupinder Tewari	Member	Non-Executive Independent
3	Mr. Peeyush Jain	Member	Whole time director
4.	Mr. Pravindra Singh Chauahn	Chairman	Non-Executive Independent

Company Secretary of the Company act as the Secretary to the audit committee.
*Resigned w.e.f. 01.02.2018
**Appointed as the member & Chairman of committee in February 2018

Dr. Rupinder Tewari and Mr. Peeyush Jain attended all the meetings held during the year. Mr. Jagdish Chander attended meetings of the Committee upto the month of January, 2018 and Mr. Pravindra Singh Chauhan attended the committee meetings from February 2018 onwards.

Name & Designation of compliance officer: Ms. Neha Kodan, Company Secretary & Compliance Officer.

During the year Shareholders' Complaints pending during the beginning of the year-NIL, Received during the year-31, Disposed of during the year-31, Remaining unresolved at the end of the year-NIL. No complaint pending to the satisfaction of shareholders.

The Company takes effective steps/actions for resolving queries and company stay interacted with Link Intime India Private Limited, Registrar & Transfer Agent of the Company.

6. Corporate Social Responsibility (CSR) Committee:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with rules made thereunder, Company constituted the CSR committee with following members:

Name	Designation	Category
Dr. S.K. Chadha	Chairman	Non- Executive Independent
Mr. Pawan Chaudhary	Member	Whole time director
Mr. Peeyush Jain	Member	Whole time director

Function of the committee:

a) To formulate and recommend to the board, a CSR which shall indicate the activities to be undertaken by the company as specified in schedule VII of the Companies Act 2013.

b) Recommend the amount to be incurred on CSR activities.

c) Monitor CSR activities of the Company time to time.

d) Prepare a transparent mechanism for ensuring implementation of project/ programmes/ activities to be undertaken by the company.

During the review period, one meeting was held on 12.02.2018, all committee members attended the said meeting. CSR policy is available on company's website www.venusremedies.com

7. General Body Meetings

Details of General Meetings held in last three years:

Financial Year	Meeting	Date	Time	Location	Special Resolution Passed
2014-2015	AGM	25.08.2015	10.00 AM	Bal Bhawan, Sector-23, Chandigarh	1. To issue 900000 equity shares to promoter of the company on preferential basis. 2. To borrow money upto a limit of Rs.500 crores. 3. To exercise powers under Section 180 (1) (a) of Companies Act, 2013 for borrowing limits of Rs. 500 cr. 4. To give powers to board under section 186 of th Companies Act 2013. 5. To approve remuneration paid to Mr. Pawan Chaudhary exceeding limits under Companies Act, 2013 6. To approve remuneration paid to Mrs. Manu Chaudhary exceeding limits under Companies Act, 2013 7. To approve remuneration paid to Mr. Peeyush Jain exceeding limits under Companies Act, 2013 8. To approve remuneration paid to Mr. Ashutosh Jain exceeding limits under Companies Act, 2013
2015-2016	AGM	29.09.2016	10.00 AM	Bal Bhawan, Sector-23, Chandigarh	1. To issue 900000 equity shares to promoter of the company on preferential basis. 2. To approve remuneration paid to Mr. Pawan Chaudhary exceeding limits under Companies Act, 2013 3. To approve remuneration paid to Mrs. Manu Chaudhary exceeding limits under Companies Act, 2013 4. To approve remuneration paid to Mr. Peeyush Jain exceeding limits under Companies Act, 2013 5. To approve remuneration paid to Mr. Ashutosh Jain exceeding limits under Companies Act, 2013 6. To fix maximum remuneration to be paid to Mr. Pawan Chaudhary for three financial years starting from 1st April, 2016 7. To fix maximum remuneration to be paid to Mrs. Manu Chaudhary for three financial years starting from 1st April, 2016 8. To fix maximum remuneration to be paid to Mr. Peeyush Jain for three financial years starting from 1st April, 2016 9. To fix maximum remuneration to be paid to Mr. Ashutosh Jain for three financial years starting from 1st April, 2016
2016-2017	EGM	21.03.2017	10.00 AM	Bal Bhawan, Sector-23, Chandigarh	To raise further capital by way of QIP upto an amount of Rs. 25 crores.
2016-2017	AGM	29.09.2017	10.00 AM	Hotel Pelican, Industrial Area, Phase-2, Chandigarh	To Increase the authorized share capital of the company and made changes in Memorandum and articles of association to give effect to change in authorized share capital.

E-voting & ballot voting were conducted during the year 2016-17 and Mr. Prince Chadha was appointed as the scruitinizer for the aforesaid purpose.

Details of the voting for AGM dated 29.09.2017 is as under:
Special resolution No. 5: Assent- 99.97%; Dissent-0.03%
Special resolution No. 6: Assent- 99.97%; Dissent-0.03%

E-voting & ballot voting procedure is in compliance with the provisions of the Companies Act, 2013 and rules made thereunder, procedure is also mentioned in the AGM Notice.
Special resolution proposed for the current AGM: As per the Notice of Annual General Meeting dated 24.09.2018.

8. Disclosures

(a) Related party Transaction:

There were no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their relatives, its subsidiaries etc that may have potential conflict with the interest of the Company a large. Transactions with related parties during the period are disclosed in Notes to the Accounts. The related party transactions are in compliance with the IND AS 24 and disclosed under then notes to Accounts.

Policy to deal with Related Party Transactions and material subsidiary are uploaded on Company's Website www.venusremedies.com

(b) Compliance:

There were no penalties, strictures imposed on the company by stock exchanges, SEBI or any other statutory authorities during the last three years.

(c) The Company has established the Vigil Mechanism and whistler Blower Policy and company affirm that no personnel has been denied access to the audit committee.

The said policies are uploaded on Company's Website www.venusremedies.com

(d) The Company has complied with all the statutory requirements and not adopted any non mandatory requirements of Listing Agreement and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

(e) Disclosure of commodity price risk and commodity hedging activities: Not applicable as company does not deal in commodities.

(g) Code of Conduct

The Company has established a code of conduct for its management and senior officials. The company has placed the code of conduct on its website www.venusremedies.com

All the Board of Directors have affirmed that they have followed the code of conduct for the financial year ended on 31.03.2018 as annexed with the report.

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Auditors' certificate on corporate governance annexed to the report

(h) The preparation of financial statements are as per the accounting standards notified by the Ministry of Corporate affairs issued by the Institute of Chartered Accountants.

(i) Company's subsidiary Venus Pharma GmbH is unlisted and incorporated outside India. Venus does not have any unlisted material subsidiary incorporated in India. Company has framed a material subsidiary policy and uploaded the same on its website www.venusremedies.com

9. Demat Suspense Account:

Company does not have any share in demat suspense account or unclaimed suspense account

10. Means of Communication

- Publication of Quarterly results : Generally published in newspaper- Financial express & Business Standard. Financial results are also published on company's website www.venusremedies.com
- Company website also display the official news releases.
- Presentation made to institutional investor or to the analysts: No
- Management Discussion & Analysis :Published as a part of Annual Report under Director's Report.
- Shareholders Information Section Published as part of Annual Report under Corporate Governance Report
- Information to stock exchange : All the material developments in the com informed to stock exchanges where the shares of the company are listed
- Company Website: The Company has its own website viz.
- www venusremedies.com
- www.vmrcindia.com, www.
- Venuspharmagmbh.de, where information relating to financial results, launch of new products and official releases to news agencies are made available.

11. General Shareholders Information

a) AGM details :

Date : 24th September 2018
Venue : The Pelican Hotel, 25/8,
Industrial Cum Business Park,
Phase-2, Chandigarh-160002
Time : 10.30 A.M.

Book Closure Dates 18th September to 24th September 2018 (Both days inclusive)

b) Financial Calendar for 2018-19

Tentative dates : 1st April 2018 to 31st March 2019
First Quarter results : On or before August 14, 2018
Second Quarter results : On or before November 14, 2018
Third Quarter results : On or before February 14, 2019
Fourth Quarter results : On or before May 30, 2019

c) Dividend Payment date

The Board has not recommended dividend for the Financial Year 2017-18

d) Listing of Stock Exchange

The Company's securities (Equity share) are listed on the following Stock Exchanges,

Name	**Address**
BSE Limited	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 023

Scrip Code : 526953

NSE The National Stock Exchange of India Limited
5th Floor, Exchange Plaza, Bandar (E, Mumbai
Scrip Code: VENUSREM

The Company has paid the annual listing fees for the year 2017-18 the exchanges where securities are listed.

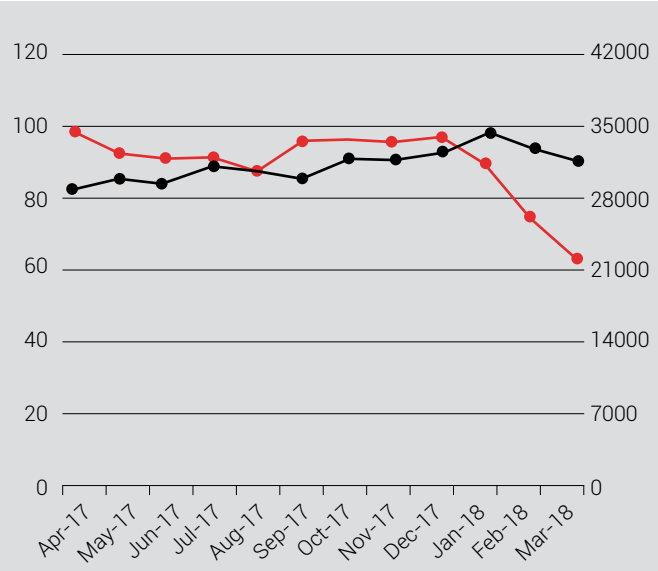
Corporate Identification Number (CIN): L24232CH1989PLC009705

e) Market Price data

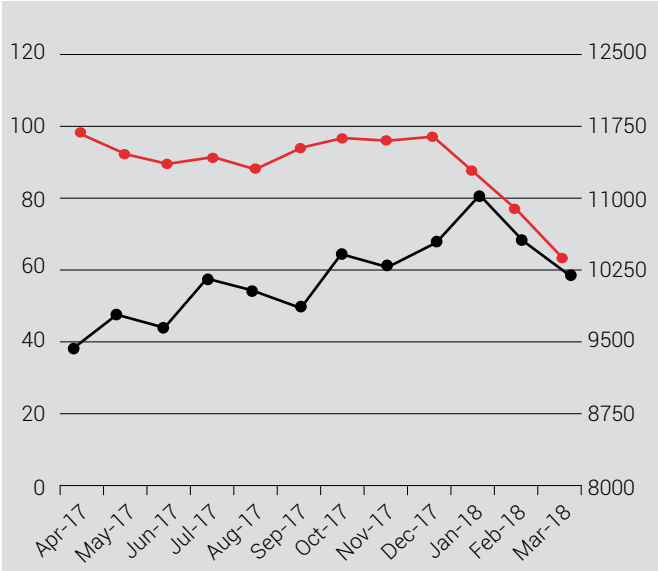
Market price data (High/Low) during each month in the year 2017-18

Month	BSE			NSE		
	High	Low	Sensex	High	Low	Nifty 50
April 2017	116.85	97.00	29918.40	116.90	98.00	9304.05
May 2017	109.00	91.15	31145.80	109.80	92.65	9621.25
June 2017	102.45	90.00	30921.61	102.40	89.85	9520.90
July 2017	109.30	90.20	32514.95	109.60	90.75	10077.10
August 2017	121.65	88.00	31730.49	121.70	88.10	9917.90
September 2017	109.70	95.25	31283.72	109.45	95.00	9788.60
October 2017	109.85	96.00	33213.13	109.60	96.60	10335.30
November 2017	108.50	95.20	33149.35	108.70	96.80	10226.55
December 2017	113.60	97.00	34056.83	114.00	97.40	10530.70
January 2018	125.90	88.00	35965.02	126.00	87.00	11027.70
February 2018	90.00	71.20	34184.04	90.55	74.25	10492.85
March 2018	79.70	61.10	32968.68	79.75	61.20	10113.70

Graph comparison with BSE Sensex



Graph comparison with NSE Nifty 50



f) Registrar & Transfer Agent

Link Intime India Pvt Limited, 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-1, Near PVR Naraina, New Delhi -110028 E-mail: delhi@linkintime.com Phone ; 011 - 4141 0592/93/94, Fax ; 011-41410591

g) Share Transfer System:

In order to make the process easy and fast, the board has delegated the powers to Registrar & Transfer Agent. Share certificates in case of transfer are generally returned to the transfree(s) within a period of 15 days. Company has also formed the Stakeholder Relationship Committee to look into transfer/ transmission/ demat/ remat/ duplicate issue of shares and for traceless of shareholders' complaints.

h) Shareholding Pattern as on 31.03.2018:

Sr. No.	Description	No. of holders	Shares	%
1	Promoters Individuals	2	2330000	18.88
2	Promoters – Body Corporate	1	2300000	18.64
3	Mutual fund	2	1200	0.01
4	Foreign portfolio Investors	2	58944	0.48
5	Financial Institutions/Banks	3	54682	0.44
6	Individuals- Public	18020	5996524	48.59
7	Body Corporates	230	734852	5.95
8	Foreign Nationals	1	200	0.00
9	NRIs	394	281293	2.28
10	Clearing Members	124	307281	2.49
11	HUF	536	276112	2.24
12	IEPF	1	900	0.00
	Total	**19316**	**12341988**	**100**

i) Distribution of Shareholding

SR. NO.	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	17381	87.6942	2271821	18.4073
2	501	to	1000	1312	6.6196	1055437	8.5516
3	1001	to	2000	581	2.9314	890188	7.2127
4	2001	to	3000	207	1.0444	519227	4.2070
5	3001	to	4000	81	0.4087	291508	2.3619
6	4001	to	5000	61	0.3078	287304	2.3279
7	5001	to	10000	121	0.6105	877336	7.1085
8	10001	to	**********	76	0.3835	6149167	49.8231

j) Dematerialization of shares and liquidity

As on 31.03.2018, 12066210 equity shares representing 97.77% of total share capital of the company are in dematerialized form with NSDL and CDSL. Trading of shares only permitted in demat form. 100% promoters holding is in demat form.

