
Jubilant Generics Limited

Financial Statements

For the year ended March 31, 2016

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2549 191
Fax: + 91 124 2549 101

Independent Auditor's Report

To the Members of **Jubilant Generics Limited**

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Jubilant Generics Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

(i) 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 I" a statement of the matters specified in paragraphs 3 and 4 of the Order.

(ii) As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the 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 as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 II".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Also refer to note 32 to the standalone financial statements;
 - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



B S R & Co. LLP

- (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022



Pravin Tulsyan

Partner

Membership No: 108044

Place: Noida

Date: 23 May 2016

Annexure I referred to in paragraph 5 (i) of the Independent Auditor's Report to the members of Jubilant Generics Limited on the standalone financial statements for the year ended 31 March 2016

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property are held in the name of the Company.
- (ii) The inventory, except materials-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business. For stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any loans or provided any guarantees or security to the parties covered under Section 185 and Section 186 of the Act. Further, the Company has complied with the provisions of Section 186 of the Act in respect of investments made to the parties covered under Section 186.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.



- (b) We confirm that there are no dues of income tax, sales tax, service tax, duty of excise, duty of customs and value added tax which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of the Dues	Amount involved* (Rs. in million)	Amount paid under protest (Rs. in million)	Financial year to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	3.64	-	2010-13	Revisionary Authority
		0.57	-	2011-13	Additional Commissioner
		0.05	-	2011-12	Deputy Commissioner
		0.39	-	2013-14	Assistant Commissioner
Finance Act, 1994	Service Tax	86.87	-	2006-13	Custom Excise and Service Tax Appellate Tribunal
		145.26**	-		
		10.50	-	2013-14	Commissioner
		1.69	-	2014-15	Joint Commissioner
Customs Act, 1962	Customs Duty	0.08	0.08	2000-02	Deputy Commissioner

* amount as per demand orders including interest and penalty, wherever indicated in the order.


** a stay order has been received against the amount disputed and hence, not deposited.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to its financial institutions, banks and government. In respect of debentures held by holding company, delay in payment of interest has been duly waived subsequent to 31 March 2016.
- (ix) In our opinion and according to the information and explanations given to us, the term loan taken by the Company have been applied for the purposes for which they were raised. As informed to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- (x) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit for the year.
- (xi) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the year and therefore the requirements as stipulated by the provisions of section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements, as required by Accounting Standard 18, Related Party Disclosure, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of paragraph 3(xvi) of the Order is not applicable.

Place: Noida
Date: 23 May 2016

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022



Pravin Tulsyan
Partner
Membership No.: 108044

Annexure II referred to in paragraph 5 (ii)(f) of the Independent Auditor's Report to the members of Jubilant Generics Limited being report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Jubilant Generics Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 31 March 2016, 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 B S R & Co. LLP

Chartered Accountants

ICAI Firm registration no.: 101248W/W-100022



Pravin Tulsyan

Partner

Membership No.: 108044

Place: Noida

Date: 23 May 2016

JUBILANT GENERICS LIMITED
Balance Sheet as at 31 March 2016

(INR in million)

	Note	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	13.08	9.23
Reserves and surplus	4	6,460.54	3,287.89
		6,473.62	3,297.12
Non-current liabilities			
Long-term borrowings	5	8,439.05	7,917.54
Other long-term liabilities	6	102.44	82.11
Long-term provisions	7	174.68	166.80
		8,716.17	8,166.45
Current liabilities			
Short-term borrowings	8	2,497.75	1,439.71
Trade payables	9		
Total outstanding dues of micro enterprises and small enterprises		35.96	9.32
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,563.22	1,177.92
Other current liabilities	10	999.12	5,676.23
Short-term provisions	11	61.40	14.55
		5,157.45	8,317.73
Total		20,347.24	19,781.30
ASSETS			
Non-current assets			
Fixed assets			
Tangible fixed assets	12	5,702.17	6,064.85
Intangible fixed assets	13	2,329.40	2,394.37
Capital work-in-progress	12	160.52	60.44
Intangible assets under development	13	2,807.63	2,723.10
Non-current investments	14	4,055.00	4,055.00
Long-term loans and advances	15	80.27	84.46
		15,134.99	15,382.22
Inventories	16	2,122.21	1,878.32
Trade receivables	17	2,296.18	2,063.24
Cash and bank balances	18	38.06	24.67
Short-term loans and advances	19	753.13	424.56
Other current assets	20	2.67	8.29
		5,212.25	4,399.08
Total		20,347.24	19,781.30
Significant accounting policies			
	2		
Notes to the financial statements			
	1-43		
The notes referred to above form an Integral part of the financial statements			

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number : 101248W/ W-100022


Pravin Tulsyan
Partner
Membership No.: 108044




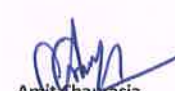
For and on behalf of the Board of Directors
Jubilant Generics Limited


Hari S. Bhartia
Chairman
DIN: 00010499


R. Sankaralah
Director
DIN: 00025022


Amit Chaurasia
Company Secretary

Place : Noida
Date : 23 May 2016

JUBILANT GENERICS LIMITED			
Statement of Profit and Loss for the year ended 31 March 2016			
		(INR in million)	
	Note	For the year ended 31 March 2016	For the year ended 31 March 2015
REVENUE			
Revenue from operations	21		
Sale of products (gross)		8,813.57	6,060.46
Less: excise duty		(93.77)	(48.37)
Sale of products (net)		8,719.80	6,012.09
Sales of services		41.00	69.09
Other operating revenues		343.42	122.11
		9,104.22	6,203.29
Other Income	22	9.59	10.71
Total revenue		9,113.81	6,214.00
EXPENSES			
Cost of materials consumed	23	3,524.70	2,746.31
Purchases of stock-in-trade	24	30.38	44.42
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(182.55)	(148.54)
Employee benefits expense	26	1,219.52	857.40
Finance costs	27	1,096.62	1,107.45
Depreciation and amortisation expense	12,13,34	1,390.31	928.12
Other expenses	28	1,802.19	1,499.71
Total expenses		8,881.17	7,034.87
Profit/(Loss) before tax		232.64	(820.87)
Tax expenses:			
- Current tax		47.74	-
Profit/(Loss) for the year		184.90	(820.87)
Basic and diluted earnings per share of INR 10 each (In Rupees)	41	169.68	(1,032.69)
Significant accounting policies	2		
Notes to the financial statements	1-43		
The notes referred to above form an integral part of the financial statements			
As per our report of even date attached			
For B S R & Co. LLP Chartered Accountants ICAI Firm Registration Number : 101248W/ W-100022		For and on behalf of the Board of Directors Jubilant Generics Limited	
 Pravin Tulsyan Partner Membership No.: 108044		 Hari S. Bharti Chairman DIN: 00010499	
		 R. Sankaralah Director DIN: 00025022	
		 Amit Chaurasia Company Secretary	
Place : Noida			
Date : 23 May 2016			

JUBILANT GENERICS LIMITED

Cash Flow Statement for the year ended 31 March 2016

(INR in million)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flows from operating activities		
Profit/(loss) before tax	232.64	(820.87)
Adjustments :		
Depreciation and amortisation expense	1,390.31	928.12
Loss on sale/disposal/discard of fixed assets (net)	14.30	10.68
Finance costs	1,096.62	1,107.45
Bad debts/irrecoverable advances written off (net off provisions written-back)	(6.90)	9.05
Unrealised foreign exchange differences	40.15	25.76
Interest income	(3.38)	(5.62)
Operating cash flows before working capital changes	2,763.74	1,254.57
Increase in trade receivables, loans and advances and other assets	(608.10)	(376.15)
Increase in inventories	(243.88)	(220.13)
Increase/(decrease) in trade payables, provisions and other liabilities	571.83	(136.82)
Cash generated from operations	2,483.59	521.47
Income tax paid	(2.34)	(3.79)
Net cash generated from operating activities	2,481.25	517.68
B. Cash flows from investing activities		
Acquisition/purchase of fixed assets/Capital work in progress	(1,173.73)	(949.57)
Sale of fixed assets	5.38	18.53
Purchase of investments in subsidiaries	-	(4,055.00)
Purchase of businesses	(4,153.43)	(9,062.57)
Movement in other bank balances	(3.60)	-
Interest received	2.52	5.62
Net cash used in investing activities	(5,322.86)	(14,042.99)
C. Cash flows from financing activities		
Proceeds from issue of share capital (including share premium and net of share issue expenses)	2,991.60	4,117.40
Proceeds from long term borrowings	1,722.89	4,300.00
Repayments of long term borrowings	(1,881.25)	-
Proceeds from issue of 12% unsecured compulsorily convertible debentures	-	4,341.00
Proceeds from short-term borrowings (net of repayments)	1,059.09	1,430.15
Government subsidy received	10.00	-
Finance costs paid	(1,050.93)	(639.33)
Net cash generated from financing activities	2,851.40	13,549.22
Net Increase in cash and cash equivalents (A+B+C)	9.79	23.91
Add: cash and cash equivalents at the beginning of year	24.67	0.76
Cash and cash equivalents at the end of the year	34.46	24.67
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	12.44	23.66
- Cash on hand	0.45	0.84
- Funds in transit	21.50	-
- Imprest	0.07	0.17
	34.46	24.67

Note:

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3)-"Cash Flow Statements".

