Independent Auditor's Report

To the Members of **Jubilant First Trust Healthcare Limited**

1. Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Jubilant First Trust Healthcare Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

2. Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, read with the relevant rules issued thereunder.

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 Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS 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 Ind AS 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 Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge 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 including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

   (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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

(i) the Company does not have any pending litigations which would impact its financial position;

(ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) there were no amounts which were required to be transferred to the investor education and protection fund by the Company; and

(iv) the Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed by us and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management – Refer Note 25 to the Ind AS financial statements.

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

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 15 May 2017

Annexure A referred to in paragraph 5 (1) of the Independent Auditor's Report to the Members of Jubilant First Trust Healthcare Limited on the Ind AS financial statements for the year ended 31 March 2017

We report that:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were observed on such verification.

(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. As explained to us, the Company had purchased a freehold land admeasuring 5.2473 acres in Kharagpur, District Paschim Medinipur, West Bengal in the financial year 2007-08. The Gross Block and the Net Block of the freehold land is Rs. 20,038 thousands as at 31 March 2017. The seller had mortgaged the land to a public sector bank and the fact was not disclosed to the Company. The public sector bank issued a notice for auction of the said land. The Company filed a suit before the Civil Judge, Medinipur for declaring it as the owner of the said land and for staying dispossession of the Company. The court stayed the auction and while the stay is continuing, the Company had also filed a criminal complaint against the sellers and the matter was fixed for hearing on 22 September 2016 in the court of VI judicial Magistrate Alipore Judges Court, Kolkata in which the court has directed the reconstruction of the case file and the case will be fixed for hearing after reconstruction of the file.

(ii) The Company does not have inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company, during the current year, 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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, or provided any guarantees or security to the parties covered under section 185 and 186 of the Act. Further, the Company has complied with the provisions of section 186 of the Act in respect of loans given to the parties covered under section 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits covered under section 73 to 76 of the Act. Accordingly, paragraph 3(V) of the order is not applicable.

(vi) According the information and explanations given to us, 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, para 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 any other material statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities during the year. As explained to us, Company did not have any dues on account of provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax and cess.

According to the information and explanations given to us, no amounts payable in respect of undisputed statutory dues of Income tax and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of the records of the Company examined by us, there are no disputed amounts dues of income tax which have not been deposited with appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there were no outstanding dues to a financial institutions, bank, government or debenture holders during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and any term loans 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 or 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 and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year. 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 information and explanations given to us and on the basis of our examination of the records of the Company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements, as required by the applicable accounting standards.

(xiv) According to 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 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 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.

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

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 15 May 2017

Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements of Jubilant First Trust Healthcare Limited

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

We have audited the internal financial controls over financial reporting of Jubilant First Trust Healthcare Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the Indian Accounting Standard (Ind AS) financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 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 ICAI. 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 2017, 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 issued by the ICAI.

For **B S R & Co. LLP**
Chartered Accountants
Firm registration no.: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 15 May 2017

Jubilant First Trust Healthcare Limited
Balance Sheet as at 31 March 2017

(₹ in thousand)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	36,547	36,547	36,547
Capital work in progress	3	833	833	833
Financial assets				
i. Loans	4(a)	-	27,571	671,374
ii. Other financial assets	4(b)	-	250	250
Income tax asset (net)	10	5,928	5,887	3,667
Total non-current assets		**43,308**	**71,088**	**712,671**
Current assets				
Financial assets				
i. Cash and cash equivalents	4(c)	1,225	1,302	349
ii. Other financial assets	4(b)	-	689	29,378
Other current assets	5	-	1	6
Total current assets		**1,225**	**1,992**	**29,733**
Total assets		**44,533**	**73,080**	**742,404**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	6(a)	20,500	20,500	156,132
Other equity	6(b)	23,574	46,622	581,899
Total equity		**44,074**	**67,122**	**738,031**
LIABILITIES				
Current liabilities				
Financial liabilities				
i. Trade payables	7(a)	206	5,652	953
ii. Other financial liabilities	7(b)	-	-	49
Provisions	8	-	-	658
Other current liabilities	9	13	15	233
Current tax liabilities	10	240	291	2,480
Total current liabilities		**459**	**5,958**	**4,373**
Total liabilities		**459**	**5,958**	**4,373**
Total equity and liabilities		**44,533**	**73,080**	**742,404**

Significant accounting policies	2
The accompanying notes form an integral part of the financial statements	3-26