Mode	No. of Shares	Percentage
DEMAT	12066210	97.77%
PHYSICAL	275778	2.23%
Total	**12341988**	**100%**

National Securities Depository Limited
Trade World, 4th Floor, A Wing Kamala Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai 400 013.
E-Mail : info@nsdl.co.in, Website: www.nsdl.co.in

Central Depository Services (India) Limited
Marathon Futurex, A-wing, 25th Floor,
NM Joshi Marg, Lower Parel, Mumbai - 400013
Website: www.centraldepository.com

k) Unclaimed Dividend

As per the section 124 of the companies Act, 2013 and rules there under, the company is required to transfer unpaid dividend which have remained unpaid/unclaimed for a period of 7 years from the date of declaration to Investor Education and Protection fund.

The details of unpaid Dividend and their due dates for transfer to Investor Education and Protection fund are as below:

Financial year	Unclaimed dividend as on 31.03.2018	Due date of Transfer to Investor Education and Protection Fund
2010-2011	Rs.5,77,893	29.09.2018
2011-2012	Rs.6,98,067	27.09.2019
2012-2013	Rs.8,25,906	29.09.2020

l) Share Transferred to IEPF

During the year Company transferred 900 equity shares to IEPF on account of dividends unclaimed for seven conseutive years.

m) Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs.

n) Commodity price risk or foreign exchange risk and hedging activit ies:

During the year there is no major foreign exchange risk due to the natural hedging on account of imports & exports.

o) Plant Location

1. Unit-I Plot 51-52, Industrial Area, Phase-I, Panchkula-134 113, India
2. Unit-II: Hill Top Industrial Estate, Jharmajri EPIP, Phase-I (Extn.),Village- Bhatoli Kalan, Baddi (H.P), India- 173 205

p) Address for correspondence

Shareholders are requested to contact the following:
Mrs. Neha Kodan
Company Secretary & Compliance Officer
Venus Remedies Limited
51-52, Ind. Area, Ph.-I, Panchkula (Haryana)
Ph-0172-3933090
E.mail: complianceofficer@venusremedies.com,
investorgrievance@venusremedies.com
Website: www.venusremedies.com

p) Registered Office :
Venus Remedies Limited
SCO 857, 2nd Floor, Cabin No. 10,
NAC, Manimajra, Chandigarh.

12 Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit to the company the prescribed Form.

13) Communication to Shareholders

All the quarterly reports, financial results, press releases are posted on our website www.venusremedies.com. Financial results are generally published in Business Standard and Financial Express, newspapers.

14) Details of Non Compliance:

No panelty has been imposed by Stock Exchnages, SEBI or on any matter related to capital market and there is not any non compliance with any legal requirement during last three years.

Declaration regarding affirmation to the Code of Conduct

In accordance with regulation 26(3) of SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance to the Venus Remedies Limited Code of Conduct for the financial year ended on 31.03.2018.

For Venus Remedies Limited

Pawan Chaudhary
(Chairman & Managing Director)
(DIN - 00435503)

Place: Panchkula
Date: 13.08.2018

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of the Board,
Venus Remedies Limited

We have examined the compliance of conditions of Corporate Governance by Venus Remedies Ltd. for the year ended 31st March, 2018, as stipulated in SEBI(Listing Obligation & Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in the said regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance.

Based on the certificate received from Share Transfer Agent and the minutes of the Share Transfer and Shareholders' Grievance Committee, we state that no investor grievance is pending for a period exceeding six months.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Prem Garg & Associates
Chartered Accountants
Firm Registration No. 014440N

(Monika Bisht)
Partner
Membership No. 511294

Panchkula
Date : 28.05.2018

Financial Statements

Independent Auditors' **Report**

TO
THE MEMBERS OF
VENUS REMEDIES LIMITED
PANCHKULA

Report on the Standalone Indian Accounting Standards('Ind AS') Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of M/s Venus Remedies Limited, which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss(including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.(herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards [Ind AS] specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014.

   This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS 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 thereunder. We conducted our audit of standalone Ind AS 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 Standalone Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements, that give a true and fair view, in

order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, including the Ind AS , of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Subject to the following:

The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal repayments amounting Rs. 3709.31 lacs to financial institution, bank or debenture holders.

7. Other matter

The comparative financial information of the Company for the year ended 31 March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements are based on the previously issued statutory standalone financial statements prepared in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under Section 133 of the Act read with rule 7 of Companies (Accounts) Rules, 2014, audited by the predecessor auditor whose report for the year ended 31 March 2017 and 31 March 2016 dated 30th May 2017 and 28 May 2016 respectively expressed an unmodified opinion on those standalone financial statements , as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS , which have been audited by us.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

7. 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 A" statement on the matters Specified in paragraphs 3 and 4 of the Order.

8. As required by section 143(3) of the Act, we further 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 purpose of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. The Balance Sheet, Statement of Profit and Loss(including other comprehensive income), Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian 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, and taken on record by the Board of Directors, none of the directors are 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"; and

g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 40 to the standalone Ind AS financial statements;

(ii) The Company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 17 to the standalone Ind AS financial statements; and

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Prem Garg & Associates
Chartered Accountants
FRN 014440N

(Monika Bisht)
(Partner)
M. No. 511294

Place: Panchkula
Date: 28.05.2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to Our Report of even date to the members of Venus Remedies Limited on the accounts of the company for the year ended 31st March, 2018

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

   (b) As explained to us, fixed assets have been physically verified by the management once in a year, 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) The tittle deeds of immovable properties are held in the name of the company. However, company is paying rent for its Regd Office & Guest House Building.

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b), iii (c) of the order are not applicable to the Company.

4. In respect of loan, investments, guarantees & security, the company is complying with section 185 & section 186 of Companies Act 2013 as applicable.

5. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained but we have not carried out the examination of records.

7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty,GST, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues for a period of more than six months from the date they became payable.

   (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax,GST, customs duty and excise duty which have not been deposited on account of any disputes, except as mentioned in Note 40 to Notes on Financial Statements.

8. Based on our audit findings and on the information and explanations given to us by the management, we are of the opinion that, The Company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal repayments amounting Rs. 3709.31 lacs to financial institution, bank or debenture holders.

9. Based on our audit procedures and on the information and explanations given to us by the management, we report that no money by way of Further Public Offer & Term Loan has been taken during the year.

10. The company has neither committed any fraud nor has any fraud on the company by its officers/employees been noticed or reported during the year.

11. The company has paid Managerial Remuneration in excess of limits prescribed u/s 197 read with Schedule V of the Companies Act, 2013, however the company has applied to the Central Govt. for its approval in this regard.

12. The company is not a Nidhi company, so the provisions of the same are not applicable.

13. (i)The company has disclosed all the transactions with the related party as prescribed by section 188 of Companies Act 2013 in notes (Note no 38).

    (ii) As per section 177 of the Companies Act, 2013, the company has constituted the audit committee as required by the applicable accounting standards.

14. According to information and explanations given to us and based on our examination of records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. The company has not entered into any non cash transactions with Directors or persons connected with him and consequentially provisions of section 192 of Companies Act 2013 is not applicable.

16. The company is not required to be registered under section 45 IA of Reserve Bank India Act, 1934.

For Prem Garg & Associates
Chartered Accountants

(Monika Bisht)
M. No. 511294
FRN 014440N

Place: Panchkula
Date: 28.05.2018

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of M/s Venus Remedies Limited.

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

To the Members of Venus Remedies Limited

We have audited the Internal financial controls over financial reporting of "M/s Venus Remedies Limited" ("the Company") as at March 31, 2018 in conjunction with our audit of the standalone Ind AS 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('the Act').

Auditor's 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 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 System over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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

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, 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 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 Prem Garg & Associates
Chartered Accountants

(Monika Bisht)
M. No. 511294
FRN 014440N

Place: Panchkula
Date: 28.05.2018

BALANCE SHEET as at March 31, 2018

(₹ in Lacs)

Particulars	Note	Figures as at the end of 31.03.2018	Figures as at the end of 31.03.2017	Figures as at the beginning of 01.04.2016
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	1	19062.34	19750.50	19409.59
(b) Capital Work In Progress	1	6476.42	6625.27	7075.51
(c) Intangible Assets	1	17930.40	19187.64	21206.73
(d) Financial Assets				
(I) Investment in Subsidiary	2	2873.61	2873.61	2873.61
(e) Other non - current assets	3	3311.08	3316.52	3289.79
Total Non- Current Assets		49653.85	51753.55	53855.24
(2) Current Assets				
(a) Inventories	4	13597.65	13969.18	13769.33
(b) Financial Assets				
(I) Trade Receivables	5	4415.12	4190.63	5388.49
(ii) Cash and Cash Equivalents	6	363.65	314.90	304.37
(iii) Other Financial Assets	7	6827.29	6518.30	6002.43
Total Current Assets		**25203.71**	**24993.01**	**25464.62**
Total Assets		**74857.56**	**76746.56**	**79319.86**
EQUITY AND LIABILITY				
Equity				
(a) Equity Share Capital	8	1234.20	1234.20	1144.20
(b) Other Equity	9	35565.10	38188.99	39507.82
Total Equity		**36799.30**	**39423.19**	**40652.02**
LIABILITIES				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(I) Borrowings	10	13685.79	16181.90	19102.59
(ii) Other Financial Liabilities	11	50.22	53.64	63.37
(b) Deferred Tax Liabilities (Net)	12	1603.33	1287.31	1743.00
(c) Provisions	13	449.75	429.25	387.98
Total Non- Current Liabilities		**15789.09**	**17952.09**	**21296.93**
(2) Current Liabilities				
(a) Financial Liabilities				
(I) Borrowings	14	11722.69	11569.70	11508.59
(ii) Trade Payables	15	2718.69	3055.73	2390.24
(iii) Other Financial Liabilities	16	7695.83	4569.74	3275.29
(b) Provisions	17	131.97	176.12	196.79
Total Current Liabilities		**22269.18**	**19371.29**	**17370.91**
Total Equity and Liability		**74857.56**	**76746.56**	**79319.86**

Significant Accounting Policies and Notes on Accounts 1 to 42

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)	**(Peeyush Jain)**	**(Pawan Chaudhary)**	**(Neha Kodan)**	**(Ajeet Kapoor)**
Partner	Deputy Managing	Chairman cum	Company Secretary	CGM Accounts
M. No. 511294	Director	Managing Director		

PLACE : PANCHKULA
DATE :28.05.2018

STATEMENT OF PROFIT & LOSS for the period ended March 31, 2018

(₹ in Lacs)

	Particulars	Note	Figures as at the end of 31.03.2018	Figures as at the end of 31.03.2017
I	**Revenue from operations**	18	35507.20	37544.51
II	**Other Income**	19	72.07	78.97
III	**Total Revenue (I +II)**		35579.27	37623.48
IV	**Expenses:**			
	Cost of materials consumed	20	20572.17	22112.42
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(29.62)	50.76
	Employee Benefit Expenses	22	2782.40	2502.35
	Finance Costs	23	3497.73	3356.08
	Depreciation and Amortization Expenses	24	3272.72	3931.62
	Other Expenses	25	5632.64	5367.60
	Research & Development Expenses	26	2193.49	2,782.62
	Total Expenses (IV)		37921.52	40103.44
V	**Profit before exceptional items and Taxes**	(III - IV)	(2342.25)	(2479.96)
VI	**Exceptional Items**		-	-
VII	**Profit before Taxes**		(2342.25)	(2479.96)
	Income Tax expense:		-	-
	(1) Current tax		-	-
	(2) Deferred tax		316.02	(455.69)
	(3) Mat Credit		-	-
VIII	**Net Profit/(Loss) for the period**		(2658.27)	(2024.26)
IX	**Other Comprehensive Income**			
	(I) Items that will not be classified to Profit & loss accounts net of Income tax		34.38	(3.49)
	(I) Items that will be classified to Profit & loss accounts net of Income tax		-	-
	Total Comprehensive income for the period		**(2623.89)**	**(2027.75)**
X	**Earning per equity share:**			
	(1) Basic		(21.54)	(17.64)
	(2) Diluted		(21.54)	(17.64)

Note :- The Company has changed its policy to expense all Research and Development expenditure as incurred w.e.f. April 1, 2017 (See Accounting Policy Note no 7). This change has no material impact on the cash flow position of the Company. A reconciliation of the effect of this change on each line item of the Balance Sheet is presented in Note no 41.