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 101248W/ W-100022

Pravin Tulsyan

Partner

Membership No.: 108044

For and on behalf of the Board of Directors

Jubilant Generics Limited

Hari S. Bharti

Chairman

DIN: 00010499

R. Sankaralah

Director

DIN: 00025022

Amit Chaurasia

Company Secretary

Place : Noida

Date : 23 May 2016

JUBILANT GENERICS LIMITED

Notes to the financial statements for the year ended 31 March 2016

1. Corporate information

Jubilant Generics Limited ("the Company") is a public limited company domiciled in India and incorporated on 25 November 2013 under the provisions of Companies Act, 1956. The Company is incorporated to engage in the manufacture and supply of Generics (including Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations). Also refer note 30.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements

A. Basis of preparation and presentation of financial statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013, pronouncements of the Institute of Chartered Accountants of India, to the extent applicable. The financial statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest million.

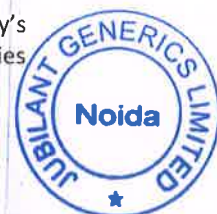
Previous year's figures have been regrouped/rearranged wherever considered necessary to conform to current year's classification. Further, the figures for the current year are not comparable to the previous year due to acquisition of certain businesses in the previous year as explained in note 30.

B. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include fair valuation of acquired assets and assumed liabilities, future obligations under employee benefit plans, income taxes, useful lives of tangible assets and intangible assets, impairment of assets, provision for doubtful debts etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Effect of material changes is disclosed in the notes to the financial statements.

C. Current–non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria in accordance with Schedule III to the Companies Act, 2013 set out below:



JUBILANT GENERICS LIMITED

Notes to the financial statements for the year ended 31 March 2016 (continued)

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

D. Tangible and Intangible fixed assets

Tangible fixed assets

Tangible fixed assets are stated at cost net of tax/duty credits availed, if any, less accumulated depreciation/amortisation/impairment losses. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Advances paid towards acquisition of tangible fixed assets outstanding at each Balance Sheet date, are shown under long-term loans and advances and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

Expenditure incurred on start up and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised.



JUBILANT GENERICS LIMITED

Notes to the financial statements for the year ended 31 March 2016 (continued)

Subsequent expenditures related to an item of fixed asset are capitalised to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets are recognised in the Statement of Profit and Loss.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Insurance spares/standby equipments are capitalised as part of the mother asset and are depreciated at applicable rates, over the remaining useful life of the mother assets.

Intangible fixed assets

Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

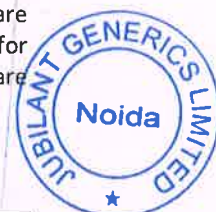
Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Expenditure for acquisition and implementation of software systems is recognised as part of the intangible assets.

Internally generated intangible assets

Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- A tangible/intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible/intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss. Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are shown under 'Other current assets'.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (continued)***Goodwill arising on acquisition*

Goodwill arising on acquisition reflects the excess of cost of acquisition over the book value of net assets acquired on the date of the acquisition. Goodwill arising on acquisition is not amortised/written off over a period but tested for impairment as explained in (F) below.

E. Depreciation and amortisation

Depreciation is provided on straight line method over the useful lives specified in Part 'C' of Schedule II of the Companies Act, 2013 ('the Act') read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, on the original cost/ acquisition cost of assets or other amounts substituted for cost, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per schedule II
Motor Vehicles	5 years	8 years
Motor Vehicles under finance lease	Tenure of lease or 5 years whichever is shorter	8 years
Computer servers and networks	5 years	6 years
Dies and punches for manufacture of dosage formulations	1-2 years	15 years
Employee perquisite related assets (except end user computers)	5 years, being the period of perquisite scheme	10 years

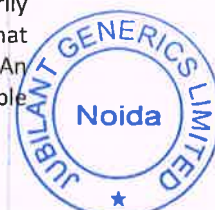
Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

For fixed assets acquired pursuant to the Business Transfer Agreement (refer note 30), based on internal technical assessment, the management believes that the residual value is more than 5% of the acquisition cost (generally around 5% of the original cost of such fixed assets) which is higher than the residual value as prescribed under Part 'C' of Schedule II of the Act.

Intangible assets in the nature of Product registrations / Market authorisations (Products) are amortised on a straight line basis over a period of five years, from the date of regulatory approval or the date of product going off-patents, whichever is later. Software systems are being amortised over a period of five years being their useful life. Rights are amortised over the useful life.

F. Impairment of fixed assets

Fixed assets other than goodwill are reviewed at each reporting date to determine if there is any indication of impairment. Goodwill is tested for impairment at least once in year. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (continued)**

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognised in the Statement of Profit and Loss.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the asset's or CGU's recoverable amount is estimated. The impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the Statement of Profit and Loss. An impairment loss for goodwill is reversed only if the impairment loss was caused due to specific external events of an exceptional nature, that is not expected to reoccur and subsequent external events have occurred that reverse the effect of that event.

G. Leases*Finance leases*

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Lease payment is allocated between the liability and finance charges so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Operating leases

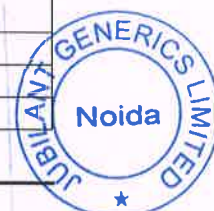
Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit.

H. Valuation of Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares	Weighted average method
Work-in-process and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities
Fuel, consumables, packing material etc.	Weighted average method
Finished goods (traded)	Weighted average method
Goods in transit	Cost of purchase



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (continued)**

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of excise duty wherever applicable.

Excise duty liability is included in the valuation of closing inventory of finished goods.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

I. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current/non-current classification scheme of Schedule III.

Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss. Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed off.

J. Income taxes

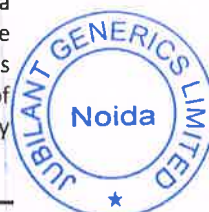
Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current tax

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (continued)**

period are recognised in the period in which the timing differences originate. Timing differences that originate and reverse within the tax holiday period are not considered for deferred tax purposes.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendation contained in the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under The Income-tax Act, 1961" issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

K. Foreign Currency transactions, derivatives and hedging

Foreign currency transactions are recorded into Indian rupees by applying to the foreign currency amount the exchange rate between Indian rupees and the foreign currency on/or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

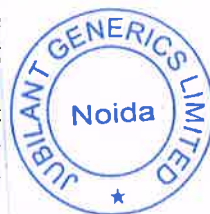
Non monetary assets are recorded at the rates prevailing on the date of transaction.

Foreign Exchange Forward Contracts: The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing monetary item, is amortised as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as an expense for the period. Such forward exchange contracts are translated at the closing exchange rates and resultant exchange differences are recognised in the same manner as those on the underlying foreign currency asset or liability. These forward exchange contracts are marked-to-market and the resultant loss, if any, from these contracts is recognised in the Statement of Profit and Loss, however the gain on mark-to-market of such contracts is ignored. The contracts are aggregated category-wise, to determine the net gain/loss.

L. Provisions, contingent liabilities and contingent assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Provisions, other than long term employee benefits are measured on an undiscounted basis.

Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are



JUBILANT GENERICS LIMITED

Notes to the financial statements for the year ended 31 March 2016 (continued)

neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

M. Cash and cash equivalents

Cash and cash equivalents comprise cash balances on hand, cash balance with bank, and highly liquid investments with original maturities, at the date of purchase/ investment, of three months or less.

N. Revenue recognition

Revenue from sale of products is recognised when the property in the goods, or all significant risks and rewards of ownership of the products have been transferred to the buyer, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods as well as regarding its collection. Revenues include excise duty and are shown net of sales tax, value added tax, and applicable discounts and allowances if any.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any sales for which the Company has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Revenue from fixed-price contract is recorded on a proportionate completion method.

Revenue related to, licensing and regulatory services is recognised when performance obligations are fulfilled.

Revenue includes amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement.

Non-refundable license fees in relation to product out licensing agreements are deferred and recognized over the period in which the Company has continuing performance obligations.

