

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 2358 610
Fax: + 91 124 2358 613

Independent Auditor's Report

To the Members of **Vanthys Pharmaceutical Development Private Limited**

1. Report on the Financial Statements

We have audited the accompanying financial statements of Vanthys Pharmaceutical Development Private 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 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 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 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 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 financial statements are free from material misstatement.

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

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 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 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 does not have any pending litigations which would impact its financial position;
 - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



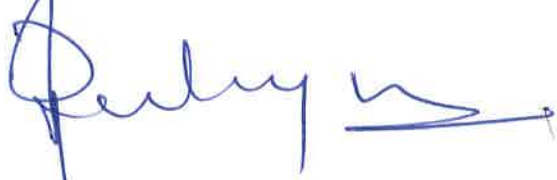
B S R & Co. LLP

- (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 Vanthys Pharmaceutical Development Private Limited on the accounts 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) As explained to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no material discrepancies were noticed on such verification.
 - (c) The Company does not hold any immoveable property. Accordingly, paragraph 3(i) (c) of the Order is not applicable.
- (ii) The Company does not have any inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.
- (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 made any investments, 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 loan given to the party covered under Section 186.
- (v) The Company has not accepted any deposits from the public during the year.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products manufactured/ services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (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 income tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise and value added tax and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of income 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) According to the information and explanations given to us, there are no dues of income tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company did not have any outstanding dues to any financial institution, bank, government or debenture holders during the year.



- (ix) As informed to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The Company did not have any term loans outstanding during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (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.
- (xi) According to the information and explanations given to us, the provisions of section 197 read with Schedule V to the Act relating to Managerial Remuneration is applicable to public limited 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) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of section 177 of the Act are not applicable to the Company. According to the information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the 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 Vanthys Pharmaceutical Development Private 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 Vanthys Pharmaceutical Development Private Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 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

Firm registration no.: 101248W/W-100022



Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida

Date: 23 May 2016

Vanthys Pharmaceutical Development Private Limited
Balance Sheet as at 31 March 2016

(Rs '000)

	Note	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	225,000	225,000
Reserves and surplus	3	(192,776)	(194,437)
		32,224	30,563
Current liabilities			
Trade payable	4	-	-
Total outstanding dues of Micro & Small Enterprises		61	50
Total outstanding dues of other than Micro & Small Enterprises			
Short-term provisions	5	4,284	4,231
		4,345	4,281
		36,569	34,844
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	6	-	-
Intangible assets	6	-	-
Long-term loans and advances	7	1,005	991
		1,005	991
Current Assets			
Cash and bank balances	8	872	625
Short-term loans and advances	9	34,692	33,228
		35,564	33,853
		36,569	34,844
Significant accounting policies	1A		
Notes to the financial statements	1-16		
The notes referred to above form an integral part of the financial statement			

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Pravin Tulsyan

Partner

Membership no.: 108044

Place: Noida

Date :

For and on behalf of the Board of Directors of

Vanthys Pharmaceutical Development Private Limited

Dr. Ashutosh Agarwal

Managing Director

Abhishek Mishra

Company Secretary

R. Sankarajah

Director

Benny Thomas

CFO



Vanthys Pharmaceutical Development Private Limited
Statement of Profit and Loss for the year ended 31 March 2016

(Rs '000)

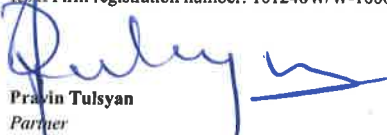
	Note	For the year ended 31 March 2016	For the year ended 31 March 2015
REVENUE			
Other income	10	2,632	2,901
Total Revenue		2,632	2,901
EXPENSES			
Depreciation and amortization expense	6	-	404
Other expenses	11	118	172
Total Expenses		118	576
Profit before tax		2,514	2,325
Tax expenses:			
- Current tax		853	551
Profit for the year		1,661	1,774
Basic and Diluted earnings per share of Rs.10 each (In Rupees)	16	0.07	0.08
Significant accounting policies	1A		
Notes to the financial statements	1-16		
The Notes referred to above form an integral part of Financial Statements			

As per our report of even date attached.