Notes and Significant Accounting Policies referred to above and annexed there to form an Integral part of Statement of Profit & Loss . This is the Statement of Profit & Loss referred to in our Report of even date.

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)
Partner
M. No. 511294

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

PLACE : PANCHKULA
DATE :28.05.2018

STATEMENT OF CHANGES IN EQUITY for the period ended March 31, 2018

(₹ in Lacs)

Sr. No	Particulars	31.03.2018		31.03.2017		31.03.2016	
		No. Of Shares	₹ In Lac	No. Of Shares	` In Lac	No. Of Shares	` In Lac
A	**Equity Share Capital (Refer Note. 8)**						
	Balance at the begining of the reporting period	12341988	1234.20	11441988	1144.20	11441988	1144.20
	Changes in equity share capital during the year	-	-	900000	90.00	-	-
	Balance at the end of the reporting period	12341988	1234.20	12341988	1234.20	11441988	1144.20

B Other Equity (Refer Note. 9)

Particulars	RESERVE AND SURPLUS			OTHER COMPREHENSIVE INCOME	TOTAL OTHER EQUITY
	Securties Premium	General Reserve	Retained Earning	Remeasurement of Net Defues Benefit	
Balance at 01.04.2016	6851.15	21146.30	11503.94	6.43	39507.82
Profit for the Year			(2024.26)		(2024.26)
Securities premium collected on share issue	708.93				708.93
Movement in other comprehensive income				(3.49)	(3.49)
Balance at 31.03.2017	7560.08	21146.30	9479.67	2.94	38188.99
Profit for the Year			(2658.27)		(2658.27)
Securities premium collected on share issue					
Movement in Other comprehensive income				34.38	34.38
Balance at 31.03.2018	7560.08	21146.30	6821.40	37.32	35565.10

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)	**(Peeyush Jain)**	**(Pawan Chaudhary)**	**(Neha Kodan)**	**(Ajeet Kapoor)**
Partner	Deputy Managing	Chairman cum	Company Secretary	CGM Accounts
M. No. 511294	Director	Managing Director		

PLACE : PANCHKULA
DATE :28.05.2018

CASH FLOW STATEMENT for the period ended March 31, 2018

(₹ in Lacs)

	Particulars	Note	As on 31.03.2018	As on 31.03.2017
A)	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit before tax & extraordinary items		(2,342.25)	(2,479.96)
	Adjustment for Depreciation		3272.72	3931.62
	Interest Expense		3363.00	3367.77
	Increase in long term provision for gratuity and leave encashment		20.50	41.27
	Adjustment reversing effect on profit of non-cash non-operating activities		(123.98)	(155.28)
	Exchange Fluctuation		(34.01)	(231.35)
	Interest Received		(24.90)	(24.13)
	Operating Profit before working capital changes		4131.08	4449.94
	Adjustments for increase /decrease in Current Assets		(161.95)	482.14
	Decrease / Increase in Current Liabilities/ Provisions		1189.10	1244.45
	Net Cash Flow from operating activities (A)		**5158.23**	**6176.53**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Sale/Purchase of Fixed Assets Including			
	Capitalization of Expenses(NET)		(1327.31)	(2253.45)
	Increase/ Decrease in Capital work in progress		148.85	450.24
	Interest Received		24.90	24.13
	Proceeds from loans and advances		5.44	(26.73)
	Net Cash Flow from Investing Activities (B)		**(1148.12)**	**(1805.81)**
C)	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds from Long Term Borrowing(Net)		(909.72)	(1205.33)
	Proceeds from Short term Borrowing(Net)		152.99	61.11
	Interest Expense		(3204.63)	(3215.98)
	Net Cash from Financing Activities (C)		**(3961.36)**	**(4360.19)**
	Net Increase in Cash & Cash Equivalents (A+B+C)		**48.75**	**10.53**
	Cash & Cash Equivalents as at 31.03.2017		314.90	
	Cash & Cash Equivalents as at 31.03.2018		363.65	
	Cash & Cash Equivalents as at 31.03.2016			304.37
	Cash & Cash Equivalents as at 31.03.2017			314.90

AUDITOR'S REPORT

As per our separate report of even date

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)	**(Peeyush Jain)**	**(Pawan Chaudhary)**	**(Neha Kodan)**	**(Ajeet Kapoor)**
Partner	Deputy Managing	Chairman cum	Company Secretary	CGM Accounts
M. No. 511294	Director	Managing Director		

PLACE : PANCHKULA
DATE :28.05.2018

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Basis of accounting and preparation of standalone financial statements:

Basis of accounting

1) These standalone financial statements of the company have been prepared in accordance with the recognition and measurement principles laid down in indian Accounting Standards (hereinafter referred to as the Ind As as notified under section 133 of the Companies Act 2013 (the Act read with rule 4 of the Companies (Indian Accounting Standards) Rules 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in india. These standalone financial statements were authorized for issue by the company's Board of Directors on May 28, 2018.

2) These standalone financial statements are the first standalone financial statements prepared in accordance with Indian Accounting standards(Ind AS). For all periods up to and including the year ended March 31,2017 the company reported its Financial statements in accordance with the accounting standards notified under the section 133 of the companies Act 2013.The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 1, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from IGAAP to IND AS on the company's Balance Sheet, Statement of Profit and Loss including other comprehensive Income and statement of Cash Flows are provided in note no 41

Functional and Presentation Currency

3) These standalone financial statements are presented in indian rupees which is the functional currency of the Company. The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest lacs.

Basis of Measurement

4) These standalone financial statements are prepared under the historical cost convention and on the basis of going concern.

Use of Estimates and Judgements

5) The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported assets and liabilities, revenue and expenses and disclosures relating to contingent liabilities. Management believes that estimates used in the preparation of the financial statement are prudent and reasonable. Examples of such estimates include estimation of useful lives of tangible and intangible assets, valuation of inventories, sales return, employees costs, assessment of recoverable amounts of deferred tax assets, provisions against litigations and contingencies.

6) Property, Plant and Equipment & Depreciation (IND AS 16)

Recognition and Measurement

Items of property, Plant and equipment at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

its purchase price, including import duties and non - refundable purchase taxes after deducting trade discounts and rebates.

Expenses incurred up to date of putting them in commercial use.

The Company has elected to continue with the carrying value of all its property ,plant and equipment as recognized in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind As 101.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of Profit and Loss.

Capital work in progress in respect of assets which are not ready for their intended use are carried at cost comprising of direct costs related incidental expenses and attributable interest.

Depreciation

The Company is following the useful life method of depreciation as per the useful life specified Schedule II to the Act. The Carrying amount of assets is being depreciated over the remaining useful life of the assets. On assets sold, discarded etc, during the year depreciation is provided up to the date of sale/discard.

7) INTANGIBLE ASSETS (IND AS 38)

Recognition and Measurement

Intangible assets are carried at cost less accumulated

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

amortisation and impairment losses, if any. The company amortizes its intangible assets over a period of 20 years.

The cost of an intangible assets comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use.

The company has changed its policy to expense all Research and Development expenditure as incurred, w.e.f. April 1, 2017. The company believes that this change presents a more objective, reliable and prudent view of the company's financial position, especially its cash flows. This change has no material impact on the cash flow position of the company.

In order to maintain comparability of the financial statements across past years and in accordance with IND AS 8, the prior period figures presented herein (i.e. FY 2015-16 and FY 2016-17) have been modified to reflect this change. A reconciliation of the effect of this change on each line item of the balance sheet is presented in Note 41.

The retrospective application of this change in policy has been limited to the prior periods presented in these financial statements, as it was impracticable to determine the net cumulative effect of this policy change for the periods before those presented in these financial statements.

(8) INVENTORIES (IND AS 2)

Method of valuation of inventories adopted are as under :-

(a) Stock Raw Material and Packing Material: - At cost price.

(b) Stock of Work-in-Progress:- At material cost plus apportioned manufacturing overheads.

(c) Stock of Finished Goods:- At material cost plus apportioned manufacturing overheads and other costs incurred in bringing the inventories to their present location and condition or Net Realizable value, whichever is lower.

(d) Spares and consumables:- At cost.

(9) REVENUE RECOGNITION – IND AS -18

(a) Sales of goods and services are recognized upon passage of the title to the customer, which generally coincides with the delivery. Sale is net of sale returns. It include inter unit sale.

(b) Dividends are accounted for as and when received.

(c) Other income is accounted for on mercantile basis unless otherwise stated in other IND AS.

(10) EMPLOYEE BENEFITS (IND AS-19)

(a) Short term employees benefits are recognized as an expenses at the undiscounted amount in the profit and loss accounts of the year in which the related service is rendered.

(b) Post retirement benefits plan are determined on the basis of an actuary valuation by an independent actuary. Liability recognised in the balance sheet in respect of defined benefit obligation is the present value of the defined benefit obligation at the end of reporting period.

Remeasurement gains and losses arising from experience adjustments are recognised in the period in which they occur, directly in other comprehensive income.

(11) IMPAIRMENT OF ASSETS (IND AS 36)

The Company checks for imparment of all its intagible assets on annual basis and an assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired if there is any indication that asset may be impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. Accounting policies not specially referred to are consistent with generally accepted accounting principles.

(12) FOREIGN CURRENCY TRANSACTIONS (IND AS-21)

(a) Foreign exchange transactions in respect of import payments are stated at the exchange rate prevailing at the time of transaction and variation, if any, accounted for on the date of payment is squared during the same accounting year.

(b) Monetary items denominated in foreign currencies remaining unsettled at the year end if not covered by forward exchange contracts are translated at year end rates.

(c) Any income/expense arising from foreign currency transactions is dealt in the profit and loss account for the year except in cases where they relate to acquisition of fixed assets in which case they are adjusted in the carrying cost of such assets.

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

(13) BORROWING COSTS (IND AS 23)

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of costs of such assets till such time as the assets is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which incurred.

(14) GOVERNMENT GRANTS (IND AS 20)

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to depreciable assets are treated as deferred income and are recognized in the statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of Profit and Loss over the period necessary to match them with the related costs which they are intended to compensate.

Export benefits available under prevalent scheme are accrued in the year in which the goods are exported and there is no uncertainity in receiving the same.

15) PROVISIONS AND CONTINGENT LIABILITIES(IND AS 37)

Provisions involving substantial degree of estimation in management are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes for

i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or

Ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

16) INCOME TAX (IND AS 12)

Income tax expenses comprises current and deferred tax. It is recognized in statement of profit and loss

a) Current Tax : Provision is made for income tax based on the liability as computed after taking credit for allowance and exemptions. Adjustments in books are made only after the completion of the assessment.

(b) Deferred Tax: Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for the taxation purposes. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed at each reporting date.

C) MAT: Minimum Alternative Tax payable under the provisions of the income tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.

17) FINANCIAL INSTRUMENTS (IND AS 109)

Company measures a financial asset or financial liability at fair value plus or minus, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

A financial asset, a part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired.