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the export made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income is recognised on time proportionate method.

Profit on disposal/ sale of investments is recognised as income in the period in which the investment is sold/ disposed off.

O. Employee benefits

- (i) Short-term employee benefits: All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.



JUBILANT GENERICS LIMITED

Notes to the financial statements for the year ended 31 March 2016 (continued)

- (ii) Post-employment benefits: Post employment benefit plans are classified into defined contribution plans and defined benefit plans in line with the requirements of Accounting Standard (AS) 15 on "Employee Benefits".

a. Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity, is recognised in the books of account based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the Company is funded with Life Insurance Corporation of India.

b. Provident fund

The Company makes contribution to the recognised provident fund - "VAM EMPLOYEES PROVIDENT FUND TRUST" (a multiemployer trust) for its employees, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Company's contribution towards provident fund is charged to Statement of Profit and Loss.

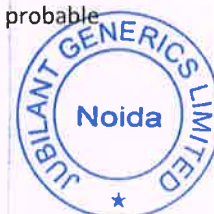
- (iii) Other long-term employee benefits

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of other long-term employee benefits is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

- (iv) Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (continued)**

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

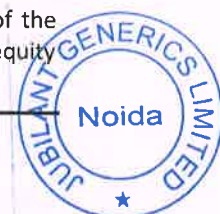
P. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds.

Borrowing costs are recognised in the Statement of Profit and Loss in the period in which it is incurred, except where the cost is incurred for acquisition, construction, production or development of an asset that takes a substantial period of time to get ready for its intended use in which case it is capitalised up to the date the assets are ready for their intended use. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

Q. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity



JUBILANT GENERICS LIMITED

Notes to the financial statements for the year ended 31 March 2016 (continued)

shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

R. Employee stock option schemes

The Company accounts for employee stock options in accordance with the Guidance Note on "Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountants of India ("Guidance Note"). The Guidance Note also applies to grant of stock options of the ultimate holding company, to the employees of the Company. The cost is calculated based on the intrinsic value method i.e. the excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of such options is regarded as employee compensation and in respect of the number of options that are expected to ultimately vest, such cost is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the intrinsic value of the vested portion of the option at that date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Statement of Profit and Loss of that year/ period. In respect of vested options expire unexercised, the cost is reversed and credited to general reserve.



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

		(INR in million)		
		As at	As at	
		31 March 2016	31 March 2015	
3. SHARE CAPITAL				
Authorised				
2,000,000 (Previous year 1,000,000) equity shares of INR 10 each	20.00	10.00		
	20.00	10.00		
Issued				
1,308,499 (Previous year 930,000) equity shares of INR 10 each, fully paid up	13.08	9.30		
	13.08	9.30		
Subscribed				
1,308,499 (Previous year 923,480) equity shares of INR 10 each, fully paid up	13.08	9.23		
	13.08	9.23		
Paid up				
1,308,499 (Previous year 923,480) equity shares of INR 10 each, fully paid up	13.08	9.23		
	13.08	9.23		
Notes :				
3.1 Rights, preferences and restrictions attached to equity shares				
The Company has only one class of shares referred to as equity shares having par value of INR 10 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
3.2 Particulars of shareholders holding more than 5% shares is set out below:				
Particulars	As at 31 March 2016		As at 31 March 2015	
Equity shares of INR 10 each, fully paid up:	No. of shares	% held	No. of shares	% held
Jubilant Pharma Limited, Singapore - the holding company (including 7 shares held jointly with 7 individuals)	1,308,499	100%	923,480	100%
3.3 Reconciliation of the number of shares and share capital outstanding at the beginning and at the end of the year				
Particulars	As at 31 March 2016		As at 31 March 2015	
Equity shares of INR 10 each, fully paid up:	No. of shares	(INR in million)	No. of shares	(INR in million)
At the commencement of the year	923,480	9.23	100,000	1.00
Add: Shares issued during the year	385,019	3.85	823,480	8.23
At the end of the year	1,308,499	13.08	923,480	9.23
3.4 The Company has not issued any bonus shares neither has issued shares for consideration other than cash and has not bought back any shares in the current and previous periods.				
3.5 The Company has also Issued compulsorily convertible debentures. Also refer note 5.6				
		As at	As at	
		31 March 2016	31 March 2015	
4. RESERVES AND SURPLUS				
Securities premium account				
At the commencement of the year	4,109.17	-		
Add: Receipt on issue of shares during the year	2,987.75	4,109.17		
At the end of the year	7,096.92	4,109.17		
Deficit in the Statement of Profit and Loss				
At the commencement of the year	(821.28)	(0.41)		
Add: Profit/(loss) for the year	184.90	(820.87)		
At the end of the year	(636.38)	(821.28)		
	6,460.54	3,287.89		



JUBILANT GENERICS LIMITED
Notes to financial statements for the year ended 31 March 2016 (Continued)
(INR In million)

	As at 31 March 2016	As at 31 March 2015
5. LONG-TERM BORROWINGS		
Term loans		
From banks - Indian rupee loans (secured)	3,343.01	3,575.00
From others (secured)	750.00	-
	<u>4,093.01</u>	<u>3,575.00</u>
Finance lease obligations (secured)	5.04	1.54
Debentures		
12% unsecured compulsorily convertible debentures	4,341.00	4,341.00
	<u>8,439.05</u> (1)	<u>7,917.54</u> (1)
The above amount includes		
Secured borrowings	4,098.05	3,576.54
Unsecured borrowings	4,341.00	4,341.00
	<u>8,439.05</u>	<u>7,917.54</u>
(1) Refer note 10 for current maturities of long-term borrowings		
Nature of security of long-term borrowings and other terms of repayment:		
<p>5.1 Term loans amounting to INR 4,141.66 million (Previous year INR 4,300.00 million) from Yes Bank, Indian Bank, Ratnakar Bank, HDFC Limited and Indusind bank (Previous year Yes Bank, Indian Bank and Ratnakar Bank) are secured by a first pari-passu charge amongst the lenders on all immovable and movable fixed assets (both present and future) of the Company. These loans carry an interest rate ranging from 10.75% - 11.55% (Previous year 11.50%) per annum.</p> <p>5.2 Indian rupee term loan amounting to INR 843.75 million (Previous year INR 1,500.00 million) from Yes Bank and INR 843.75 million (Previous year INR 1,500.00 million) from Indian Bank are repayable in nine equal quarterly instalments from June 2017 (Previous year sixteen equal quarterly instalments commencing from September 2015).</p> <p>5.3 Indian rupee term loan amounting to INR 731.25 million (Previous year INR 1,300.00 million) from Ratnakar Bank is repayable in nine equal quarterly instalments from July 2017 (Previous year sixteen equal quarterly instalments commencing from October 2015).</p> <p>5.4 Indian rupee term loan amounting to INR 750 million (Previous year INR Nil) from HDFC Limited is repayable in seven half yearly instalments commencing from December 2017.</p> <p>5.5 Indian rupee term loan amounting to INR 972.9 million (Previous year INR Nil) from Indusind Bank is repayable in twenty quarterly instalments commencing from May 2016.</p> <p>5.6 The 12% unsecured compulsorily convertible debentures are convertible into equity shares after 7 years from the date of allotment i.e. 2 July 2021. The interest is due for payment on quarterly basis. As per the terms, for every compulsorily convertible debenture of face value of INR 100,000 each, 12.88 equity shares of face value of INR 10 each will be issued at the time of conversion. Any fractional shares will be paid in cash.</p> <p>5.7 Finance lease obligations are secured by hypothecation of specific assets taken under such lease. The same are repayable within five years.</p>		
6. OTHER LONG-TERM LIABILITIES		
Income received in advance/unearned revenue	102.44	82.11
	<u>102.44</u>	<u>82.11</u>
7. LONG-TERM PROVISIONS		
Provision for employee benefits (refer note 38)	174.68	166.80
	<u>174.68</u>	<u>166.80</u>
8. SHORT-TERM BORROWINGS		
Loans repayable on demand		
From banks (secured)	2,213.26	1,165.51
From others (secured)	284.49	274.20
	<u>2,497.75</u>	<u>1,439.71</u>
The above amount includes		
Secured borrowings	2,497.75	1,439.71
	<u>2,497.75</u>	<u>1,439.71</u>
Nature of security of short-term borrowings and other terms of repayment:		
<p>8.1 Working capital facilities (including cash credit) sanctioned by consortium of banks and notified financial institutions comprising of ICICI Bank Limited, ING Vysya Bank, Yes Bank Limited, Axis Bank Limited, Ratnakar Bank Limited and Export Import Bank of India are secured by a first charge by way of hypothecation, ranking pari passu, of the entire book debts and receivables and inventories, both present and future, of the Company wherever the same may be or be held.</p> <p>8.2 Short-term loans are availed in Indian rupees and in foreign currency. Indian rupee loans carry interest rate ranging from 11.05% to 13.80% (previous year 11.75% to 13.80%) per annum and foreign currency loans carry interest rate of Libor plus spread ranging from 200 to 350 basis points (previous year 200 to 350 basis points). Libor are reset at periodic intervals as per the terms of the loans.</p>		