As per report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W100022

For and on behalf of the Board of Directors of
Jubilant First Trust Healthcare Limited

Pravin Tulsyan
Partner
Membership No: 108044

Aashti Bhartia
Chairperson
DIN:02840983

Shyam Nath Singh
Director
DIN: 00010530

Place : Noida
Date : 15 May 2017

Jubilant First Trust Healthcare Limited
Statement of Profit and Loss for the year ended 31 March 2017

(₹ in thousand)

	Notes	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations	11	1,785	-
Other income	12	941	30,922
Total income		**2,726**	**30,922**
Expenses			
Finance costs	13	4	243
Other expenses	14	971	8,798
Total expenses		**975**	**9,041**
Profit/ (loss) before tax		**1,751**	**21,881**
Current tax	15	126	8,880
Profit for the year		**1,625**	**13,001**
Total comprehensive income for the year		**1,625**	**13,001**
Earnings per equity share for profit attributable to equity holders of the Company			
Basic earnings per share of ₹ 10 each (in ₹)		0.79	1.66
Diluted earnings per share of ₹10 each (in ₹)		0.79	1.66
Significant accounting policies	2		
The accompanying notes form an integral part of the financial statements	3-26		

As per report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W100022

For and on behalf of the Board of Directors of
Jubilant First Trust Healthcare Limited

Pravin Tulsyan
Partner
Membership No: 108044

Aashti Bhartia
Chairperson
DIN:02840983

Shyam Nath Singh
Director
DIN: 00010530

Place : Noida
Date : 15 May 2017

Jubilant First Trust Healthcare Limited
Statement of Cash Flows for the year ended 31 March 2017

(₹ in thousand)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash flow from operating activities		
Net profit before tax	**1,751**	**21,881**
Adjustments :		
Finance costs	4	243
Interest income	(941)	(30,724)
	(937)	**(30,481)**
Operating cash flow before working capital changes	**814**	**(8,600)**
Decrease in trade receivables, loans, other financial assets and other assets	1	231
(Decrease)/ Increase in trade payables, provisions and other liabilities	(5,447)	3,596
Cash generated from operations	**(4,632)**	**(4,773)**
Income tax paid (net of refund)	(218)	(13,528)
Net cash generated from operating activities	**(4,850)**	**(18,301)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	-	(49)
Loan to holding company Jubilant Life Sciences Limited received	27,571	643,803
Movement in other bank balances	250	-
Interest received	1,629	59,187
Net cash used in investing activities	**29,450**	**702,941**
C. Cash flow arising from financing activities		
Reduction in share capital (including share premium) (refer note 26)	-	(676,124)
Dividend paid (including dividend distribution tax)	(24,673)	(7,558)
Finance costs paid	(4)	(5)
Net cash used in financing activities	**(24,677)**	**(683,687)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(77)**	**953**
Add: cash and cash equivalents at the beginning of year	1,302	349
Cash and cash equivalents at the end of the year	**1,225**	**1,302**

Significant accounting policies	2	
The accompanying notes form an integral part of the financial statements	3-26	

As per report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W100022

For and on behalf of the Board of Directors of
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Pravin Tulsyan
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DIN:02840983

Shyam Nath Singh
Director
DIN: 00010530

Place : Noida
Date : 15 May 2017

Jubilant First Trust Healthcare Limited
Statement of changes in equity for the year ended 31 March 2017

A. Equity share capital

	(₹ in thousand)
Balance as at 1 April 2015	156,132
Change in share capital*	(135,632)
Balance as at 31 March 2016	20,500
Additions during the year	-
Balance as at 31 March 2017	**20,500**

* Share reduced on capital reduction on account of scheme of amalgamation, compromise and arrangement (Also refer note 16)

B. Other Equity

(₹ in thousand)

	Reserves and Surplus *		Total
	Securities premium	Retained earnings	
Balance as at 1 April 2015	**540,919**	**40,980**	**581,899**
Profit for the year	-	13,001	13,001
Less: Loss on account of Scheme of amalgamation, compromise and arrangement (refer note 16)		(228)	(228)
Deductions during the year on account of capital reduction (refer note 16)	(540,492)	-	(540,492)
Total comprehensive income for the year	(540,492)	12,773	(527,719)
Transactions with owners in their capacity as owners			
Tax on distributed profits		7,558	7,558
Balance as at 31 March 2016	**427**	**46,195**	**46,622**
Profit for the year		1,625	1,625
Total comprehensive income for the year	**-**	**1,625**	**1,625**
Transactions with owners in their capacity as owners			
Dividend on equity shares		20,500	20,500
Distribution tax on equity dividend		4,173	4,173
As at 31 March 2017	**427**	**23,147**	**23,574**