18) Operating Cycle :

Based on the nature of product /activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note : 1 Fixed Assets

(₹ in Lacs)

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
I	**Tangible Assets**											
1	Land		922.94	-		922.94	-	-		-	922.94	922.94
2	Building	30	5231.22	-		5231.22	1362.67	181.29		1543.96	3687.26	3868.55
3	Building for R & D	30	1302.70	-		1302.70	420.34	45.37		465.70	837.00	882.37
4	Plant & Machinery	20	9082.36	432.39		9514.75	3260.58	491.71		3752.29	5762.46	5821.78
5	R & D Pilot Plant	20	1410.68	131.46		1542.15	371.67	79.40		451.07	1091.08	1039.01
6	R & D Equipment	15	5212.12	277.27		5489.39	1875.80	397.60		2273.40	3215.99	3336.32
7	Computer, I.T and Communication Equipment	6	2849.15	103.25		2952.40	2358.93	208.01		2566.95	385.46	490.22
8	D G Set	10	215.47	-		215.47	172.76	14.47		187.24	28.24	42.71
9	Electrical Installation	10	959.44	66.30		1025.74	582.00	89.53		671.53	354.21	377.44
10	Furniture & Fixture	10	736.70	31.73		768.43	453.03	64.49		517.52	250.91	283.67
11	Lab Equipment	10	2934.31	163.38		3097.69	1221.66	296.13		1517.79	1579.90	1712.65
12	Misc. Fixed Assets	15	690.55	35.71		726.26	273.83	50.94		324.77	401.49	416.72
13	Office Equipment/ Security Equipment	5	531.16	50.94		582.10	415.64	52.68		468.32	113.78	115.52
14	Pollution Control	15	597.99	34.89		632.87	165.60	35.64		201.25	431.63	432.39
15	Vehicles	8	468.39	-	4.51	463.89	460.19	8.20	4.51	463.89	-	8.20
	TOTAL		**33145.20**	**1327.31**	**4.51**	**34468.00**	**13394.69**	**2015.48**	**4.51**	**15405.66**	**19062.34**	**19750.50**
	(PREVIOUS YEAR)		**30768.68**	**2378.15**	**1.63**	**33145.20**	**11359.09**	**2036.73**	**1.12**	**13394.69**	**19750.50**	**19409.59**
II	**Capital Work-in-progress**											
1	Building Under Construction		6476.42								6476.42	6476.42
2	Plant & Machinery		71.45								-	71.45
3	Electrical		36.89								-	36.89
4	R & D Block		40.51								-	40.51
	TOTAL		**6625.27**								**6476.42**	**6625.27**
	(PREVIOUS YEAR)		**7075.51**								**6625.27**	**7075.51**
III	**Intangible Assets**											
1	Patent IPR Technologies	20	21822.86	-	-	21822.86	8895.77	808.77	-	9704.55	12118.31	12927.08
2	Product & Process Development	20	10609.70	-	-	10609.70	4349.14	448.47	-	4797.62	5812.08	6260.56
	TOTAL		**32432.56**	**-**	**-**	**32432.56**	**13244.92**	**1257.25**	**-**	**14502.16**	**17930.40**	**19187.64**
	(PREVIOUS YEAR)		**32432.56**	**-**	**-**	**32432.56**	**11350.02**	**1894.89**	**-**	**13244.92**	**19187.64**	**21206.73**

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

Note : 2 Investment in Subsidiary

A. Investments

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	In the Equity Shares of WOS Unquoted , fully paid up Venus Pharma GmbH	2873.61	2873.61	2873.61
	Total	**2873.61**	**2873.61**	**2873.61**

Note : 3 Other Non Current Assets

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Security Deposit	76.31	81.75	55.02
2	In Licensing of Technology	3234.77	3234.77	3234.77
	Total	**3311.08**	**3316.52**	**3289.79**

Note: 4 Inventories

(As taken, valued and certified by the management)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Raw Material	8546.57	8914.59	8650.39
2	Work-in-Progress	2564.97	2572.83	2490.13
3	Finished Goods	2416.23	2378.75	2512.20
4	Consumables	3.11	6.20	5.01
5	Stores & Spares	2.71	5.06	4.22
6	Printing & Stationary	2.80	4.13	3.76
7	Goods-in-transit			
	a) Raw Material	35.72	70.68	68.60
	b) Packing Material	25.53	16.95	35.03
	Total	**13597.65**	**13969.18**	**13769.33**

4.1 Inventories are valued as per method described in significant accounting policies.

Note : 5 Trade Receivables

(Unsecured, Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Outstanding for more than six months	57.78	93.67	21.96
2	Others	4357.34	4096.95	5366.53
	Total	**4415.12**	**4190.63**	**5388.49**

5.1 The Company has sent letter of balance confirmation to all the parties but only a few have responded so far. So the balance in the party accounts whether in debit or credit are subject to reconciliation.

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

Note : 6 Cash & Cash Equivalent

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Cash-in-Hand**			
	Cash Balance	10.24	14.45	6.77
	Foreign Exchange in Hand	1.43	1.56	1.52
	Sub Total (A)	11.67	16.02	8.29
2	**Bank Balance**			
	In current Accounts	28.13	47.03	21.23
	Sub Total (B)	28.13	47.03	21.23
3	**Fixed Deposits**			
	Fixed Deposit being Margin Money	323.85	251.85	274.85
	Sub Total (C)	323.85	251.85	274.85
	Total [A + B +C]	**363.65**	**314.90**	**304.37**

6.1 Balance with Banks includes Unclaimed Dividend of ₹21.05 Lacs (Previous Year ₹27.11 Lacs).

6.2 An amount of ₹323.85 Lacs (Previous Year ₹251.85 Lacs) is held with Banks as margin money for Bank Guarantees/ Letter of Credit.

Note : 7 Other Financial Assets

(Unsecured , Considered Good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Balance with Revenue Authorities under Indirect Taxes	1448.25	666.86	188.23
2	Loan to Staff	1.77	1.83	2.61
3	Other Loans & Advances	2559.05	3031.38	2993.36
	(Advance Recoverable in cash or in kind or for value to be considered good)			
4	Tax Credit Receivable	2818.23	2818.23	2818.22
	Total	**6827.29**	**6518.30**	**6002.43**

7.1 Other Loans and Advances includes Advances to suppliers , Prepaid Expenses & TDS Receivable etc.

Note : 8 Equity Share Capital

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	AUTHORIZED SHARE CAPITAL			
	20000000 Equity Shares of Rs. 10/- each.	2,000.00	1500.00	1500.00
	(Previous Year 15000000 Equity Shares of Rs 10/- each)			
		2,000.00	1500.00	1500.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL			
	12341988 Equity Shares of Rs. 10/- each, Fully paid up (Previous year 12341988 Equity Shares of 10/- each)	1234.20	1234.20	1144.20
	Total	**1234.20**	**1234.20**	**1144.20**

8.1 The details of Shareholders holding more than 5% shares:

(₹ in Lacs)

Sr. No	Name Of Shareholders	31.03.2018	31.03.2017	01.04.2016
		No. of Shares (%)	No. of Shares (%)	No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (18.64%)	2300000 (18.64%)	2300000 (20.10%)
2	Pawan Chaudhary	1187000 (9.62%)	1187000 (9.62%)	680000 (5.94%)
3	Manu Chaudhary	1143000 (9.26%)	1143000 (9.26%)	750000 (6.55%)

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

8.2 The reconciliation of the number of shares outstanding is set out below:

(₹ in Lacs)

Sr. No	Name Of Shareholders	31.03.2018	31.03.2017	01.04.2016
		No. of Shares (%)	No. of Shares (%)	No. of Shares (%)
1	Equity Shares at the beginning of the year	12341988	11441988	11441988
2	Add: Shares issued during the year	-	900000	-
	Equity Shares at the end of the year	**12341988**	**12341988**	**11441988**

Note : 9 Other Equity

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Securities Premium**			
	As per last Balance Sheet	7560.08	6851.15	6851.15
	Add: Securities Premium collected on share issue	-	708.93	-
	Total A	**7560.08**	**7560.08**	**6851.15**
2	**General Reserve**			
	As per last Balance Sheet	21146.30	21146.30	23447.32
	Less : Mat Credit for Previous Years	-	-	(2301.02)
	Total B	**21146.30**	**21146.30**	**21146.30**
3	**Retained Earnings**			
	As per last Balance Sheet	9482.60	11510.37	15180.87
	Add: Profit for the period	(2658.27)	(2024.26)	(3676.93)
	Add : Reclassification of acturial gains/ loss in respect of employee benefit scheme as other comprehensive Income	34.38	(3.49)	6.43
	Total C	**6858.72**	**9482.60**	**11510.37**
	Total (a+b+c)	**35565.10**	**38188.99**	**39507.82**

Note : 10 Borrowings

A. Secured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Term Loans** Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the directors	8598.80	11264.25	13449.01
2	Long Term Maturities of Vehicle loan obligation (Secured by way of hypothecation vehicle financed)	3.33	4.86	6.20
	Total	**8602.13**	**11269.11**	**13455.20**

10.1 Maturity Profile of Term Loans are as set below: (` in Lacs)

1-2 Years	2-3 Years	3-4 Years
2512.44	2869.08	3217.28

10.2 Maturity Profile of Vehicle Loan obligation are as set below: (` in Lacs)

1-2 Years	2-3 Years	3-4 Years
1.69	1.63	-

B. Unsecured Loans

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Bonds**			
1	Foreign Currency Convertible Bonds	4117.47	3946.60	3882.26
2	Loan from Promoters	966.19	966.19	1765.12
	Total	**5083.66**	**4912.79**	**5647.38**

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

Note : 11 Other Financial Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Security Retained from Staff	18.37	19.04	18.17
2	Security Retained from Contractors	17.56	20.56	36.15
3	Security in lieu of C Form	14.29	14.04	9.05
	Total	**50.22**	**53.64**	**63.37**

Note : 12 Deferred Tax Liability (net)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Deferred Tax Liability	1603.33	1287.31	1743.00
	Total	**1603.33**	**1287.31**	**1743.00**

Note : 13 Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Provision For Employees Benefit			
	Provision for Gratuity	279.73	269.00	240.13
	Provision for Leave Encashment	170.02	160.25	147.85
	Total	**449.75**	**429.25**	**387.98**

Note: 14 Borrowings

(Secured Loans)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Working Capital Loan from Bank Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of Directors.	11722.69	11569.70	11508.59
	Total	**11722.69**	**11569.70**	**11508.59**

Note : 15 Trade Payables

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Micro, Small and Medium Enterprises	76.38	65.10	58.25
2	Others	2642.31	2990.62	2331.99
	Total	**2718.69**	**3055.73**	**2390.24**

Note: 16 Other Financial Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Current Maturities of Long Term debts	4817.98	3060.86	2079.63
2	Current Maturities of Vehicle Loan Obligation	1.53	1.39	1.85
3	Creditors for Capital Expenditure	48.61	45.27	66.44
4	Unclaimed Dividends	21.05	27.11	33.13
5	Creditor For Expenses	288.34	150.94	310.72
6	Other Payable	2518.33	1284.17	783.53
	Total	**7695.83**	**4569.74**	**3275.29**

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

Note : 17 Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Provision for Gratuity	56.25	50.13	44.54
2	Provision for Leave Encashment	14.46	14.11	12.95
3	Provision for MIT	61.26	87.63	103.62
4	Provision for Excise Duty on Finished Goods	-	24.26	35.68
	Total	**131.97**	**176.12**	**196.79**

Note : 18 Revenue from Operations

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Sales	35025.42	37034.76
2	Income from research activities	186.02	131.76
3	Other Operating Revenue	295.76	377.99
	Total	**35507.20**	**37544.51**

18.1 Other Operating Revenue includes ` 295.76 Lacs received / receivable from Government as Export Incentives.

Note : 19 Other Income

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Bank Interest	24.90	24.13
2	Misc. Income (Recovery & Income)	35.25	36.62
3	Claim Received	0.35	7.74
4	Income from Sales of Scrap	11.57	10.47
	Total	**72.07**	**78.97**

Note : 20 Cost of Material Consumed

Sr. No	Particulars	31.03.2018	31.03.2017
	Opening Stock		
	- Raw Material	8914.59	8650.39
	Add : Purchases	20204.15	22376.62
	Total	**29118.74**	**31027.00**
	Less : Closing Stock	8546.57	8914.59
	Total	**20572.17**	**22112.42**

20.1 Detail Of Material Consumed

Sl No.	Subsidiaries	31.03.2018		31.03.2017	
		Kgs.	(₹ in Lacs)	Kgs.	(₹ in Lacs)
1	Cephalosporins / FDC	41052	4993.68	37448	4090.23
2	Carbapenem	7122	4833.55	8331	6762.06
3	Anti-Cancer	255	1579.03	306	1862.56
4	Other Material		5686.88	-	5902.87
5	Packing Material		3479.03	-	3494.71
	Total	**48429.00**	**20572.17**	**46085.00**	**22112.42**

20.2 Particulars Of Material Consumed

(₹ in Lacs)

Sr. No	Particulars	As on 31-03-2018 (% Consumed)	As on 31-03-2017 (% Consumed)
1	Imported	5165.41 (25.11)	7261.23 (32.84)
2	Indigenous	15406.76 (74.89)	14851.19 (67.16)
	Total	**20572.17 (100)**	**22112.42 (100)**

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

Note : 21 Change in Inventories

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Opening Stock**		
	- Finished Goods	2378.75	2512.20
	-Work In Progress	2572.83	2490.13
	Total (A)	**4951.58**	**5002.33**
2	**Closing Stock**		
	- Finished Goods	2416.23	2378.75
	- Work in progress	2564.97	2572.83
	Total (B)	**4981.20**	**4951.58**
	Change in Inventories (A-B)	**(29.62)**	**50.76**