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

	As at 31 March 2016	(INR in million) As at 31 March 2015
9. TRADE PAYABLES		
Total outstanding dues of micro enterprises and small enterprises (refer note 36)	35.96	9.32
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,563.22	1,177.92
	<u>1,599.18</u>	<u>1,187.24</u>
10. OTHER CURRENT LIABILITIES		
Current maturities of long-term debt (secured - Refer note 5.1 to 5.5)	48.65	725.00
Current maturities of finance lease obligation (secured - Refer note 5.7)	2.63	1.44
Trade deposits and advances	52.19	22.24
Interest accrued but not due on borrowings	128.88	144.69
Interest accrued and due on borrowings (Refer note 10.1)	68.36	-
Income received in advance/unearned revenue	20.76	62.60
Payable against purchase of business including accrued interest (refer note 30)	371.53	4,528.01
Creditors for capital supplies and services	49.68	59.98
Statutory dues	66.02	50.00
Other payables (includes employee benefits and provision for excise duty on closing stock, etc.)	190.42	82.27
	<u>999.12</u>	<u>5,676.23</u>
10.1 Subsequent to the year end, the debenture holder, being the Holding company has waived the delay in payment of interest in respect of financial year ended 31 March 2016.		
11. SHORT-TERM PROVISIONS		
Provision for employee benefits (refer note 38)	13.66	14.55
Provision for Income tax	47.74	-
	<u>61.40</u>	<u>14.55</u>



JUBILANT GENERICS LIMITED
Notes to financial statements for the year ended 31 March 2016 (Continued)

12. TANGIBLE FIXED ASSETS

(INR in million)

Description	Gross block - cost/ book value				Depreciation		Net block	
	As at 31 March 2015	Additions on account of business acquisition (Refer note 30)	Additions/ adjustments during the year (1)	Deletions/ adjustments during the year	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Land - Freehold	601.89	-	-	-	-	-	601.89	601.89
Buildings								
(a) Factory	996.03	-	-	-	996.03	28.24	928.81	967.79
(b) Others	115.91	-	-	-	115.91	4.54	109.04	111.37
Plant and equipment	4,792.79	-	216.58 (3)	43.42	4,965.95	551.15	3,928.45	4,241.64
Furniture and fixtures	122.94	-	8.54	2.20	129.28	23.73	45.76	99.21
Vehicles								
(a) Owned	2.04	-	0.08	-	2.12	0.38	1.22	1.65
(b) Leased	3.75	-	7.31	0.91	10.15	1.18	7.19	2.57
Office equipments	48.89	-	20.09	1.96	67.02	10.17	42.05	38.72
Total	6,684.24	6,309.10	252.60	48.49	6,888.35	619.39	5,702.17	6,064.85
Previous year	-	-	379.23	4.09	6,684.24	-	6,064.85	-
Capital work-in-progress (CWIP)	-	-	-	-	-	-	160.52	60.44

Notes:

- (1) Includes INR 43.00 million (Previous year INR 51.92 million) in respect of Research and development assets.
(2) Capital research and development expenditure aggregating to INR 52.42 million (Previous year INR 51.92 million) incurred during the year included in additions to fixed assets/ capital work-in-progress.
(3) Includes an adjustment of INR 10 million (Previous year INR Nil) in relation to capital subsidy received in the current year pertaining to certain assets capitalised in previous year.



Notes to financial statements for the year ended 31 March 2016 (Continued)

13. INTANGIBLE FIXED ASSETS

Description	Gross block - cost/ book value				Amortisation			Net block		(INR in million)
	As at 31 March 2015	Additions on account of business acquisition (Refer note 30)	Additions/ adjustments during the year	Deletions/ adjustments during the year	As at 31 March 2016	As at 31 March 2015	Additions/ adjustments during the year (3)	Deletions/ adjustments during the year	As at 31 March 2016	
Goodwill on acquisition	1,371.36	-	-	-	1,371.36	-	-	-	1,371.36	1,371.36
Product registration/ market authorisation	1,235.97	-	303.80	(1)	1,539.77	231.20	365.74	-	942.83	1,004.77
Others										
(a) Rights	19.70	-	-	-	19.70	3.89	5.20	-	10.61	15.81
(b) Software	2.97	-	3.05	-	6.02	0.54	0.88	-	4.60	2.43
Total	2,630.00	-	306.85	-	2,936.85	235.63	371.82	-	2,329.40	2,394.37
Previous year	-	2,417.28	212.72	-	2,630.00	-	235.63	-	2,394.37	2,723.10
Intangible assets under development (including R&D expenditure in the nature of intangibles)	(3)								2,807.63	

(1) Represents INR 303.80 million (Previous year INR 211.43 million) in respect of research and development assets.

(3) Refer note 34

(4) Remaining useful life of intangible fixed assets as at year end is as follows :

Description	31 March 2016	31 March 2015
Product registration/ market authorisation	1-5 years	1-5 years
Others		
(a) Rights	2 years	3 years
(b) Software	2-5 years	3-5 years



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

(INR in million)

	As at 31 March 2016	As at 31 March 2015
14. NON-CURRENT INVESTMENTS (at cost)		
(Unquoted)		
Trade investments (long-term)		
Investment in equity instruments (fully paid up equity shares)		
Investment in subsidiary company		
Jubilant Pharma NV	965.00	965.00
[13,900,000 (Previous year 13,900,000) equity shares of face value Euro 1 per share]		
Investment in others		
Jubilant Pharma Holdings Inc.	3,090.00	3,090.00
[200 (Previous year 200) equity shares with no par value]		
	<u>4,055.00</u>	<u>4,055.00</u>
Aggregate amount of unquoted Investments	4,055.00	4,055.00
15. LONG-TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Capital advances	2.96	11.78
Security deposits	33.31	30.94
Loans and advances to employees	4.56	6.00
Prepaid expenses	33.31	31.95
Advance payment of Income tax	6.13	3.79
	<u>80.27</u>	<u>84.46</u>
16. INVENTORIES		
(Valued at the lower of cost and net realisable value)		
Raw materials [Including goods-in-transit INR 140.30 million (Previous year INR 62.84 million)]	765.16	733.26
Work-in-progress	840.22	666.49
Finished goods [Including goods-in-transit INR 51.02 million (Previous year INR 41.77 million)]	254.83	243.53
Stock-in-trade	3.83	6.31
Stores and spares [Including goods-in-transit INR 3.68 million (Previous year INR 0.16 million)]	146.68	123.61
Packing material [Including goods-in-transit INR 1.17 million (Previous year INR 4.85 million)]	84.69	80.18
Others- process chemicals, fuels etc.	26.80	24.94
	<u>2,122.21</u>	<u>1,878.32</u>



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

(INR in million)

	As at 31 March 2016	As at 31 March 2015
17. TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they become due for payment		
Unsecured and considered good	90.26	68.35
Doubtful	4.01	8.48
	<u>94.27</u>	<u>76.83</u>
Provision for doubtful receivables	(4.01)	(8.48)
(A)	<u>90.26</u>	<u>68.35</u>
Other receivables		
Unsecured and considered good	2,205.92	1,994.89
(B)	<u>2,205.92</u>	<u>1,994.89</u>
Total (A+B)	<u>2,296.18</u>	<u>2,063.24</u>
18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with banks:		
- On current accounts	12.44	23.66
Cash on hand	0.45	0.84
Funds in transit	21.50	-
Imprest	0.07	0.17
	<u>34.46</u>	<u>24.67</u>
Other bank balances (Refer note 18.1)	3.60	-
	<u>38.06</u>	<u>24.67</u>
18.1 Represents amount deposited as margin money with excise authorities which are not freely available for use to the Company		
19. SHORT-TERM LOANS AND ADVANCES (Unsecured and considered good)		
Deposits/balances with excise /sales tax authorities	297.62	176.08
Advances recoverable in cash or kind	-	-
- From related parties (refer note 39)	91.02	52.76
- Loans and advances to employees	11.47	8.75
- Advance for supply of goods and services	32.53	17.22
- Claims recoverable	289.66	102.83
- Prepaid expenses	73.61	51.94
- Others	17.22	14.98
	<u>753.13</u>	<u>424.56</u>
20. OTHER CURRENT ASSETS		
Unbilled revenue	2.67	8.29
	<u>2.67</u>	<u>8.29</u>