For BSR & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022



Pravin Tulsyan

Partner

Membership no.: 108044

Place: Noida

Date:

For and on behalf of the Board of Directors of

Vanthys Pharmaceutical Development Private Limited



Dr. Ashutosh Agarwal

Managing Director



Abhishek Mishra

Company Secretary

R. Sankaraiah

Director

Benny Thomas

CFO



Vanthys Pharmaceutical Development Private Limited
Cash flow statement for the year ended 31 March 2016

(Rs '000)

	For the year ended 31 March 2016	For the year ended 31 March 2015
A. Cash flow from operating activities :		
Net profit before tax	2,514	2,325
Adjustments for:		
Depreciation and amortization expense	-	404
Liabilities written back	-	(367)
Interest income	(2,632)	(2,534)
	(2,632)	(2,497)
Operating cash flows before working capital changes	(118)	(172)
Adjustments for working capital changes:		
Increase/ (decrease) in trade and other payables	11	(6)
Cash used in operations	(107)	(178)
Direct taxes paid (net of refunds)	(551)	302
Interest received on income tax	-	38
Net cash (used in)/ generated from operating activities	(658)	162
B. Cash flow from investing activities :		
Loan to subsidiaries	(3,500)	(2,500)
Interest received	4,405	2,387
Net cash generated from/ (used in) investing activities	905	(113)
Net increase in cash and cash equivalents (A+B)	247	50
Add: Cash and cash equivalents at the beginning of year	625	576
Cash and cash equivalents at the end of the year	872	625
Note: 1) 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 BSR & Co. LLP

Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Pravin Tulsyan

Partner

Membership no. 108044

Place : Noida

Date :

For and on behalf of the Board of Directors of

Vanthys Pharmaceutical Development Private Limited

Dr. Ashutosh Agarwal

Managing Director

Abhishek Mishra

Company Secretary

R. Sankaraiah

Director

Benny Thomas

CFO



1. Corporate Information

Vanthys Pharmaceutical Development Private Limited (the Company) is a wholly owned subsidiary of Jubilant Innovation Pte Limited Company domiciled in India and incorporated under the provisions of Indian Companies Act, 1956. The Company is in the business of rendering drug development services.

During the year, the Company has no pending service order for its existing business. Management is in the process of negotiating new business or evaluating the other business opportunities. No adjustments have been made to the carrying amount of assets and liabilities as at 31 March 2016 as in opinion of the management the assets are sufficient to discharge its liabilities in the normal course of business. Accordingly, the financial statements have been prepared on the basis of going concern.

1A. 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 thousands.

Previous year's figures have been regrouped/rearranged wherever considered necessary to conform to current year's classification.

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 and liabilities, the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. 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 are classified as current or non-current as per Company's normal operating cycle and other criteria in accordance with schedule III of the Companies Act, 2013 set out below.

Assets

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

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- 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/amortization/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.

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

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.



E. Depreciation and Amortization:

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
Computer servers and networks	3-5 years	6 years

The above useful lives arrived at, based on the internal technical assessment of the management, are currently reflective of the estimated useful lives of the fixed assets.

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

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

Intangible assets in the nature of Product information (Products) are amortized on a straight-line basis over a period of five years. Software systems are being amortized over a period of five years being their useful life.

F. Impairment of fixed assets

Fixed assets are reviewed at each reporting date to determine if there is any indication of impairment. 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 amounts estimated at each reporting date. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

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 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 assets 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.

G. Income taxes

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



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 realization 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.

H. Provisions, contingent liabilities and contingent assets

The Company recognizes 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. 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 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.

I. Revenue Recognition

Interest income

Interest on the deployment of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction.

J. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. 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 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.



	As at 31 March 2016	As at 31 March 2015
2 SHARE CAPITAL		
Authorized		
22,500,000 equity shares of Rs.10 each	225,000	225,000
(Previous year 225,00,000 equity shares of Rs.10 each)	225,000	225,000
Issued and subscribed		
22,500,000 equity shares of Rs.10 each	225,000	225,000
(Previous year 225,00,000 equity shares of Rs.10 each)	225,000	225,000
Paid up		
22,500,000 equity shares of Rs.10 each	225,000	225,000
(Previous year 225,00,000 equity shares of Rs.10 each)	225,000	225,000
	225,000	225,000
	225,000	225,000

i) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

ii) The details of shareholders holding more than 5% shares is set out below:

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	Number	% held	Number	% held
Jubilant Innovation Pte Limited, Singapore (Including 7 shares held by Jubilant Innovation Pte Limited jointly with 7 different individuals.)	22,500,000	100%	22,500,000	100%
	22,500,000	100%	22,500,000	100%

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

Particulars	As at 31 March 2016		As at 31 March 2015	
	Number	(INR' 000)	Number	(INR' 000)
At the commencement and at the end of the year	22,500,000	225,000	22,500,000	225,000

	As at 31 March 2016	As at 31 March 2015
3 RESERVE AND SURPLUS		
Deficit as per Statement of Profit and Loss		
At the commencement of year	(194,437)	(196,211)
Add: Profit for the year	1,661	1,774
Total reserve and surplus	(192,776)	(194,437)
4 TRADE PAYABLE		
Total outstanding dues of Micro & Small Enterprises	-	-
Total outstanding dues of other than Micro & Small Enterprises (Refer note 12)	61	50
	61	50



Vanthys Pharmaceutical Development Private Limited
Notes to the financial statements for the year ended 31 March 2016