Note : 22 Employee Benefit Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Salaries & Wages	2542.96	2294.33
2	Contribution to Provident Fund and other funds	167.35	147.35
3	Staff Welfare Expenses	72.10	60.66
	Total	**2782.40**	**2502.35**

22.1 Reconciliation of fair value of assets and obligations

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Gratuity**		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	335.98	319.13
	Amount recognised in balance Sheet	335.98	319.13
2	**Leave Encashment**		
	Fair Value Of Plan Assets	-	-
	Present value of obligation	184.48	174.36
	Amount recognised in balance Sheet	184.48	174.36

As per Accounting Standard 19"Employee Benefits", the disclosures as defined in the Accounting Standard are given below : The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method , which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

22.2 Expenses recognised during the year

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Gratuity**		
	Current Service Cost	45.66	44.46
	Interest Cost	25.53	19.28
	Net Actuarial (gain)/loss recognised in the period	-	-
	Expense recognised in the P&L Statement	71.20	63.75
2	**Leave Encashment**		
	Current Service Cost	61.57	59.01
	Interest Cost	13.95	11.26
	Net Actuarial (gain)/loss recognised in the period	(48.38)	(33.68)
	Expense recognised in the P&L Statement	27.13	36.59

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

22.3 Amount Recognised in other Comprehensive Income

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Gratuity**		
	Actuarial (Gain)/Loss - due to experience variance	(34.38)	3.49
	NET (Income)/Expense for the period recognized in Other Comprehensive Income	**(34.38)**	**3.49**

Note : 23 Financial Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Interest Expenses	3363.00	3367.77
2	Exchange Fluctuation	(34.01)	(231.35)
3	Other Borrowing Cost	168.74	219.66
	Total	**3497.73**	**3356.08**

Note: 24 Depreciation & Amortised Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Depreciation	2015.48	2036.73
2	Amortisation of Intangible Assets	1257.25	1894.89
	Total	**3272.72**	**3931.62**

Note : 25 Other Expenses

A. Manufacturing Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Power & Fuel	301.69	307.74
2	Consumables	74.55	84.65
3	Repair & Maintenance		
	- Building	26.10	38.37
	- Electrical	21.02	17.92
	- Plant & Machinery	69.31	72.22
4	Other Manufacturing Expenses	94.84	78.88
	Total	**587.51**	**599.78**

B. Administration Expenses

Sr. No	Particulars	31.03.2018	31.03.2017
1	Rent	1.45	1.47
2	Rates, Fee & Taxes	15.12	13.86
3	Insurance	28.74	24.92
4	Legal and Professional Expenses	34.89	45.11
5	Postage, Telex & Telegram	4.00	3.78
6	Printing & Stationery	22.75	24.19
7	Telephone Expenses	21.15	26.14
8	Traveling & Conveyance:		
	- Staff	55.39	58.36
	- Directors	31.01	8.06
	- Others	6.89	2.45
9	Running, Repair & Maintenance :		
	- Vehicles	77.91	73.09
	- Computer	5.56	7.38
	- Others	9.59	10.11
10	Auditors' Fees	6.00	6.90
11	Directors Remuneration	194.73	195.23
12	Other Administrative Expenses	243.41	246.48
13	Other Corporate Expenses	106.21	111.55
	Total	**864.78**	**859.09**

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

C. Selling and Distribution Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Discount / Commission	1413.60	1211.53
2	Other Selling Expenses	606.69	574.29
3	Advertisement & Sales Promotion	536.48	524.54
4	Sample Distribution	236.34	125.20
5	Incentive to Field Force	117.71	181.32
6	Traveling and conveyance Field Staff (Incl. Hotel)	399.17	433.51
	Total	**3309.99**	**3050.39**

D. R & D Expenses Except IPR

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Remuneration of R & D Staff	452.16	430.17
2	R & D Expenses	164.84	170.91
3	Material used for Development of new products	184.43	187.00
4	R & D Consumables	68.93	70.26
	Total	870.36	858.34
	GRAND TOTAL	5632.64	5367.60

26. Research and Development Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	IPR , Patent , Technology & Dossiers	2193.49	2782.62
	Total	**2193.49**	**2,782.62**

27. The previous year figures have been re-arranged and re-grouped whereever found necessary.

28. The company operates only in one business segment viz "Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines.

29. EARNING PER SHARE (IND AS-33)

The calculation of Earning per share (EPS) are based on the earnings and number of shares as computed below:

(₹ in Lacs)

Profit after Tax	₹ (2447.98)	₹ (2027.75)
	No. of shares in Lacs as on 31.03.18	No.of shares in Lacs as on 31.03.17
Weighted average number of shares in calculating the basic EPS	12.34	11.47
Weighted average number of shares in calculating Diluted EPS	12.34	11.47
Earning per share (Face value ₹ 10 /each)		
Earning per share Basic in ₹	(21.54)	(17.64)
Earning per share Diluted in ₹	(21.54)	(17.64)

30. During the year, the company has undertaken a review of all fixed assets in line with the requirements of IND AS-28 on "Impairment of Assets". Based on such review, no provision for impairment is required to be recognized for the year.

31. Fair value of cash and current deposits, trade and other current receivable, trade payable, other current liabilities, current loans from banks and other institution approximate their carrying amount due to current maturities of these instruments.

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

32 As per the provisions of FCCB agreement, the FCCB was to be converted into equity shares by 01-02-2015. However, the bond holder have not exercise their option to convert the bonds into equity shares. Therefore, the company has made the provision of interest amount in the books of accounts.

33. Section 135 of the Companies Act, 2013, is not applicable for the company during the financial year 2017-18 as the profit of last three financial year calculated as per section 198 of the companies act was less than Rs. 5 crores .

34. Payments to Auditors :

(₹ in Lacs)

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees	5.00	5.00
2	Tax Audit Fees	1.00	1.00
	Total	**6.00**	**6.00**

35. Value of Imports on CIF Basis in respect of:

Sr. No	Particulars	Current Year	Previous Year
1	Raw & Packing Material	5165.41	7363.05

36. Expenditure in Foreign Exchange:

(Currency in Lacs)

Particulars		Current Year	Previous Year
Salary	USD	0.99	1.01
Traveling	USD	0.05	0.01
	EURO	0.02	0.0009
	RMB	-	0.01
Regulatory Fee for Patent / Products & Plant Registration / Export	USD	0.88	10.51
	AUD	-	-
	EURO	0.13	0.11
	JPY	-	-
Subscription/ Publication	USD	-	0.002
Commission/ Incentive	USD	0.43	0.62
	EURO	0.09	0.03

37. Earnings in Foreign Exchange

Value of Export on FOB Basis

(Currency in Lacs)

Particulars		Current Year	Previous Year
Sales	USD	99.84	91.98
	EURO	37.27	85.68
	GBP	19.66	21.61
R & D Activities	USD	0.22	1.31
	EURO	0.06	0.06

38. Related Party Disclosures:

As per IND AS – 24, the disclosures of transactions with related parties during the year are given below.

(₹ in Lacs)

Related Party Relation ship	Subsidiaries	Associates	Key managerial Personnel	Current Year	Previous Year
Sales & Others	4243.20	29.36		4272.56	7978.21
Purchases and Others	132.67	225.71		358.38	1078.21
Remuneration to Directors /KMP			201.09	201.09	195.23

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

Names of related parties and description of relationship:

1	Wholly Owned Subsidiary	Venus Pharma GmbH
2	Associates	Sunev Pharma Solutions Limited
		Spine Software Systems Pvt Limited
3	Key Management Personnel	Mr. Pawan Chaudhary
		Mrs. Manu Chaudhary
		Mr. Peeyush Jain
		Mr. Ashutosh Jain
4	Company Secretary	Mrs. Neha Kodan

39. There is no remittance in foreign currency on account of dividend.

40. Contingent Liabilities and Commitments

(₹ in Lacs)

Particulars	Current Year	Previous Year
Contingent Liabilities		
a) Letter of Credit / Bank Guarantees – Inland	146.70	177.02
b) Bank Guarantees foreign	13.64	-
c) Letter of credit – Foreign	-	33.57
d) Tax demand pending in appeal	16.34	16.34

41. Reconciliation of the effect of change in accounting policy on each line item of the balance sheet is presented as under :

Sl No.	Subsidiaries	31.03.2017		01.04.2016	
		As Per Old Policy	As Per New Policy	As Per Old Policy	As Per New Policy
1.	Retained Earnings	15775.94	9482.60	15301.23	11510.37
2.					
	Amortization of Intangible Assets	2085.56	1894.89	1894.89	1894.89
3.	Written Down Value of Intangible Assets	25476.99	19187.64	24904.11	21206.73
4.	Deferred Tax	(370.41)	(455.69)	180.84	265.18

42. First time adoption of Ind AS:

Transition to Ind AS:

The Company has transitioned basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the 'transition date').

In preparing opening Ind AS balance sheet, the Company has adjusted amounts reported in financial statements prepared in accordance with IGAAP. On transition, the Company did not revise estimates previously made under IGAAP except where required by Ind AS.

(₹ in Lacs)

A. Reconciliation of Equity reported

Particulars	As at 31.03.2017	As at 01.04.2016
Equity reported under IGAAP	45716.52	44442.89
Change in retained earnings	6293.33	3790.87
Equity reported under Ind AS	39423.19	40652.02

Notes forming part of the standalone financial statements

for the year ended March 31, 2018

(₹ in Lacs)

B. Reconciliation of Total Comprehensive Income

Particulars	For the year ended 31.03.2017
Net profit (Loss) reported under IGAAP	474.70
Summary of Ind AS adjustments	
Change in cost of employees benefit expense	7.70
Other comprehensive income on account of reclassification of acturial gains / loss in respect of employee benefit scheme	(3.49)
Change in Deffered Tax liability	85.28
Change in policy effect	(2591.95)
Total Ind AS adjustments	
Total Comprehensive Income under Ind AS	(2027.75)

C. Reconciliation of Statement of Cash Flows

There were no material differences between Statements of Cash Flows presented under Ind AS and under IGAAP.

Auditors' Report In term of our separate report of even date annexed here to.

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)	**(Peeyush Jain)**	**(Pawan Chaudhary)**	**(Neha Kodan)**	**(Ajeet Kapoor)**
Partner	Deputy Managing	Chairman cum	Company Secretary	CGM Accounts
M. No. 511294	Director	Managing Director		

PLACE : PANCHKULA
DATE :28.05.2018

VENUS PHARMA GmbH GERMANY

Sr. No.	Particulars	31.03.2018		31.03.2017	
		Euro in lacs	₹ in lacs	Euro in lacs	₹ in lacs
1	Share capital	0.25	20.16	0.25	17.31
2	Reserves & surplus	(21.37)	(1,722.98)	(15.96)	(1,105.44)
3	Total assets	44.64	3598.73	50.66	3508.23
4	Total Liabilities	44.64	3598.73	50.66	3508.23
5	Turnover	81.82	6130.82	154.68	11163.38
6	Profit before taxation	(5.41)	(410.91)	4.26	316.21
7	Provision for taxation	NIL	NIL	NIL	NIL
8	Profit after taxation	(5.41)	(410.91)	4.26	316.21
9	Proposed Dividend	NIL	NIL	NIL	NIL

Independent Auditors' **Report**

TO
THE MEMBERS OF
VENUS REMEDIES LIMITED
PANCHKULA

Report on the Financial Statements

1. We have audited the accompanying Consolidated Ind AS financial statements of M/s Venus Remedies Ltd. and its wholly owned subsidiary, Venus Pharma GMBH which comprise the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated cash flows and Consolidated changes in equity including wholly owned subsidiary of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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, which has been used for the purpose of preparation of the consolidated Ind AS financial statement by the Directors of the Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. We conducted our audit of Venus Remedies Limited, in accordance with the provisions of the Act, the accounting and auditing Standards generally accepted in India and also we have conducted audit of subsidiary, Venus Pharma GMBH according to generally accepted audit Standards in Germany i.e "International Accounting Standards". Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 consolidated Ind AS 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 consolidated Ind AS financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with International Accounting Standard (IFRS) issued by International Accounting Standard which are generally accepted in Germany and Ind AS as applicable for Venus remedies limited .

a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2018;

b) In the case of the Consolidated Statement of Profit and Loss, of the profit/ loss for the year ended on that date; and

c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

d) In the case of consolidated statement of changes in equity for the year ended on that date.

Subject to the following:

The Parent company has gone for Debt Restructuring and the CDR Cell has approved its CDR package. The Company is repaying the debt as per the approved package, however the company could not serve the interest and principal (FITL) repayments amounting Rs. 3709.31 lacs to financial institution, bank or debenture holders.