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

	(INR In million)			
	For the year ended 31 March 2016	For the year ended 31 March 2015		
21. REVENUE FROM OPERATIONS				
Sales of products				
- Finished goods	8,779.23	6,007.58		
- Traded goods	34.34	52.88		
Sales of services	41.00	69.09		
Other operating revenues	343.42	122.11		
Revenue from operations (gross)	9,197.99	6,251.66		
Less: excise duty	(93.77)	(48.37)		
Revenue from operations (net)	9,104.22	6,203.29		
21.1 BREAK-UP OF REVENUE FROM SALES OF PRODUCTS				
Finished goods				
Active pharma Ingredients (API)	5,975.28	4,033.71		
Tablets, capsules and Injectables	2,803.95	1,973.87		
	8,779.23	6,007.58		
Traded goods				
Active pharma Ingredients (API)	34.34	52.88		
	34.34	52.88		
	8,813.57	6,060.46		
21.2 BREAK-UP OF REVENUE FROM SALES OF SERVICES				
Licensing Income	25.79	44.45		
Income from other services rendered	15.21	24.64		
	41.00	69.09		
21.3 BREAK-UP OF OTHER OPERATING REVENUE				
Export Incentive	214.41	19.40		
Foreign exchange gain	43.26	39.67		
Others	85.75	63.04		
	343.42	122.11		
22. OTHER INCOME				
Interest Income	3.38	5.62		
Other non-operating Income	6.21	5.09		
	9.59	10.71		
23. COST OF MATERIALS CONSUMED				
Raw and process materials consumed	3,524.70	2,746.31		
	3,524.70	2,746.31		
23.1 BREAK-UP OF COST OF MATERIALS CONSUMED				
Chemicals for API/Dosage	3,524.70	2,746.31		
	3,524.70	2,746.31		
23.2 BREAK-UP OF IMPORTED AND INDIGENOUS MATERIALS CONSUMED	%	(INR In million)	%	(INR In million)
Imported *	47.14	1,661.60	44.29	1,216.27
Indigenous	52.86	1,863.10	55.71	1,530.04
	100.00	3,524.70	100.00	2,746.31
* Including consumption of imported materials acquired from Jubilant Life Sciences Limited pursuant to Business Transfer Agreement (BTA) during the previous year 2014-15 (refer note 30).				
24. PURCHASES OF STOCK-IN-TRADE				
Purchases of stock-in-trade	30.38	44.42		
	30.38	44.42		
24.1 BREAK-UP OF STOCK-IN-TRADE				
Active pharma ingredients (API)	30.38	44.42		
	30.38	44.42		



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

(INR in million)

	For the year ended 31 March 2016	For the year ended 31 March 2015
25. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Stock at close - work-in progress	840.22	666.49
Stock at close - finished goods	254.83	243.53
Stock at close - stock-in-trade	3.83	6.31
	1,098.88	916.33
Stock at commencement - work-in progress	666.49	-
Stock at commencement - finished goods	243.53	-
Stock at commencement - stock-in-trade	6.31	-
	916.33	-
Increase in stocks	(182.55)	(916.33)
Add: adjustment on account of purchase of business (refer note 30)	-	767.79
	(182.55)	(148.54)
25.1 BREAK-UP OF INVENTORIES		
Break-up of work-in-progress		
Active pharma ingredients (API)	759.46	612.43
Tablets, capsules and Injectables	80.76	54.06
	840.22	666.49
Break-up of finished goods		
Active pharma Ingredients (API)	151.19	198.34
Tablets, capsules and Injectables	103.64	45.19
	254.83	243.53
Break-up of stock-in-trade		
Active pharma Ingredients (API)	3.83	6.31
	3.83	6.31
26. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages, bonus, gratuity and allowances (refer note 38)	1,081.53	759.24
Contribution to provident fund (refer note 38)	55.22	39.06
Staff welfare expenses	82.77	59.10
	1,219.52	857.40
27. FINANCE COSTS		
Interest expense	998.78	1,082.38
Other borrowing costs	39.81	15.51
Exchange difference to the extent considered as an adjustment to borrowing cost	58.03	9.56
	1,096.62	1,107.45
(Refer note 33)		



JUBILANT GENERICS LIMITED

Notes to financial statements for the year ended 31 March 2016 (Continued)

	For the year ended 31 March 2016	(INR in million) For the year ended 31 March 2015		
28. OTHER EXPENSES				
Power and fuel	445.74	353.16		
Stores, spares, chemicals and packing materials consumed	368.73	311.22		
Processing charges	26.97	20.07		
Excise duty related to increase/decrease in inventory of finished goods	(1.91)	5.55		
Rent (refer note 37)	33.42	28.53		
Rates and taxes	64.90	87.47		
Insurance	24.18	23.25		
Advertisement, publicity and sales promotion	16.05	13.83		
Travelling and other incidental expenses	47.64	45.00		
Repairs				
- Building	16.69	13.76		
- Machinery	161.50	105.57		
- Others	19.21	3.19		
Office expenses	48.35	28.78		
Vehicle running and maintenance	7.99	3.68		
Printing and stationery	11.95	9.94		
Communication expenses	10.49	7.42		
Staff recruitment and training	17.63	13.40		
Donation	-	0.08		
Auditors remuneration				
- As Auditors	1.20	1.20		
- For tax audit	0.30	0.30		
- For certification and other services	0.44	0.15		
Legal, professional and consultancy charges	354.84	229.13		
Freight and forwarding (Including ocean freight)	24.29	100.70		
Directors' sitting fees	0.38	-		
Subscription	6.53	6.24		
Bank charges	13.67	10.92		
Discounts and claims to customer and other selling expenses	7.14	22.95		
Commission on sales	56.16	34.37		
Loss on sale/disposal/discard of fixed assets (net)	14.30	10.68		
Provision/write off bad debts / irrecoverable advances	0.66	9.05		
Miscellaneous expenses	2.75	0.12		
	1,802.19	1,499.71		
28.1 PARTICULARS OF IMPORTED AND INDIGENOUS STORES, SPARES, CHEMICALS CONSUMED				
	%	(INR in million)	%	(INR in million)
Imported*	17.71	65.31	10.94	34.06
Indigenous	82.29	303.42	89.06	277.16
	100.00	368.73	100.00	311.22
* Including consumption of imported stores, spares and chemicals acquired from Jubilant Life Sciences Limited pursuant to BTA (refer note 30).				
28.2 RESEARCH AND DEVELOPMENT EXPENSES (EXCLUDING FINANCE COST, DEPRECIATION AND AMORTISATION) COMPRISES AS MENTIONED HEREUNDER:				
Cost of material consumed	260.02	135.79		
Employee benefits expense	382.32	307.78		
Utilities - power	38.21	32.02		
Other expenses	322.81	295.14		
	1,003.36	770.73		
Less: Transferred to intangibles/assets under development	595.15	427.47		
Balance charged to revenue	408.21	343.26		



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)****29. Segment reporting**

As the Company's business activity falls within a single primary business segment, viz. "Pharmaceuticals", the disclosure requirements of Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

30. Business transfer agreement

During the previous year, the Company had entered into a Business Transfer Agreement (BTA) with Jubilant Life Sciences Limited (ultimate holding company) on 20 June 2014 for purchase of its Active Pharmaceutical Ingredients and Dosage Forms business by way of slump sale on going concern basis for a lump sum consideration of INR 9,293 million (net of debts of INR 3,923 million) with effect from 1 July 2014. The Company had discharged consideration, to the extent paid, either through payment to Jubilant Life Sciences Limited or directly to the lenders of Jubilant Life Sciences Limited. Amount paid in the current year is INR 4,153 million (previous year INR 9,063 million).

Accordingly, the Company capitalised the acquired tangible and intangible fixed assets at their fair values and other assets and liabilities at book value as per the books of Jubilant Life Sciences Limited in its books of account. The excess of consideration paid over the value of assets and liabilities acquired was recognised as goodwill on acquisition.

The summary of assets and liabilities taken over and incorporated in the financial statements of the Company pursuant to the BTA, is as under:

Particulars	(INR in million) During the year ended 31 March 2015
Tangible fixed assets	6,309.10
Intangible fixed assets	1,045.92
Capital work-in-progress	50.53
Intangible asset under development	2,460.62
Other non-current assets	44.16
Current assets	3,751.16
Non-current liabilities	(120.69)
Current liabilities	(1,696.16)
Net assets acquired	11,844.64
Total consideration	13,216.00
Goodwill on acquisition	1,371.36

31. Commitments as at year end:**a) Capital commitments:**

Estimated amount of contracts remaining to be executed on capital account (net of advances) is INR 167.99 million (Previous year INR 92.24 million)



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)****b) Other commitments**

- 1) Exports obligation undertaken by the Company under EPCG scheme to be completed over a period of five/eight years on account of import of capital goods at concessional import duty and remaining outstanding is INR 85.25 million (Previous year INR 77.34 million). Similarly, export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is INR 1,021.67 million (Previous year INR 1,199.89 million).
- 2) For lease commitment refer note 37.

32. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debts*:

(INR in million)

Particulars	As at 31 March 2016	As at 31 March 2015
- Service tax	244.32	242.63
- Central excise	4.65	4.73
- Customs	0.08	0.83

*Including claims in respect of business acquired in previous year from Jubilant Life Sciences Limited (refer note 30) though the litigations may be continuing in the name of Jubilant Life Sciences Limited, however any liability arising in future relating to these disputes will be borne by the Company.

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

33. a. In line with the applicable Accounting Standards, during the year, finance costs amounting to INR 169.82 million (Previous year INR 149.37 million) and expenditure incurred on start-up and commissioning of the project and /or substantial expansion and development, including the expenditure incurred on trial runs (Net of trial run receipts, if any) up to the date of capitalization amounting to INR 2.39 million (Previous year INR 8.16 million) have been capitalised.
- b. Interest expenses includes INR 2.29 million (Previous year INR Nil) towards interest relating to income tax payments.
34. The Company has reviewed the carrying value of internally generated intangible assets – product registration/ market authorisation and intangibles under development and based on the financial and technical assessment, intangibles under development amounting to INR 422.88 million (Previous year INR 71.58 million) and intangible assets – product registration/ market authorisation amounting to INR 4.91 million (Previous year INR Nil) has been written off and is included under the head depreciation and amortisation expense.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)****35. Deferred tax assets (net):**

(INR in million)

Particulars	As at 31 March 2016	As at 31 March 2015
Deferred tax assets on account of:		
Provision for compensated absences and gratuity	31.34	17.02
Expenditure covered by section 43B of Income-tax Act, 1961	27.46	10.60
Carry forward business losses and unabsorbed depreciation	1241.50	871.77
	1300.30	899.39
Deferred tax liabilities on account of:		
Depreciation and amortisation	440.97	237.05
Research and development expenses	317.46	147.95
	758.43	385.00
Net deferred tax assets	541.87	514.39
Net deferred tax assets recognised in the books of accounts	-	-

The Company has carry forward business losses and unabsorbed depreciation under the provisions of the Income-tax Act, 1961. In the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised, deferred tax assets have been recognized only to the extent of deferred tax liabilities.

36. Micro, Small and medium enterprises

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2016. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company.

(INR in million)

Particulars	As at 31 March 2016	As at 31 March 2015
The principal amount remaining unpaid to any supplier as at the end of the year	35.96	9.32
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

(INR in million)

Particulars	As at 31 March 2016	As at 31 March 2015
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

37. Leases:

- a) The Company's significant operating lease arrangements are in respect of premises (offices, godowns etc.). These leasing arrangements, which are cancellable, range between 11 months and 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental expense recognised under such leases are INR 34.59 million (Previous Year INR 28.96 million).

- b) Assets acquired under finance lease (also refer note 30):

The Company has taken vehicles under finance lease. Future minimum lease payments and their present values under finance leases are as follows:

(INR in million)

Particulars	Minimum lease payments		Present value of minimum lease payments		Future interest	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Not later than one year	3.50	1.75	2.63	1.44	0.87	0.31
Later than one year but not later than five years	6.03	1.76	5.04	1.54	0.99	0.22
Later than five years	-	-	-	-	-	-

There is no element of contingent rent or sub lease payments. The Company has option to purchase the assets at the end of the lease term. There are no restrictions imposed by these lease arrangements regarding dividend, additional debt and further leasing.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

38. Employee benefits have been calculated as under:

(A) Defined Contribution Plans

a. Provident fund

During the year the Company has contributed following amounts to:

(INR in million)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Employer's contribution to employee's pension scheme 1995	20.55	13.48

b. State plans

During the year the Company has contributed following amounts to:

(INR in million)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Employer's contribution to employee's state insurance	1.79	1.56

(B) Defined Benefit Plans

a. Gratuity

In accordance with Accounting Standard (AS) 15 - "Employee Benefits (Revised 2005)", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.90% p.a. (Previous year 7.74% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (Previous year 58 years) and mortality table is as per IALM (2006-08) (Previous year IALM (2006-08)). The expected average remaining working lives of employees is 24.63 years (Previous year 25.06 years).

The withdrawal rate has been considered as per the details below:

Particulars	31 March 2016	31 March 2015
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	29.00	29.00
From 31 to 44 years	18.00	18.00
Above 44 years	4.00	4.00

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. (Previous year 10% p.a.) for first three years and 6% p.a. (Previous year 6% p.a.) thereafter, taking into account of



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return assumed on plan assets is 9% p.a (Previous year 9% p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:
(INR in million)

Particulars	31 March 2016	31 March 2015
Present value of obligation at the beginning of the year	109.39	-
Acquisition adjustment (refer note 30)	-	89.24
Current service cost	19.68	14.03
Interest cost	8.47	5.18
Actuarial loss	6.74	16.50
Benefits paid	(28.53)	(15.56)
Present value of obligation at the end of the year	115.75	109.39

Fair Value of Plan Assets:

(INR in million)

Particulars	31 March 2016	31 March 2015
Plan assets at the beginning of the year	17.83	-
Acquisition adjustment (refer note 30)	-	18.37
Expected return on plan assets	1.64	1.24
Contribution by employer	4.39	0.29
Actual benefits paid	(6.43)	(1.62)
Actuarial (loss)	(0.22)	(0.45)
Plan assets at the end of the year	17.21	17.83

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:
(INR in million)

Particulars	31 March 2016	31 March 2015
Present value of obligation at the end of the year	115.75	109.39
Fair value of plan assets at the end of the year	(17.21)	(17.83)
Net liability recognised in the Balance Sheet	98.54	91.56

Cost recognised for the period (included under salaries, wages, bonus, gratuity and allowances:

(INR in million)

Particulars	31 March 2016	31 March 2015
Current service cost	19.68	14.03
Interest cost	8.47	5.18
Actuarial loss	6.96	16.95
Expected return on plan assets	(1.65)	(1.24)
Net cost recognised during the year	33.46	34.92



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

The company's best estimate of contribution during next year is INR 39.99 million (Previous year INR 38.15 million).

Experience adjustment:

Particulars	(INR in million)	
	31 March 2016	31 March 2015
Defined benefit obligation	115.75	109.39
Plan assets	17.21	17.83
Deficit	(98.54)	(91.56)
Experience adjustment of plan liabilities-(loss)/gain	(8.00)	(16.50)
Experience adjustment on plan assets-(loss)/gain	(0.22)	(0.45)

b. Provident Fund

The guidance on implementation of AS-15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving provident funds, which require interest shortfall to be compensated, are to be considered as defined benefit plans. The actuary has worked out a liability of INR Nil (Previous year INR Nil) likely to arise towards interest guarantee. The trust is managing common corpus of some of the group companies. The total liability of INR Nil (Previous year INR Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as at 31 March 2016. Accordingly, liability of INR Nil (Previous year INR Nil) has been allocated to Company and INR Nil (Previous year INR Nil) has been charged to Statement of Profit and Loss during the year. The Company has contributed INR 39.79 million (Previous year INR 29.86 million) to Provident Fund for the year.

(C) Other long-term benefits

	(INR in million)	
	31 March 2016	31 March 2015
Present value of obligation at the end of the year	89.80	89.79

39. Related Party Disclosures**i) Related parties of the Company****Ultimate Holding Company**

Jubilant Life Sciences Limited

Holding Company

Jubilant Pharma Limited

Fellow Subsidiaries

Jubilant HollisterStier LLC

Jubilant Biosys Limited

Jubilant Cadista Pharmaceuticals Inc.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

Jubilant Chemsys Limited
 Jubilant Clinsys Limited
 Jubilant DraxImage Inc.

Jubilant Pharma Holdings Inc.
 Jubilant Pharma Trading Inc.
 Jubilant Life Sciences (USA) Inc.
 Jubilant Clinsys Inc.