		(Rs '000)	
		As at 31 March 2016	As at 31 March 2015
5 SHORT TERM PROVISION			
Provision for income tax		803	750
Provision for doubtful service tax recoverable		3,481	3,481
		4,284	4,231
7 LONG-TERM LOANS AND ADVANCES			
Advance income tax		1,005	991
		1,005	991
8 CASH AND BANK BALANCES			
Cash and cash equivalents			
Balances with banks:			
- On current accounts		872	625
		872	625
9 SHORT-TERM LOANS AND ADVANCES			
(unsecured, considered good)			
Loans to related parties (Refer note 14)		31,211	29,747
	A	31,211	29,747
Service tax recoverable		3,481	3,481
	B	3,481	3,481
	Total (A+B)	34,692	33,228



Vanthys Pharmaceutical Development Private Limited
Notes to the financial statements for the year ended 31 March 2016

Note 6- Fixed Assets

As at 31 March 2016

(Rs '000)

Description	Gross Block		Depreciation and Amortization			Net Block	
	As at 1 April 2015	As at 31 March 2016	As at 1 April 2015	Depreciation for the year	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Tangible assets							
Furniture and fixtures	199	199	199	-	199	-	-
Office equipment	357	357	357	-	357	-	-
Computers	3,498	3,498	3,498	-	3,498	-	-
Total	4,054	4,054	4,054	-	4,054	-	-
Previous year	4,054	4,054	3,742	312	4,054	-	312
Intangible assets							
Software	2,284	2,284	2,284	-	2,284	-	-
Total	2,284	2,284	2,284	-	2,284	-	-
Previous year	2,284	2,284	2,192	92	2,284	-	92



Vanthys Pharmaceutical Development Private Limited
Notes to the financial statements for the year ended 31 March 2016

(Rs '000)

	For the year ended 31 March 2016	For the year ended 31 March 2015
10 OTHER INCOME		
Interest income:		
-on intercompany loan (refer note 14)	2,632	2,497
-on income tax refund	-	37
Liability written back	-	367
	2,632	2,901
11 OTHER EXPENSES		
Rates and taxes	37	3
Auditors remuneration		
As Statutory auditors	50	50
Legal, professional and consultancy charges	31	116
Bank charges	-	3
	118	172



12. Micro, Small and Medium Business entities

There are no Micro, Small and Medium Enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at 31 March 2016 and 31 March 2015. 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 the information available with the Company.

13. Segment Information

The Company is in the business of drug development services. There is no other separate reportable segment. Hence, no segment reporting as required by Accounting Standard 17 "Segment reporting" has been done.

14. Related Party Disclosures

Related parties:

- (a) Ultimate Holding Company: Jubilant Life Sciences Limited
- (b) Holding Company: Jubilant Innovation (Singapore) Pte Limited
- (c) Fellow Subsidiary: Jubilant Biosys Limited

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

Jubilant Life Sciences Limited - Ultimate Holding Company

(Rs. in '000)		
Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Inter-Corporate Deposits given	3,500	2,500
Interest on Inter-Corporate Deposits	2,632	2,497
Inter-Corporate Deposits Outstanding	31,000	27,500
Interest on Inter-Corporate Deposits Outstanding	211	2,247

Jubilant Biosys Limited- Fellow Subsidiary

(Rs. in '000)		
Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
Reimbursement of expenses	560.18	-
Accounts Payable	0.10	-

15. Deferred tax assets are attributable to the following item:

(Rs. in '000)		
Particulars	As at 31 March 2016	As at 31 March 2015
Deferred Tax Assets on account of :		
Unabsorbed business loss	539	566
Difference in WDV of fixed assets	-	695
Total	539	1,261
Deferred Tax Liabilities	-	-
Deferred Tax Asset - (Net) *	539	1,261



Vanthys Pharmaceutical Development Private Limited

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

- * The Company has not recognized Deferred Tax Asset of Rs. 539 thousand (previous year Rs.1,261 thousand) as there is no virtual certainty of profits in future.

16. Earnings per Share

Particulars	(Rs. in '000)	
	For the year ended 31 March 2016	For the year ended 31 March 2015
Profit as per Statement of Profit and Loss	1,661	1,774
No. of Equity Shares	22,500	22,500
Basic & Diluted Earnings per share (Rs.)	0.07	0.08

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm reg no: 101248W/W-100022



Pravin Tulsyan

Partner

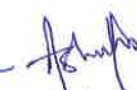
Membership no: 108044

Place: Noida

Date:

For and on behalf of the Board of Directors of

Vanthys Pharmaceutical Development Private Limited



Dr. Ashutosh Agarwal
Managing Director



R. Sankaraiah
Director



Benny Thomas
CFO



Abhishek Mishra
Company Secretary