Report on Other Legal and Regulatory Requirements

7. As required by section 143(3) of the Act, we further report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and consolidated statement of change in equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;

e) On the basis of the written representations received from the Directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company 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) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:, we report as

- The consolidated financial statements disclose the impact of pending litigations on the consolidated finacial position of the company.
- Provisions has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For Prem Garg & Associates
Chartered Accountants
FRN 014440N

(Monika Bisht)

(Partner)
M. No. 511294

Place: Panchkula
Date: 28.05.2018

BALANCE SHEET as at March 31, 2018

(₹ in Lacs)

Particulars	Note	Figures as at the end of 31.03.2018	Figures as at the end of 31.03.2017	Figures as at the beginning of 01.04.2016
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant & Equipment	1	20857.20	21316.21	21178.79
(b) Capital Work In Progress	1	6476.42	6625.27	7075.51
(c) Intangible Assets	1	18063.18	19301.74	21333.08
(d) Other Non Current Assets	2	3311.08	3316.52	3289.79
Total Non- Current Assets		**48707.88**	**50559.74**	**52877.18**
(2) Current Assets				
(a) Inventories	3	13817.40	14059.92	14328.78
(b) Financial Assets				
(I) Trade Receivables	4	4727.27	4728.62	6158.86
(ii) Cash and Cash Equivalents	5	398.26	355.98	707.11
(iii) Other Financial Assets	6	7433.88	6796.09	6400.08
Total Current Assets		**26376.81**	**25940.61**	**27594.83**
Total Assets		**75084.69**	**76500.35**	**80472.01**
EQUITY AND LIABILITY				
Equity				
(a) Equity Share Capital	7	1234.20	1234.20	1144.20
(b) Other Equity	8	34956.72	37632.70	38827.33
Total Equity		**36190.92**	**38866.90**	**39971.52**
LIABILITIES				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(I) Borrowings	9	13743.88	16181.89	19104.59
(ii) Other Financial Liabilities	10	50.22	53.64	63.37
(b) Deferred Tax Liabilities (Net)	11	1603.33	1287.31	1743.00
(c) Provisions	12	449.75	429.25	387.98
Total Non- Current Liabilities		**15847.18**	**17952.09**	**21298.94**
(2) Current Liabilities				
(a) Financial Liabilities				
(I) Borrowings	13	12125.80	11915.94	12332.35
(ii) Trade Payables	14	2933.31	2972.97	2513.64
(iii) Other Financial Liabilities	15	7855.51	4616.34	4158.77
(b) Provisions	16	131.97	176.12	196.79
Total Current Liabilities		**23046.58**	**19681.37**	**19201.54**
Total Equity and Liability		**75084.69**	**76500.35**	**80472.01**

Significant Accounting Policies and Notes on Accounts 1 to 38

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)
Partner
M. No. 511294

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

PLACE : PANCHKULA
DATE :28.05.2018

STATEMENT OF PROFIT & LOSS for the period ended March 31, 2018

(₹ in Lacs)

	Particulars	Note	Figures as at the end of 31.03.2018	Figures as at the end of 31.03.2017
I	Revenue from operations	17	37241.42	40004.03
II	Other Income	18	225.47	226.98
III	Total Revenue (I +II)		37466.89	40231.01
IV	Expenses:			
	Cost of materials consumed	19	20483.91	22357.96
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	24.03	349.27
	Employee Benefit Expenses	21	3930.94	3426.62
	Finance Costs	22	3542.65	3437.16
	Depreciation and Amortization Expenses	23	3383.27	4025.65
	Other Expenses	24	6661.76	6015.49
	Research & Development Expense	25	2193.49	2782.62
	Total Expenses (IV)		40220.05	42394.77
V	Profit before Tax	(III - IV)	(2753.16)	(2163.76)
VI	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		316.02	(455.69)
	(3) Mat Credit		-	-
VII	Profit/(Loss) for the period		(3069.18)	(1708.07)
VIII	Other Comprehensive Income			
	(I) Items that will not be classified to Profit & loss accounts net of Income tax		34.38	(3.49)
	(I) Items that will be classified to Profit & loss accounts net of Income tax		-	-
	Total Comprehensive income for the period		(3034.80)	(1711.56)
XI	Earning per equity share:		(24.87)	(14.88)

Note :- The Company has changed its policy to expense all Research and Development expenditure as incurred w.e.f. April 1, 2017 (See Standalone Accounting Policy Note no 7). This change has no material impact on the cash flow position of the Company. A reconciliation of the effect of this change on each line item of the Balance Sheet is presented in Note no 37.

Notes and Significant Accounting Policies referred to above and annexed there to form an integral part of statement of Profit & Loss This is the statement of Profit & Loss referred to in our report of even date.

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)
Partner
M. No. 511294

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

PLACE : PANCHKULA
DATE :28.05.2018

STATEMENT OF CHANGES IN EQUITY for the period ended March 31, 2018

(₹ in Lacs)

Sr. No	Particulars	31.03.2018		31.03.2017		31.03.2016	
		No. Of Shares	₹ In Lac	No. Of Shares	₹ In Lac	No. Of Shares	₹ In Lac
A	**Equity Share Capital (Refer Note. 7)**						
	Balance at the begining of the reporting period	12341988	1234.20	11441988	1144.20	11441988	1144.20
	Changes in equity share capital during the year	-	-	900000	90.00	-	-
	Balance at the end of the reporting period	12341988	1234.20	12341988	1234.20	11441988	1144.20

B Other Equity (Refer Note 8)

Particulars	RESERVE AND SURPLUS			Other Comprehensive Income		TOTAL OTHER EQUITY
	Securties Premium	General Reserve	Retained Earning	FCTR	Remeasurement of Net Defues Benefit	
Balance at 01.04.2016	**6851.15**	**21146.30**	**9976.15**	**847.29**	**6.43**	**38827.32**
Profit for the Year			(1708.07)			(1708.07)
Securities premium collected on share issue	708.93					708.93
Movement in other comprehensive income					(3.49)	(3.49)
FCTR on Consolidation				(192.00)		(192.00)
Balance at 31.03.2017	**7560.08**	**21146.30**	**8268.08**	**655.29**	**2.94**	**37632.69**
Profit for the Year						(3069.18)
securities premium collected on share issue						-
Movement in Other comprehensive income					34.38	34.38
FCTR on Consolidation				358.82		358.82
Balance at 31.03.2018	**7560.08**	**21146.30**	**5198.90**	**1014.11**	**37.32**	**34956.72**

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)
Partner
M. No. 511294

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

PLACE : PANCHKULA
DATE :28.05.2018

CASH FLOW STATEMENT for the period ended March 31, 2018

(₹ in Lacs)

	Particulars	Note	As on 31.03.2018	As on 31.03.2017
A)	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit before tax & extraordinary items		(2753.16)	(2163.75)
	Adjustment for Depreciation		3383.27	4025.64
	Interest Expense		3387.30	3418.25
	Increase in Long Term Provision for Gratuity & Leave encashment		20.50	41.27
	Adjustment reversing effect on profit of non-cash operating activities		(123.98)	(155.28)
	Exchange Fluctuation		(11.22)	(244.83)
	Interest Received		(24.90)	(24.13)
	Operating Profit before working capital changes		3877.81	4897.17
	Adjustments for increase /decrease in Current Assets		(11.09)	617.58
	Decrease / Increase in Current Liabilities/ Provisions		1276.84	378.48
	Net Operating Cash Flow before adjusting tax and extraordinary items		**5143.56**	**5893.23**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Sale/Purchase of Fixed Assets Including			
	Capitalization of Expenses(NET)		(1409.76)	(2279.33)
	Increase/ Decrease in Capital work in progress		148.85	450.24
	Interest Received		24.90	24.13
	Proceeds from loans and advances		5.44	(26.73)
	Net Cash Flow from Investing Activities (B)		**(1230.57)**	**(1831.69)**
C)	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Interest Paid		(3228.93)	(3266.46)
	Proceeds from Long Term Borrowing(Net)		(794.77)	(1207.33)
	Proceeds from Short term Borrowing(Net)		152.99	61.11
	Net Cash from Financing Activities (C)		**(3870.71)**	**(4412.68)**
	Net Increase in Cash & Cash Equivalents (A+B+C)		**42.28**	**-351.14**
	Cash & Cash Equivalents as at 31.03.2018		398.26	
	Cash & Cash Equivalents as at 31.03.2017		355.98	
	Cash & Cash Equivalents as at 31.03.2017			355.98
	Cash & Cash Equivalents as at 31.03.2016			707.11

AUDITOR'S REPORT

As per our separate report of even date

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)
Partner
M. No. 511294

(Peeyush Jain)
Deputy Managing Director

(Pawan Chaudhary)
Chairman cum Managing Director

(Neha Kodan)
Company Secretary

(Ajeet Kapoor)
CGM Accounts

PLACE : PANCHKULA
DATE :28.05.2018

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Principles of Consolidation

1. The consolidated financial statements relates to Venus Remedies Limited ('the Company') and its subsidiary "Venus Pharma GmbH" ('the Subsidiary'). The consolidated financial statements have been prepared on the following basis:

   a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with IND AS 110, "Consolidated Financial Statements".

   b) In case of foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the other comprehensive income.

   c) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

   d) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit and loss account as the profit or loss on disposal of investment in subsidiary.

   e) In case of associated companies where the company directly or indirectly through subsidiaries holds more than 20% of equity, Investments in associates are accounted for using equity method in accordance with IND AS 28 Accounting for investments in associates in consolidated financial statements .

   f) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its associated to the extent of its share, through its profit and loss account to the extent such change is attributable to the associated' profit and loss account and through its reserves for the balance, based on available information.

   g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

2. Investment other than in subsidiaries and associates has been accounted as per Ind AS 109 Financial instrument.

3. Other significant accounting policies:-

   These are set out under "Significant Accounting Policies" as given in the Unconsolidated Financial Statements of Venus Remedies Limited and its Subsidiary.

SIGNIFICANT ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2018

Note : 1 Fixed Assets (Parent Company)

(₹ in Lacs)

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
I	**Tangible Assets**											
1	Land		922.94	-		922.94	-	-		-	922.94	922.94
2	Building	30	5231.22	0.00		5231.22	1362.67	181.29		1543.96	3687.26	3868.55
3	Building for R & D	30	1302.70	-		1302.70	420.34	45.37		465.70	837.00	882.37
4	Plant & Machinery	20	9082.36	432.39		9514.75	3260.58	491.71		3752.29	5762.46	5821.78
5	R & D Pilot Plant	20	1410.68	131.46		1542.15	371.67	79.40		451.07	1091.08	1039.01
6	R & D Equipment	15	5212.12	277.27		5489.39	1875.80	397.60		2273.40	3215.99	3336.32
7	Computer, I.T and Communication Equipment	6	2849.15	103.25		2952.40	2358.93	208.01		2566.95	385.46	490.22
8	D G Set	10	215.47	0.00		215.47	172.76	14.47		187.24	28.24	42.71
9	Electrical Installation	10	959.44	66.30		1025.74	582.00	89.53		671.53	354.21	377.44
10	Furniture & Fixture	10	736.70	31.73		768.43	453.03	64.49		517.52	250.91	283.67
11	Lab Equipment	10	2934.31	163.38		3097.69	1221.66	296.13		1517.79	1579.90	1712.65
12	Misc. Fixed Assets	15	690.55	35.71		726.26	273.83	50.94		324.77	401.49	416.72
13	Office Equipment/ Security Equipment	5	531.16	50.94		582.10	415.64	52.68		468.32	113.78	115.52
14	Pollution Control	15	597.99	34.89		632.87	165.60	35.64		201.25	431.63	432.39
15	Vehicles	8	468.39	0.00	4.51	463.89	460.19	8.20	4.51	463.89	0.00	8.20
	TOTAL		**33145.20**	**1327.31**	**4.51**	**34468.00**	**13394.69**	**2015.48**	**4.51**	**15405.66**	**19062.34**	**19750.50**
	(PREVIOUS YEAR)		**30768.68**	**2378.15**	**1.63**	**33145.20**	**11359.09**	**2036.73**	**1.12**	**13394.69**	**19750.50**	**19409.59**
II	**Capital Work in Progress**											
1	**Building Under Construction**		6476.42								6476.42	6476.42
2	Plant & Machinery		71.45								-	71.45
3	Electrical		36.89								-	36.89
4	R & D Block		40.51								-	40.51
	TOTAL		**6625.27**								**6476.42**	**6625.27**
	(PREVIOUS YEAR)		**7075.51**								**6625.27**	**7075.51**
III	**Intangible Assets**											
1	Patent IPR Technologies	20	21822.86	-	-	21822.86	8895.77	808.77	-	9704.55	12118.31	12927.08
2	Product & Process Development	20	10609.70	-	-	10609.70	4349.14	448.47	-	4797.62	5812.08	6260.56
	TOTAL		**32432.56**	**-**	**-**	**32432.56**	**13244.92**	**1257.25**	**-**	**14502.16**	**17930.40**	**19187.64**
	(PREVIOUS YEAR)		**32432.56**	**-**	**-**	**32432.56**	**11350.02**	**1894.89**	**-**	**13244.92**	**19187.64**	**21082.54**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Note : 1 Fixed Asset – Subsidiary Company