Subsidiary

Jubilant Pharma NV

Step-down Subsidiaries

Jubilant Pharmaceuticals NV
 PSI Supply NV

Other Entities

Jubilant HollisterStier General Partnership
 Jubilant Agri and Consumer Products Limited
 Vam Employees Provident Fund Trust

Key Management Personnel

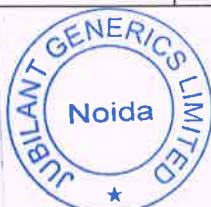
Mr. Amit Chaurasia (Company Secretary)

ii) Transactions with related parties

The Company has entered into transaction with the following related parties:

(INR in million)

Particulars	For the year ended	For the year ended
	31 March 16	31 March 15
Sale of goods and services:		
Jubilant Cadista Pharmaceuticals Inc.	1,249.51	1,054.06
Jubilant Chemsys Limited	0.02	0.02
Jubilant DraxImage Inc.	1.03	2.23
Jubilant Life Sciences Limited	52.53	19.04
Jubilant Pharma Trading Inc.	1,165.88	1,007.96
PSI Supply NV	160.95	208.13
Jubilant HollisterStier General Partnership	9.46	-
Jubilant Pharmaceuticals NV	18.95	8.35
Purchase of goods and services:		
Jubilant Life Sciences Limited	52.44	52.87
Jubilant HollisterStier General Partnership	-	25.09
Jubilant Life Sciences Limited	4.52	2.81
Jubilant Chemsys Limited	0.88	-
Jubilant Biosys Limited	0.52	-
Jubilant Pharmaceuticals NV	8.52	0.22



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

Particulars	For the year ended	For the year ended
	31 March 16	31 March 15
Interest expense:		
Jubilant Life Sciences Limited	18.63	416.19
Jubilant Pharma Limited	520.92	389.62
Reimbursement of expenses:		
Jubilant HollisterStier General Partnership	0.35	0.01
Jubilant HollisterStier LLC	-	23.79
Jubilant Biosys Limited	-	0.20
Jubilant Cadista Pharmaceuticals Inc.	25.78	31.6
Jubilant Clinsys Limited	-	0.40
Jubilant DraxImage Inc.	2.81	4.14
Jubilant Chemsys Limited	0.42	-
Jubilant Life Sciences Limited	194.29	201.22
Jubilant Pharmaceuticals NV	50.64	94.36
PSI Supply NV	2.25	5.58
Jubilant Clinsys Inc.	-	0.16
Jubilant Pharma Holdings Inc.	128.24	-
Jubilant Life Sciences (Shanghai) Ltd	0.15	-
Rent expense:		
Jubilant Clinsys Limited	-	0.11
Jubilant Life Sciences Limited	51.98	43.48
Sale of Merchandise Exports from India Scheme scrip:		
Jubilant Life Sciences Limited	20.83	-
Business purchase consideration:		
Jubilant Life Sciences Limited (net of debts of INR 3,923 million) – refer note 30	-	9,293.00
Issue of 12% Unsecured compulsorily convertible debentures:		
Jubilant Pharma Limited	-	4,341.00
Recovery of expenses:		
Jubilant HollisterStier General Partnership	7.64	1.89
Jubilant HollisterStier LLC	12.89	3.49
Jubilant Life Sciences Limited	8.13	-
Jubilant Cadista Pharmaceuticals Inc.	9.94	1.09
Jubilant Chemsys Limited	7.56	3.27
Jubilant DraxImage Inc.	3.78	0.8
Jubilant Pharma Holdings Inc.	-	1.09
Jubilant Pharma Limited	3.46	0.29
Jubilant Agri and Consumer Products Limited	4.10	2.12



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

Particulars	For the year ended	For the year ended
	31 March 16	31 March 15
Purchase of investments:		
Jubilant Life Sciences Limited (net of debts of INR 1,897 million)	-	2,158.00
Purchase of fixed assets:		
Jubilant Chemsys Limited	-	0.20
PSI Supply NV	0.05	-
Jubilant Cadista Pharmaceuticals Inc.	1.99	-
Jubilant Oil & Gas Private Limited	0.13	-
Company's contribution to Provident Fund Trust:		
Vam Employees Provident Fund Trust	39.79	29.86
Issue of equity share capital (including securities premium):		
Jubilant Pharma Limited	2,991.60	4,117.40
Remuneration and related expenses *:		
Mr. Amit Chaurasia	2.60	1.77

*excludes provision for gratuity and compensated absences, as these are determined on the basis of actuarial valuation for the Company as a whole.

ii) Balance at the year end

(INR in million)

Particulars	31 March 16	31 March 15
Trade and other payables:		
Jubilant Cadista Pharmaceuticals Inc.	32.77	2.58
Jubilant Clinsys Limited	20.66	20.66
Jubilant DraxImage Inc.	14.00	13.88
Jubilant HollisterStier General Partnership	23.73	22.7
Jubilant HollisterStier LLC	25.11	23.69
Jubilant Life Sciences (USA) Inc.	19.90	-
Jubilant Life Sciences Limited	10.55	42.5
Jubilant Pharma Holdings Inc.	128.14	-
Jubilant Biosys Limited	0.47	-
Jubilant Pharmaceuticals NV	76.65	109.25
PSI Supply NV	17.55	13.47
Vam Employees Provident Fund Trust	9.22	8.78
12% unsecured compulsorily convertible debentures:		
Jubilant Pharma Limited	4,341.00	4,341.00



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

Particulars	31 March 16	31 March 15
Interest payable:		
Jubilant Pharma Limited	178.45	109.18
Jubilant Life Sciences Limited	371.53	374.58
Payable against purchase of business:		
Jubilant Life Sciences Limited	-	4,153.43
Trade and other receivables:		
Jubilant Cadista Pharmaceuticals Inc.	295.56	559.87
Jubilant Chemsys Limited	7.43	-
Jubilant Clinsys Limited	1.89	1.89
Jubilant DraxImage Inc.	1.09	2.27
Jubilant HollisterStier General Partnership	18.98	1.76
Jubilant HollisterStier LLC	16.70	3.48
Jubilant Life Sciences (USA) Inc.	-	18.78
Jubilant Pharma Holdings Inc.	-	1.09
Jubilant Life Sciences Limited	47.43	19.04
Jubilant Pharma Limited	-	0.15
Jubilant Pharma Trading Inc.	100.87	296.6
Jubilant Pharmaceuticals NV	52.51	67.68
PSI Supply NV	99.83	82.42
Jubilant Agri and Consumer Products Limited	1.88	0.22

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

40. Employee stock option scheme

Jubilant Life Sciences Limited (JLSL), the ultimate holding company, is entitled to grant stock options to the employees of its subsidiaries under the following stock option plans:

- Jubilant Employees Stock Option Plan, 2005 ("Plan 2005")
- JLL Employees Stock Option Plan, 2011 ("Plan 2011")

During the previous year, JLSL transferred certain employees to the Company on account of sale of businesses as explained in note 30. JLSL had earlier granted its options under above mentioned stock option plans to these employees while they were in service with JLSL and those options have been carried forward after transfer as well.



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

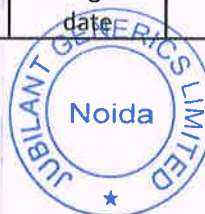
The terms and conditions and other required disclosures of the above mentioned stock options plans is set out below:

- Under Plan 2005, as amended, and under Plan 2011, options are to be granted at market price. As per the SEBI Guidelines applicable to JLSL the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Under Plan 2005, each option, upon vesting, shall entitle the holder to acquire five equity shares of INR 1 each. Options granted up to 28 August 2009 will vest entirely within two years from the grant date, with certain lock-in provisions. Options granted after 28 August 2009 will vest gradually over a period of 5 years from the grant date, without any lock-in provisions.

Under Plan 2011, each option, upon vesting, shall entitle the holder to acquire one equity share of INR 1 each. Options granted will vest gradually over a period of 3 years from the grant date. Vesting of Options is a function of achievement of performance criteria or any other criteria, as specified and communicated in the grant letter.