* refer note 6(b) for nature and purpose of reserves

Significant accounting policies	2
The accompanying notes form an integral part of the financial statements	3-26

As per report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration number : 101248W/W100022

For and on behalf of the Board of Directors of
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Shyam Nath Singh
Director
DIN: 00010530

Place : Noida
Date : 15 May 2017

1. Corporate information

Jubilant First Trust Healthcare Limited (the Company) is a public limited Company domiciled in India and is incorporated under the provisions of Companies Act, 1956. It is the subsidiary of Jubilant Life Sciences Limited (the ultimate holding company).The Company's main operation is to provide healthcare services in a cost-effective and quality- focused environment.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A. Basis of preparation

(i) *Compliance with Ind AS*

These Ind AS Financial Statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

The financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standard) Rules, 2006 (previous GAAP) notified under section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Ind AS. Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Refer note 21.

(ii) *Historical cost convention*

The financial statements have been prepared on a historical cost convention on accrual basis, unless otherwise stated.

As further explained in note 16, pursuant to the Scheme of amalgamation, compromise and arrangements (the Scheme), approved by the Honorable High Court of Allahabad vide their order dated 17 August 2015, First Trust Medicare Private Limited ('FTMPL') is amalgamated with the Company. The Scheme became effective on 04 September 2015, on filing of the certified true copy of the said Order with the Registrar of Companies, New Delhi. As per the provisions of the Scheme, all the assets and liabilities of FTMPL were transferred to and vested in the Company with effect from the appointed date, i.e. 1 April 2014, effect of the same has been considered in the financial statements. The shareholders of FTMPL will get 6.5 fully paid equity shares of the Company against each fully paid up equity share of FTMPL. The date of the Order is subsequent to the adoption of the financial statements of FTMPL and the Company for the year ended 31 March 2015 by respective shareholders in their Annual General Meeting (AGM).

B. Current–non-current classification

All assets and liabilities are classified into current and 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:
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.

C. Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- ***Current tax:*** Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously..

- ***Deferred tax:*** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

  Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

  Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be apply to the period when the asset is realized of the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the assets and settle the liability on a net basis or simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

D. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand (including imprest) and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand and short-term deposits, as defined above.

E. Financial instrument

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets
The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or
The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated
liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Transition to Ind AS

Under previous GAAP, the Company has derecognized any assets or liabilities for accounting purposes as and when the asset was written off or liability written back. On transition to Ind AS, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

F. Income recognition

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

G. Property, plant and equipment (PPE)

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of an item of PPE comprises its purchase price including import duty, and other non refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of intended use. Any trade discounts and rebates are decucted in arriving at the purchase price.

Expenditure incurred on startup 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. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in- progress.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs

Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period

A PPE 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.

H. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

I. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets, liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ liabilities", as the case may be.

J. Measurement of fair values

A number of accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different level in a fair value hierarchy based on the inputs used in the valuation techniques as follows:-

Level – 1- quoted prices (unadjusted) in active markets for identical assets or liabilities
Level – 2- inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e prices) or indirectly (i.e derived from prices)
Level – 3- inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which valuations should be classified.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level inputs that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change as occurred.

Further, information about the assumption made in measuring the fair values used in preparing these financials is included in the respective notes.

K. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

L. Critical estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes

The areas involving critical estimates or judgements are:

Recognition and estimation of tax expense including deferred tax– Note 10

M. Recent accounting pronouncements

Applicable standards issued but not yet effective

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements.