(₹ in Lacs)

Sr. No	Particulars	Useful Life	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deletion during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
I	Tangibles											
1	Land	-	225.63	0.00		225.63	0.00	-		0.00	225.63	193.80
2	Building	33	2139.70	0.00		2139.70	727.49	64.19		791.68	1348.01	1212.96
3	Building Premises	10	45.47	0.00		45.47	45.47	0.00		45.47	0.00	0.00
4	Out Door Facilities	15	141.46	67.76		209.22	80.22	12.07		92.29	116.94	52.60
5	Plant & Machinery	13	178.18	0.00		178.18	155.07	13.71		168.77	9.40	19.85
6	Plant & Equipment – I	3	12.91	0.40		13.31	11.07	0.92		11.99	1.32	1.58
7	Plant & Equipment – II	10	60.14	10.96		71.10	25.28	6.88		32.17	38.93	29.94
8	Plant & Equipment –III	5	1.58	1.69		3.27	1.49	0.17		1.66	1.61	0.08
9	Plant & Equipment –IV	8	42.51	0.00		42.51	14.03	4.08		18.11	24.40	24.46
10	Plant & Equipment – V	6	7.93	0.00		7.93	6.65	0.39		7.04	0.89	1.10
11	Plant & Equipment –VI	7	14.37	0.00		14.37	4.66	2.01		6.67	7.70	8.35
12	Plant & Equipment–VII	14	15.32	0.00		15.32	1.82	1.09		2.92	12.40	11.59
13	Warehouse Equipment – I	11	0.74	0.00		0.74	0.74	0.00		0.74	0.00	0.00
14	Warehouse Equipment – II	15	18.93	0.00		18.93	13.22	1.26		14.49	4.45	4.90
15	Computer	3	3.14	0.00		3.14	3.14	0.00		3.14	0.00	0.00
16	Computer	2	0.16	0.00		0.16	0.16	0.00		0.16	0.00	0.00
17	Miscellaneous Fixed Assets	5	9.74	1.64		11.38	9.53	1.18		10.70	0.67	0.18
18	Office Equipment /F&F	10	9.35	0.00		9.35	9.35	0.00		9.35	0.00	0.00
19	CAR	2	7.26	0.00		7.26	6.45	0.00		6.45	0.81	0.69
20	Vehicle	5	12.67	0.00		12.67	8.45	2.53		10.98	1.69	3.63
	SUB TOTAL (A)		2947.19	82.45	-	3029.65	1,124.30	110.48	-	1,234.78	1794.87	1565.71
III	Intangible											
1	Intellectual Property Rights	5	401.30	-	-	401.30	268.46	0.07		268.53	132.77	114.10
	SUB TOTAL (B)		401.30	-	-	401.30	268.46	0.07	-	268.53	132.77	114.10
	TOTAL (A+B)		3348.50	82.45	-	3430.95	1392.76	110.56	-	1503.31	1927.64	1679.81
	(Previous Year)		2850.19	25.88	-	2876.07	1102.24	94.02	-	1196.26	1679.81	1895.56

Note : 2 Other Non Current Assets

(Unsecured , Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Security Deposit	76.31	81.75	55.02
2	In Licensing of Technology	3234.77	3234.77	3234.77
	Total	3311.08	3316.52	3289.79

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Note: 3 Inventories

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Raw Material	8546.57	8914.59	8650.39
2	Work-in-Progress	2564.97	2572.83	2490.13
3	Finished Goods	2461.94	2469.49	2926.20
4	Consumables	3.11	6.20	5.01
5	Stores & Spares	2.71	5.06	4.22
6	Printing & Stationary	2.80	4.13	3.76
7	Goods-in-transit			
	a) Raw Material	35.72	70.68	68.60
	b) Packing Material	25.53	16.95	35.03
	c) Finished Goods	174.04	-	145.45
	Total	**13817.40**	**14059.92**	**14328.78**

3.1 Inventories are valued as per method described in significant accounting policies.

Note : 4 Trade Receivables

(Unsecured, Considered good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Outstanding for more than six months	57.78	93.67	21.96
2	Others	4669.49	4634.95	6136.90
	Total	**4727.27**	**4728.62**	**6158.86**

4.1 The Parent company has sent letter of balance confirmation to all the parties but only a few have responded so far. So the balance in the party accounts whether in debit or credit are subject to reconciliation.

Note : 5 Cash & Cash Equivalent

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Cash-in-Hand**			
	Cash Balance	10.77	15.02	7.72
	Foreign Exchange in Hand	1.43	1.56	1.52
	Sub Total (A)	12.19	16.58	9.24
2	**Bank Balance**			
	In current Accounts	62.22	87.54	423.02
	Sub Total (B)	62.22	87.54	423.02
3	**Fixed Deposits**			
	Fixed Deposit being Margin Money	323.85	251.85	274.85
	Sub Total (C)	323.85	251.85	274.85
	Total [A + B +C]	**398.26**	**355.98**	**707.11**

5.1 Balance with Banks includes Unclaimed Dividend of ₹ 21.05 Lacs (Previous Year ₹ 27.11 Lacs)

5.2 An amount of ` 323.85 Lacs (Previous Year ` 251.85 Lacs) is held with Banks as margin money for Bank Guarantees/ Letter of Credit

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Note : 6 Other Financial Assets

(Unsecured , Considered Good)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Balance with Revenue Authorities under Indirect Taxes	1625.33	814.08	306.42
2	Loan to Staff	1.77	1.83	2.61
3	Other Loans & Advances	2988.56	3161.96	3272.82
	(Advance Recoverable in cash or in kind or for value to be considered good)			
4	Tax Credit Receivable	2818.23	2818.23	2818.23
	Total	**7433.88**	**6796.09**	**6400.08**

6.1 Other Loans and Advances includes Advances to suppliers , Prepaid Expenses & TDS Receivable etc.

Note : 7 Equity Share Capital

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	AUTHORIZED SHARE CAPITAL			
	20000000 Equity Shares of Rs. 10/- each.	2,000.00	1500.00	1500.00
	(Previous Year 15000000 Equity Shares of Rs 10/- each)			
		2,000.00	1500.00	1500.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL			
	12341988 Equity Shares of Rs. 10/- each, Fully paid up (Previous year 12341988 Equity Shares of 10/- each)	1234.20	1234.20	1144.20
	Total	**1234.20**	**1234.20**	**1144.20**

1.2 The details of Shareholders holding more than 5% shares:

(₹ in Lacs)

Sr. No	Name Of Shareholders	31.03.2018	31.03.2017	01.04.2016
		No. of Shares (%)	No. of Shares (%)	No. of Shares (%)
1	Sunev Pharma Solutions Limited	2300000 (18.64%)	2300000 (18.64%)	2300000 (20.10%)
2	Pawan Chaudhary	1187000 (9.62%)	1187000 (9.62%)	680000 (5.94%)
3	Manu Chaudhary	1143000 (9.26%)	1143000 (9.26%)	750000 (6.55%)

1.3 The reconciliation of the number of shares outstanding is set out below:

(₹ in Lacs)

Sr. No	Name Of Shareholders	31.03.2018	31.03.2017	01.04.2016
		No. of Shares (%)	No. of Shares (%)	No. of Shares (%)
1	Equity Shares at the beginning of the year	12341988	11441988	11441988
2	Add: Shares issued during the year		900000	
	Equity Shares at the end of the year	**12341988**	**12341988**	**11441988**

Note : 8 Other Equity

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Securities Premium			
	As per last Balance Sheet	7560.08	6851.15	6851.15
	Add: Securities Premium collected on share issue	-	708.93	-
	Total A	**7560.08**	**7560.08**	**6851.15**
2	General Reserve			
	As per last Balance Sheet	21146.30	21146.30	23447.32
	Add : Mat Credit for Previous Years	-	-	(2,301.02)
	Total B	**21146.30**	**21146.30**	**21146.30**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

3	**Foreign Exchange Translation Reserve**			
	As per Last Balance Sheet	655.29	847.29	79.47
	Add: During the year	358.82	(192.00)	767.82
	Total	1,014.11	655.29	847.29
4	**Retained Earnings**			
	As per last Balance Sheet	8271.03	9982.59	13603.56
	Add: Profit for the period	(3069.18)	(1708.07)	(3627.41)
	Add : Reclassification of acturial gains/ loss in respect of employee benefit scheme as other comprehensive Income	34.38	(3.49)	6.43
	Total C	**5236.23**	**8271.03**	**9982.59**
	Total (A+B+C)	**34956.72**	**37632.70**	**38827.33**

Note : 9 Borrowings

A. Secured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Term Loans**	8656.89	11264.24	13449.01
	Secured by first charge on Fixed Assets & second charge on current assets of the company & personal guarantee of the directors			
2	Long Term Maturities of Vehicle loan obligation (Secured by way of hypothecation vehicle financed)	3.33	4.86	8.20
	Total	**8660.22**	**11269.10**	**13457.21**

3.1 Maturity Profile of Term Loans are as set below: (₹ in Lacs)

1-2 Years	2-3 Years	3-4 Years
2528.23	2885.50	3234.36

3.2 Maturity Profile of Vehicle Loan obligation are as set below: (₹ in Lacs)

1-2 Years	2-3 Years	3-4 Years
1.69	1.63	-

B. Unsecured Loans

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	**Bonds**			
1	Foreign Currency Convertible Bonds	4117.47	3946.60	3882.26
2	Loan from Promoters	966.19	966.19	1765.12
	Total	**5083.66**	**4912.79**	**5647.38**

Note : 10 Other Financial Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Security Retained from Staff	18.37	19.04	18.17
2	Security Retained from Contractors	17.56	20.56	36.15
3	Security in lieu of C Form	14.29	14.04	9.05
	Total	**50.22**	**53.64**	**63.37**

Note : 11 Deferred Tax Liability (net)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Deferred Tax Liability	1603.33	1287.31	1743.00
	Total	**1603.33**	**1287.31**	**1743.00**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Note : 12 Provisions

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Provision For Employees Benefit			
	Provision for Gratuity	279.73	269.00	240.13
	Provision for Leave Encashment	170.02	160.25	147.85
	Total	**449.75**	**429.25**	**387.98**

Note: 13 Borrowings

(Secured Loans)

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Working Capital Loan from Bank Secured by first charge on current assets of the company & second charge on fixed assets & further secured by personal Guarantee of Directors	12125.80	11915.94	12332.35
	Total	**12125.80**	**11915.94**	**12332.35**

Note : 14 Trade Payables

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Micro, Small and Medium Enterprises	76.38	65.10	58.25
2	Others	2856.93	2907.87	2455.39
	Total	**2933.31**	**2972.97**	**2513.64**

Note: 15 Other Financial Liabilities

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Current Maturities of Long Term debts	4833.15	3060.86	2079.63
2	Current Maturities of Vehicle Loan Obligation	1.53	3.23	4.85
3	Creditors for Capital Expenditure	48.61	45.27	66.44
4	Unclaimed Dividends	21.05	27.11	33.13
5	Creditor For Expenses	288.34	150.94	310.72
6	Other Payable	2662.84	1328.92	1664.00
	Total	**7855.51**	**4616.34**	**4158.77**

Note : 16 Provisions

(₹ in Lacs)

Sr. No Others	Particulars	31.03.2018	31.03.2017	01.04.2016
1	Provision for Gratuity	56.25	50.13	44.54
2	Provision for Leave Encashment	14.46	14.11	12.95
3	Provision for MIT	61.26	87.63	103.62
4	Provision for Excise Duty on Finished Goods	0.00	24.26	35.68
	Total	**131.97**	**176.12**	**196.79**

Note : 17 Revenue from Operations

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Sale	36759.64	39494.28
2	Income from research activities	186.02	131.76
3	Other Operating Revenue	295.76	377.99
	Total	**37241.42**	**40004.03**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

17.1 Other Operating Revenue includes ` 295.76 Lacs received / receivable from Government as Export Incentives.

(₹ in Lacs)

Note : 18 Other Income

Sr. No	Particulars	31.03.2018	31.03.2017
1	Bank Interest	24.90	24.13
2	Misc. Income (Recovery & Income)	188.65	184.45
3	Insurance Claim Received	0.35	7.92
4	Income from Sales of Scrap	11.57	10.47
		225.47	**226.98**

(₹ in Lacs)

Note : 19 Cost of Material Consumed

Sr. No	Particulars	31.03.2018	31.03.2017
	Opening Stock		
	- Raw Material	8914.59	8650.39
	Add : Purchases	20115.89	22622.16
	Total	**29030.48**	**31272.55**
	Less : Closing Stock	8546.57	8914.59
	Total	**20483.91**	**22357.96**