Summary of vesting and lock-in provisions are given below:

Plan 2005						Plan 2011		
Vesting schedule (With lock in) Applicable for grants made up to 28 August 2009			Vesting schedule (Without lock in) Applicable for grants made after 28 August 2009			Vesting schedule		
% of options scheduled to vest	Vesting Date	Lock-in period	% of options scheduled to vest	Vesting date	Lock-in period	% of options schedule d to vest	Vesting date	Lock-in period
10	1 year from grant date	Nil	10	1 year from grant date	Nil	20	1 year from grant date	Nil
15	2 years from grant date	Nil	15	2 years from grant date	Nil	30	2 years from grant date	Nil
20	2 years from grant date	1 year from vesting date	20	3 years from grant date	Nil	50	3 years from grant date	Nil



JUBILANT GENERICS LIMITED
Notes to the financial statements for the year ended 31 March 2016 (Continued)

Plan 2005						Plan 2011		
Vesting schedule (With lock in) Applicable for grants made up to 28 August 2009			Vesting schedule (Without lock in) Applicable for grants made after 28 August 2009			Vesting schedule		
% of options scheduled to vest	Vesting Date	Lock-in period	% of options scheduled to vest	Vesting date	Lock-in period	% of options schedule d to vest	Vesting date	Lock-in period
25	2 years from grant date	2 years from vesting date	25	4 years from grant date	Nil			
30	2 years from grant date	3 years from vesting date	30	5 years from grant date	Nil			

The movement of the stock options issued to the employees of the Company under both the plans as at the end of the year is set out below:

Under Plan 2005

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	Number of options	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)
Outstanding at the beginning of the year	12,600	254.80	-	-
Acquisition adjustment (refer note 30)	-	-	15,198	245.66
Exercised during the year	(8,700)	254.64	-	-
Forfeited during the year	(800)	295.35	(2,598)	201.33
Outstanding at the end of the year	3,100	244.76	12,600	254.80
Exercisable at the end of the year	3,100	244.76	12,600	254.80

* The Board of JLSL has decided that no further grants will be made under Plan 2005.

Under Plan 2011

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	Number of options	Weighted average exercise price (INR)	Number of options	Weighted average exercise price (INR)
Outstanding at the beginning of the year	163,574	210.10	-	-
Acquisition adjustment (refer note 30)	-	-	250,167	210.10
Transfer of employee from JLSL	1,542	220.90	-	-
Exercised during the year	(55,082)	207.76	-	-
Forfeited during the year	(53,414)	206.52	(86,593)	210.16
Outstanding at the end of the year	56,620	216.05	163,574	210.10
Exercisable at the end of the year	26,978	210.72	114,128	205.42



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)**

JLSL opted for intrinsic value method of accounting for Employee Stock Options. As exercise price of the options is equal to the market price on the date of grant, intrinsic value is INR Nil. Hence, there is no cost charged to the Statement of Profit and Loss on account of options granted to the employees of Jubilant Generics Limited under the Employee Stock Option Plans.

The differential stock compensation expense if the "fair value" of the options on the date of grant was considered instead of the "intrinsic value" during the year ended 31 March 2016 is not material. Consequently, there is no material impact on earnings/ (loss) per share for the year.

Stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	Plan 2005	Plan 2011
Expected volatility	29.73% - 41.76%	38.36% - 45.95%
Risk free interest rate	7.52% - 9.44%	7.74% - 8.81%
Exercise price (Rs.)	198.55 - 359.25	170.20 - 220.90
Expected dividend yield	0.51% - 0.90%	0.63% - 1.10%
Life of options (years)	4.25	3.65
Weighted average fair value of options as at the grant date (Rs.)	215.84	209.05

41. As per Accounting Standard (AS) 20 on "Earning per Share" (EPS), the particulars of EPS for equity shareholders are as below:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Profit/(loss) attributable to the equity shareholders (INR in million)	184.90	(820.87)
Weighted average no. of equity shares (face value of INR 10 each)	1,089,690	794,882
Basic and diluted earnings per equity share (INR) #	169.68	(1,032.69)

as the potential equity shares are anti-dilutive, the effect of the same is ignored in calculating diluted earnings per share as per the requirements of Accounting Standard 20 - "Earnings per share".

Weighted average number of equity shares for earnings per share computation:

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Numbers of shares at the beginning of the year	923,480	100,000
Add: Shares issued during the year	385,019	823,480
Numbers of shares at the end of the year	1,308,499	923,480
Weighted average number of equity shares on the basis of number of days	1,089,690	794,882



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)****42. a) Expenditure in foreign currency (on accrual basis):**

(INR million)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Commission on export sales	53.58	36.16
Legal, professional and consultancy charges	183.05	32.75
Product development expenses	56.52	85.42
Travel /entertainment expenses	14.72	15.86
Trading goods	2.91	14.48
Rates and taxes	47.10	83.68
Others	11.36	7.79

b) Value of imports on C.I.F. basis:

(INR in million)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Capital goods	48.27	136.74
Store, spares, chemicals and packing materials	96.99	55.22
Raw materials	1,598.05	1,338.11

c) Earnings in foreign currency:

(INR in million)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Export sales-net of returns (FOB value)	7,753.33	5,276.50
Services and other operating income	63.45	69.49

43. Hedging and Derivatives

- I. The Company uses derivative instruments such as foreign exchange forward contracts to selectively hedge its exposures to movement in foreign exchange rates. These derivatives are not used for speculative or trading purposes. The following are the outstanding derivative contracts entered into by the Company:

Particulars	Currency	Cross Currency	Amount (in million)	Buy/Sell
As at 31 March 2016:				
Forward contracts	USD	INR	Nil	N/A
As at 31 March 2015:				
Forward contracts	USD	INR	USD 29.00	Sell



JUBILANT GENERICS LIMITED**Notes to the financial statements for the year ended 31 March 2016 (Continued)****II. Foreign currency exposure not hedged by derivative instrument:**

Particulars	(In million)	
	As at 31 March 2016	As at 31 March 2015
Amount receivable on account of sale of goods and services and loans and advances	USD 28.78	USD 26.26
	EUR 2.88	EUR 2.49
	GBP 0.21	GBP 0.07
	CAD 0.64	CAD 0.17
Amount payable on account of purchase of goods and services and loans	USD 11.43	USD 13.53
	JPY 1.92	JPY 6.43
	EUR 1.30	EUR 2.22
	CAD 0.73	CAD 0.74
Amount outstanding as funds in transit	USD 0.32	Nil


The above foreign currency exposure excludes impact of forward contracts taken for hedging currency risk of highly probable forecasted transactions as per note (I) above maturing during the period of recoverability of receivable as per note (II) above.

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022



Pravin Tulsyan

Partner

Membership No.: 108044

Place: Noida

Date: 23 May 2016

For and on behalf of the Board of Directors of
Jubilant Generics Limited



Hari S. Bhartia

Director

DIN: 00010499



Amit Chaurasia

Company Secretary



R. Sankaraiah

Director

DIN: 00025022

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 financial statements of subsidiary/ associates/ joint ventures as per Companies Act, 2013

PART "A" : SUBSIDIARIES

Sr. No.	Name of the subsidiary	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments (3)	Turnover / Total Income	Foreign Currencies in absolute terms (Rs. in million)			
									Profit before taxation	Provision for taxation	Profit after taxation	% of Proposed dividend shareholding
1	Jubilant Pharma NV	EUR	15,180,000	1,785,071	17,998,503	33,432	-	-	(8,156)	-	(8,156)	Nil
		INR	894.14	460.42	1,357.08	2.52	-	-	(0.59)	-	(0.59)	Nil
2	Jubilant Pharmaceuticals NV	EUR	1,050,300	(1,528,564)	1,805,575	2,283,839	-	604,557	(333,253)	1,507	(334,760)	Nil
		INR	63.95	(100.01)	136.14	172.20	-	43.85	(24.01)	0.11	(24.12)	77.50%
3	PSI Supply NV	EUR	665,000	(385,012)	2,311,235	2,031,247	-	3,319,135	(548,008)	(259)	(547,749)	Nil
		INR	43.37	(22.26)	174.27	153.16	-	246.95	(39.96)	(0.02)	(39.94)	Nil

Notes:

- 1) Converted into Indian Rupees at the exchange rate as on 31.03.2016 : 1EUR = INR 75.40
- 2) The above statement excludes inter company eliminations.
- 3) Excludes investment in subsidiaries.
- 4) Jubilant Pharmaceuticals NV and PSI Supply NV are Step-down subsidiaries

Names of Subsidiaries which are yet to commence operations : Nil

Names of Subsidiaries which have been liquidated or sold during the year: Nil

PART "B" : ASSOCIATES AND JOINT VENTURES

Sr. No.	Name of Associates/Joint Ventures	Shares of Associate/Joint Ventures held by the company on the year end				Profit/Loss for the year			
		Latest audited Balance Sheet date	No.	Amount of Investment in Associates/Joint Venture (Rs. in million)	Extend of Holding %	Net worth attributable to shareholding as per latest audited Balance Sheet (Rs. in million)	Considered In consolidation (Rs. in million)	Not considered in consolidation	Description of how there is significant influence
									Reason why the associate/joint venture is not consolidated

Not applicable, as there are no Associates/Joint Ventures

For and on behalf of the Board of Directors of Jubilant Generics Limited

Place: Noida
Date : 23 May 2016

Amit Chaurasia
Company Secretary

Hari S. Bhartia
Chairman
DIN:00010499

R. Sankarajah
Director
DIN:00025022