Jubilant First Trust Healthcare Limited
Notes to the financial statements for the year ended 31 March 2017

Note 3: Property, Plant and equipment

(₹ in thousand)

Assets	Land- Freehold	Total
Deemed cost as at 1 April 2015	36,547	36,547
Gross carrying amount as at 31 March 2016	**36,547**	**36,547**
Accumulated depreciation as at 1 April 2015	-	-
Accumulated depreciation as at 31 March 2016	-	-
Net carrying amount as at 31 March 2016	**36,547**	**36,547**
Net carrying amount as at 1 April 2015	**36,547**	**36,547**
Capital work in progress		
As at 1 April 2015		833
As at 31 March 2016		833

Assets	Land- Freehold	Total
Gross carrying amount as at 1 April 2016	36,547	36,547
Gross carrying amount as at 31 March 2017	**36,547**	**36,547**
Accumulated depreciation as at 1 April 2016	-	-
Accumulated depreciation as at 31 March 2017	-	-
Net Block as at 31 March 2017	**36,547**	**36,547**
Net Block as at 1 April 2016	**36,547**	**36,547**
Capital work in progress		
As at 31 March 2016		833
As at 31 March 2017		833

Note: Titles to the land costing Rs. 20,038 thousand are not clear and the Company is taking appropriate steps in this respect

Jubilant First Trust Healthcare Limited
Notes to the financial statements for the year ended 31 March 2017

Note 4(a): Loans

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Unsecured, considered good, unless otherwise stated			
Loan to related parties (refer note 18)	-	27,571	671,374
Total loans	**-**	**27,571**	**671,374**

Note 4(b): Other financial assets

(₹ in thousand)

	As at 31 March 2017		As at 31 March 2016		As at 01 April 2015	
	Non- current	Current	Non- current	Current	Non- current	Current
Other bank balances						
Deposits with maturity after 12 months from the reporting date	-	-	250	-	250	-
Advances recoverable from related parties (refer note 18)	-	-	-	687	-	29,376
Interest receivable	-	-	-	2	-	2
Total other financial assets	**-**	**-**	**250**	**689**	**250**	**29,378**

Note 4(c): Cash and cash equivalents

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Balances with banks			
- in current accounts	1,225	1,302	349
Total cash and cash equivalents	**1,225**	**1,302**	**349**

Note 5: Other current assets

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Prepayments	-	1	6
Total other current assets	**-**	**1**	**6**

Note 6: Equity share capital

Note 6(a): Equity share capital

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised			
16,000,000 (31 March 2016 : 16,000,000; 1 April 2015: 16,000,000) equity shares of ₹ 10 each	160,000	160,000	160,000
	160,000	**160,000**	**160,000**
Issued and subscribed			
2,050,000 (31 March 2016 : 2,050,000; 1 April 2015: 15,613,171) equity shares of ₹ 10 each	20,500	20,500	156,132
	20,500	**20,500**	**156,132**
Paid up			
2,050,000 (31 March 2016 : 2,050,000; 1 April 2015: 15,613,171) equity shares of ₹ 10 each	20,500	20,500	156,132
	20,500	**20,500**	**156,132**

(i) Movements in equity share capital

	As at 31 March 2017		As at 31 March 2016	
	Number	**₹ in thousand**	**Number**	**₹ in thousand**
At the commencement of the year	**2,050,000**	**20,500**	**15,613,171**	**156,132**
Add: Shares issued during the year (refer note 16)	-	-	650,000	6,500
Less: Shares cancelled during the year (refer note 16)	-	-	(650,000)	(6,500)
Less: Shares reduced on capital reduction (refer note 26)	-	-	(13,563,171)	(135,632)
At the end of the year	**2,050,000**	**20,500**	**2,050,000**	**20,500**

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of ₹ 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 residual assets of the Company remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(ii) Details of shareholders holding more than 5% shares in the company

	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
Equity shares of ₹10 each fully paid-up held by	**Number**	**% of total shares**	**Number**	**% of total shares**	**Number**	**% of total shares**
Jubilant Life Sciences Limited	2,050,000	100.00	2,050,000	100.00	14,963,171	95.84

Note 6(b): Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve represents the unutilized accumulated excess of issue price over face value on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Jubilant First Trust Healthcare Limited
Notes to the financial statements for the year ended 31 March 2017

Note 7(a): Trade payables

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Trade payables (refer Note 23)	-	-	-
Others	206	5,652	953
Total trade payables	**206**	**5,652**	**953**

Note 7(b): Other financial liabilities

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Capital creditors	-	-	49
Total other financial liabilities	**-**	**-**	**49**

Note 8: Provisions

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Other provisions *	-	-	658
Total provisions	**-**	**-**	**658**

* Provision for provident fund liability, paid during the year ended 31 March 2016

Note 9: Other current liabilities

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 01 April 2015
Statutory dues payables	13	15	233
Total other current liabilities	**13**	**15**	**233**