(₹ in Lacs)

Note : 20 Change in Inventories

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Opening Stock**		
	- Finished Goods	2473.32	2905.29
	-Work In Progress	2572.83	2490.13
	Total A	**5046.15**	**5395.42**
2	**Closing Stock**		
	- Finished Goods	2457.15	2473.33
	- Work in progress	2564.97	2572.83
	Total B	**5022.12**	**5046.15**
	Change in Inventories A – B	**24.03**	**349.27**

(₹ in Lacs)

Note : 21 Employee Benefit Expenses

Sr. No	Particulars	31.03.2018	31.03.2017
1	Salaries & Wages	3483.36	3051.74
2	Contribution to Provident Fund and other funds	373.94	312.13
3	Staff Welfare Expenses	73.65	62.75
	Total	**3930.94**	**3426.62**

(₹ in Lacs)

21.1 Reconciliation of fair value of assets and obligations

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Gratuity**		
	Fair Value of Plan Assets	-	-
	Present value of obligation	335.98	319.13
	Amount recognised in balance Sheet	335.98	319.13
2	**Leave Encashment**		
	Fair Value of Plan Assets	-	-
	Present value of obligation	184.48	174.36
	Amount recognised in balance Sheet	184.48	174.36

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

As per IND AS 19 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below :

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method , which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

21.2 Expenses recognised during the year

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Gratuity**		
	Current Service Cost	45.66	44.46
	Interest Cost	25.53	19.28
	Net Actuarial (gain)/loss recognised in the period	-	-
	Expense recognised in the P&L Statement	71.20	63.75
2	**Leave Encashment**		
	Current Service Cost	61.57	59.01
	Interest Cost	13.95	11.26
	Net Actuarial (gain)/loss recognised in the period	(48.38)	(33.68)
	Expense recognised in the P&L Statement	27.13	36.59

21.3 Amount Recognised in other Comprehensive Income

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	**Gratuity**		
	Actuarial (Gain)/Loss – Due to experience variance	(34.38)	3.49
	Net(Income)/Expense for the period recognized in Other Comprehensive Income	**(34.38)**	**3.49**

Note : 22 Financial Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Interest Expenses	3382.53	3407.25
2	Exchange Fluctuation	(13.39)	(200.59)
3	Other Borrowing Cost	173.51	230.50
	Total	**3542.65**	**3437.16**

Note: 23 Depreciation & Amortised Cost

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Depreciation	2125.96	2128.41
2	Amortisation of Intangible Assets	1257.31	1897.24
	Total	**3383.27**	**4025.65**

Note : 24 Other Expenses

A. Manufacturing Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Power & Fuel	428.61	414.10
2	Consumables	189.46	267.33
3	Repair & Maintenance		
	- Building	43.94	51.93
	- Electrical	21.02	17.92

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
	- Plant & Machinery	87.62	86.90
4	Other Manufacturing Expenses	116.11	100.24
	Total	**886.76**	**938.43**

B. Administration Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Rent	9.60	11.58
2	Rates, Fee & Taxes	24.56	22.45
3	Insurance	44.66	37.87
4	Legal and Professional Expenses	114.67	81.88
5	Postage, Telex & Telegram	4.92	5.20
6	Printing & Stationery	25.49	27.71
7	Telephone Expenses	25.57	28.89
8	Traveling & Conveyance:		
	- Staff	55.39	58.36
	- Directors	31.01	8.06
	- Others	6.89	2.45
9	Running, Repair & Maintenance :		
	- Vehicles	87.52	84.75
	- Computer	15.17	16.37
	- Others	12.01	12.94
10	Auditors' Fees	10.12	11.95
11	Directors Remuneration	194.73	195.23
12	Other Administrative Expenses	268.09	251.80
13	Other Corporate Expenses	106.21	111.55
	Total	**1036.59**	**969.05**

C. Selling and Distribution Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Discount / Commission	1489.78	1230.07
2	Other Selling Expenses	1084.42	747.45
3	Advertisement & Sales Promotion	536.60	525.54
4	Sample Distribution	236.34	125.20
5	Incentive to Field Force	117.71	181.32
6	Traveling and conveyance Field Staff (Incl. Hotel)	403.20	441.64
	Total	**3868.05**	**3251.22**

D. R & D Expenses Except IPR

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Remuneration of R & D Staff	452.16	430.17
2	R & D Expenses	164.84	170.91
3	Material used for Development of new products	184.43	187.00
4	R & D Consumables	68.93	68.71
	Total	870.36	856.79
	GRAND TOTAL	**6661.76**	**6015.49**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

25. Research and Development Expenses

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	IPR , Patent , Technology & Dossiers	2193.49	2782.62
	Total	**2193.49**	**2782.62**

26. AUDITOR'S REMUNERATION

(₹ in Lacs)

Sr. No	Particulars	31.03.2018	31.03.2017
1	Statutory Audit Fees	5.00	5.00
	Tax Audit Fees	1.00	1.00
	Total	**6.00**	**6.00**

27. In the Parent Company disclosure as required by IND AS 24 Related Party Disclosures.

(I) List of related parties where control exist and related parties with whom transactions have taken place and relationship:

Particulars	31.03.2018
Sunev Pharma Solutions Ltd.	Associates
Spine Software Systems Pvt. Limited	Associates
Mr. Pawan Chaudhary	Key Managerial Personnel
Mrs. Manu Chaudhary	Key Managerial Personnel
Mr. Peeyush Jain	Key Managerial Personnel
Mr. Ashutosh Jain	Key Managerial Personnel
Mrs. Neha Kodan	Company Secretary

(ii) Transactions during the year with related parties:

(₹ in Lacs)

Related Party Relation ship	Associates	Key managerial Personnel	Current Year	Previous Year
Sales & Others	29.36		29.36	27.93
Purchases and Others	225.71		225.71	267.59
Remuneration to Directors/KMP	-	201.09	201.09	195.23

(iii) There is no remittance in foreign currency on account of dividend.

28. The Parent company operates only in one business segment viz."Pharmaceutical Formulation" and is engaged in manufacturing and trading of medicines.

29. The wholly Owned Subsidiary "Venus Pharma GmbH" was operated at Werne, Germany, Accordingly, the Balance Sheet of Wholly Owned Subsidiary has been consolidated along with the Parent Company in accordance with the IND AS 110 Consolidated Financial Statements.

30. The audited financial statements of foreign subsidiary associates have been prepared in accordance with Generally Accepted Principles of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the company and its subsidiaries are not material.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

31. CONTINGENT LIABILITIES:

(Not provided for in the books of accounts)

(In the books of Parent Company) (₹ in Lacs)

	Current Year	Previous Year
Contingent Liabilities		
a) Letter of Credit / Bank Guarantees – Inland	146.70	177.02
b) Bank Guarantees foreign	13.64	-
c) Letter of credit – Foreign	-	33.57
d) Tax demand pending in appeal	16.34	16.34

There is no liability in the books of Subsidiary Company.

32. During the year, both the parent & subsidiary company has undertaken a review of all fixed assets in line with the requirements of IND AS 36 on "Impairment of Assets" . Based on such review, no provision for impairment is required to be recognized for the year.

33. The figures in the Balance Sheet and Profit & Loss Account for the year have been rounded off to nearest multiple of rupee in lacs.

34. In the books, Parent company has provided for gratuity and leave encashment as per valuation which was done as required under accounting standard IND AS 19 Employees benefits. Whereas in subsidiary the Employee law prevailing in the state are complied with.

35. As per the provisions of FCCB agreement, the FCCB was to be converted into equity shares by 01-02-2015. However, the bond holder have not exercise their option to convert the bonds into equity shares. Therefore, the company has made the provision of interest amount in the books of accounts.

36. Section 135 of the Companies Act, 2013, is not applicable for the company during the financial year 2017-18 as the profit of last three financial year calculated as per section 198 of the companies act was less than Rs. 5 crores .

37. Reconciliation of the effect of change in accounting policy of Parent company on each line item of the balance sheet is presented as under :

(₹ in Lacs)

Sr. No.	Particulars	Current Year		Previous Year	
		As Per Old Policy	As Per New Policy	As Per Old Policy	As Per New Policy
1.	Retained Earnings	14564.36	8271.03	13773.45	9982.59
2.	Amortization of Intangible Assets	2087.89	1897.24	1914.46	1914.16
3.	Written Down Value of Intangible Assets	25591.09	19301.74	25030.47	21333.08
4.	Deferred Tax	(370.41)	(455.69)	180.84	265.18

38. First time adoption of Ind AS:

Transition to Ind AS:

The parent company has transitioned basis of accounting from Indian generally accepted accounting principles("IGAAP") to Ind AS. The accounting policies have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 march 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the 'transition date').

In preparing opening Ind AS balance sheet, the Company has adjusted amounts reported in financial statements prepared in accordance with IGAAP. On transition, the Company did not revise estimates previously made under IGAAP except where required by Ind AS.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

A. Reconciliation of Equity reported

(₹ in Lacs)

Particulars	As at 31.03.2017	As at 01.04.2016
Equity reported under IGAAP	45160.23	43762.39
Change in retained earnings	6293.33	3790.87
Equity reported under Ind AS	38866.90	39971.52

B. Reconciliation of Total Comprehensive Income

(₹ in Lacs)

Particulars	For the year ended 31.03.2017
Net profit (Loss) reported under IGAAP	**790.91**
Summary of Ind AS adjustments	
Change in cost of employees benefit expense	7.70
Other comprehensive income on account of reclassification of acturial gains / loss in respect of employee benefit scheme	(3.49)
Change in Deffered Tax liability	85.28
Change in policy effect	(2591.97)
Total Ind AS adjustments	
Total Comprehensive Income under Ind AS	**(1711.56)**

FOR PREM GARG & ASSOCIATES
Chartered Accountants
Firm Registration No. 014440N

For and on behalf of the Board of Directors

(Monika Bisht)	**(Peeyush Jain)**	**(Pawan Chaudhary)**	**(Neha Kodan)**	**(Ajeet Kapoor)**
Partner	Deputy Managing	Chairman cum	Company Secretary	CGM Accounts
M. No. 511294	Director	Managing Director		

PLACE : PANCHKULA
DATE :28.05.2018

CORPORATE INFORMATION

Board of Directors

Mr. Pawan Chaudhary, *Chairman & Managing Director*

Dr. (Mrs.) Manu Chaudhary, *Joint Managing Director*

Mr. Peeyush Jain, *Dy. Managing Director*

Mr. Ashutosh Jain, *Executive Director*

Dr. Gilbert Wenzel, *Non-Executive Director*

Dr. S. K. Chadha, *Non-Executive Director*

Mr. Pravindra Singh Chauhan, *Non-Executive Director*

Dr. Rupinder Tewari, *Non-Executive Director*

Bankers

State Bank of India
IDBI Bank Ltd
Allahabad Bank
HDFC Bank
Union Bank of India
Kotak Mahindra Bank

Statutory Auditors

M/s Prem Garg & Associates

Cost Auditors

M/s C. L. Bansal & Associates

Corporate Advisor

Mr. Atul V. Sood

Registered Office

S.C.O. 857, C. No. 10, IInd Floor, NAC Manimajra
Chandigarh - 160101 (INDIA)
Corporate Office and Unit - I
CIN: L24232CH1989PLC009705
Plot 51-52, Industrial Area, Phase-I,
Panchkula (Haryana) - 134 113 (INDIA)
www.venusremedies.com
info@venusremedies.com

Unit II

Hill Top Industrial Estate,
Near Jharmajri, E.P.I.P.
Phase - I, (Extention) Village Bhatoli Kalan,
Baddi, Himachal Pradesh - 173 205 (INDIA)

Venus Medicine Research Centre

Hill Top Industrial Estate,
Near Jharmajri, E.P.I.P.
Phase - I, (Extention) Village Bhatoli Kalan,
Baddi, Himachal Pradesh - 173 205 (INDIA)

Wholly owned Subsidiary

Venus Pharma GmbH
Am Bahnhof 1-3,D-59368
Werne, Germany
Website: www.venuspharma.de

Board Committees

Audit Committee
Stakeholder Relationship Committee
Nomination & Remuneration Commitee
CSR Committee

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.
44 Community Center, 2nd Floor
Naraina Industrial Area, Phase I
Near PVR, Naraina
New Delhi - 110028
Email Address : delhi@linkintime.co.in

Visit us at

www.venusremedies.com
www.vmrcindia.com
www.venuspharma.de

Cautionary statement

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report may contain forwardlooking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion on future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and estimates taken as assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

NOTES



VENUS REMEDIES LIMITED

Registered Office:
SCO 857, Cabin No. 10, 2nd Floor,
NAC Manimajra Chandigarh (U.T.)
160101, India

Corporate Office:
51-52, Industrial Area, Phase-1,
Panchkula, Haryana - 134113, India
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