Note 10: Tax liabilities

(₹ in thousand)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Opening balance	(5,596)	(1,187)	44,579
Add: Current tax payable for the year	126	8,880	23,765
Less: Taxes paid	218	13,289	69,531
Add: Refund received during the year	-	-	-
Closing balance	**(5,688)**	**(5,596)**	**(1,187)**

Reflected in the balance sheet as follows:

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current tax liabilities	240	291	2,480
Less: Income tax asset	5,928	5,887	3,667
Current tax liabilities, net	(5,688)	(5,596)	(1,187)

- The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Unrecognized deferred tax asset

(₹ in thousand)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Deferred tax assets on unused tax losses	49,119	71,692	71,009
Deferred tax liabilities on accelerated depreciation under Income tax Act	-	-	11,602
Deferred tax asset, net	49,119	71,692	59,407
Less:- Defered tax asset (net) not recognized in absence of reasonable certainty of realization	49,119	71,692	59,407
Deferred tax asset, net	**-**	**-**	**-**

Note 11: Revenue from operations

The Company derives the following types of revenue:

(₹ in thousand)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Other operating revenue *	1,785	-
Total revenue from operations	**1,785**	**-**

* Includes liabilities written back

Note 12: Other income

(₹ in thousand)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest Income	941	30,724
Other income	-	198
Total other income	**941**	**30,922**

Note 13: Finance costs

(₹ in thousand)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest expense	4	243
Total finance costs	**4**	**243**

Note 14: Other expenses

(₹ in thousand)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Rates and taxes	39	29
Advertisement, publicity and sales promotion	-	178
Travel and conveyance	-	300
Office expenses	651	1,266
Payments to auditors (refer note 14(a) below)	116	345
Legal and professional fees	165	1,800
Bank charges	-	2
Miscellaneous expenses	-	4,878
Total other expenses	**971**	**8,798**

Note 14(a): Details of payments to auditors (including service tax and out of pocket expenses)

(₹ in thousand)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Payment to auditors		
As auditor:		
Audit fee	116	116
Tax audit fee	-	57
Certification fees	-	172
Total payments to auditors	**116**	**345**

15. Income tax

The major components of income tax expense for the years ended 31 March 2017 and 31 March 2016 are:

(₹ in thousand)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Current income tax:		
Current income tax charge	334	8,880
Adjustments in respect of current income tax of previous year	(208)	-
	126	**8,880**
Income tax expense reported in the statement of profit and loss	**126**	**8,880**

Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2017 and 31 March 2016:

(₹ in thousand)

	As at 31 March 2017	As at 31 March 2016
Accounting profit before income tax	**1,751**	**21,881**
At India's statutory income tax rate of 30.90% (31 March 2016: 33.063%)	541	7,235
- Effect of prior year reassessments	(208)	0.00
- Effect of non-deductible expenses	(541)	1,645
- Effect of unrecognized MAT Credit	334	-
Income tax expense reported in the statement of profit and loss	**126**	**8,880**

16. Scheme of amalgamation, compromise and arrangements

The Board at its meeting held on 25 March 2015 approved the Scheme between the Company and its fellow subsidiary First Trust Medicare Private Limited ("FTMPL"). The Scheme envisages merger of FTMPL into the Company with effect from an appointed date of 1 April 2014. The Scheme has been sanctioned by the Honorable High Court of Allahabad, at Uttar Pradesh vide order dated 17 August 2015. The Scheme has become effective on 4 September 2015 on filing with Registrar of Companies. As per the provisions of the Scheme, all the assets and liabilities of FTMPL were transferred to and vested in the Company with effect from the appointed date, i.e. 1 April 2014. As per the Scheme, 6.5 Equity Shares of ₹ 10 each, credited as fully paid up, in the Company for every 1 Equity Shares of ₹ 10 each fully paid up held in FTMPL.

Further, as per the provisions of the Scheme, on the merger being effective:

a) all assets of FTMPL, both movable and immovable stand vested in the Company, without any further act, instrument or deed;

b) all debts, liabilities, contingent liabilities, duties and obligations of FTMPL, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Company;

c) all agreements, rights; contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, and all other approvals of every kind, nature and description whatsoever relating FTMPL shall be in full force and effect on, against or in favour of the Company;

d) the authorized share capital of the FTMPL aggregating to 100,000 Equity Shares of the nominal value of ₹10 each at par has been merged with the authorized share capital of the Company;

e) the Company shall record the assets and liabilities of FTMPL vested in it pursuant to this Scheme, at the respective, book values as appearing in the books of the FTMPL;

f) the Company shall issue and allot its equity shares to the shareholders of the FTMPL and credit the face value of such equity shares to its share capital account;

g) any inter-company balances, investments, guarantees, etc. between the Company and FTMPL shall stand cancelled;

h) The difference, being the excess of the book value of the assets over book value of liabilities of FTMPL recorded by the Company in its books of account under clause (e) above as reduced by the face value of shares issued by the Company under clause (f) above, after taking into account (g) above, shall be adjusted in the accumulated profits/ losses of the Company.

The summary of assets and liabilities of FTMPL as at 1 April 2015, taken over and incorporated in the financial statements of the Company pursuant to the Scheme, is as under:

(₹ in thousand)

Particulars		**Amount**
Assets		
Non-current investments		6,533
Cash and bank balances		9
Trade payables		(237)
Net Assets		**6,305**
Less: Shares issued pursuant to the Scheme		**6,500**
Less: Loss on cancellation of investment		
Investments	6,533	
Share capital	6,500	**33**
Accumulated loss pursuant to merger		**228**

17. Loan to Holding Company pursuant to information required to be disclosed under section 186(4) of the Companies Act, 2013

(₹ in thousand)

Name of Holding Company/ Particulars of disclosure (Unsecured Loan)	**Purpose/Term of Loan**	**As at 31 March 2017**	**As at 31 March 2016**
Jubilant Life Sciences Limited			
Loan outstanding as at the beginning of the year	General corporate	27,571	671,374
Loan given during the year	purpose and		
Loan repaid during the year	interest rate	-	40,500
Loan outstanding as at the end of the year	9.50%	27,571	684,303
		-	27,571

18. Related Party Information / Transactions

Holding and ultimate holding company:
Jubilant Life Sciences Limited

Fellow subsidiary company
First Trust Medicare Private Limited (merged with the Company on 4 September 2015 w.e.f 1 April 2014)

The company has entered into transactions with following related parties during the year:

Holding Company
Jubilant Life Sciences Limited **(₹ in thousand)**

	For the year ended 31 March 2017	For the year ended 31 March 2016
Loan given to holding company	-	40,500
Interest on loan from holding company	941	30,701
Loan repaid by holding company	27,571	684,303
Share capital issued during the year (refer note 16)	-	6,500
Share capital (including security premium) cancelled on account of capital reduction (refer note 26)	-	676,124

Balance outstanding as at the end of the year

(₹ in thousand)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balance receivable	-	28,257	700,523

19. Fair value measurements

	Level of hierarchy	31 March 2017			31 March 2016			1 April 2015		
		FVPI	FVOCI	Amortised cost	FVPI	FVOCI	Amortised cost	FVPI	FVOCI	Amortised cost
Financial assets										
Loans *@#	3	-	-	-	-	-	27,571	-	-	671,374
Cash and cash equivalents *	-	-	-	1,225	-	-	1,302	-	-	349
Other financial assets *@	-	-	-	-	-	-	939	-	-	29,628
Total financial assets		**-**	**-**	**1,225**	**-**	**-**	**29,812**	**-**	**-**	**701,351**
Financial liabilities										
Trade payables *	-	-	-	206	-	-	5,652	-	-	953
Other financial liabilities *	-	-	-	-	-	-	-	-	-	49
Total financial liabilities		**-**	**-**	**206**	**-**	**-**	**5,652**	**-**	**-**	**1,002**

* fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments

@ Fair value of non-current financial assets has not been disclosed as there is no significant differences between carrying value and fair value.

The fair value of loans given is as follows:

		Fair value		
Loans	**Level**	**As at 31 March 2017**	**As at 31 March 2016**	**As at 1 April 2015**
Loans	3	-	27,571	671,374

The fair value of loans are based upon the discounted cash flow analysis that used the aggregate cash flows from principal and finance income over the life of the loan and current market interest rate.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2017 and 31 March 2016.

20. Financial risk management

A. Financial risk management

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management framework is intended to ensure that risks are taken care with due diligence.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment.

The Company has exposure to the following risks arising from financial instruments:

a) credit risk
b) liquidity risk

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financing activities, including deposit with banks and other financial instruments.

Expected credit loss on financial assets

With regard to all the financial assets with contractual cash flows, management believes these to be high quality assets with negligible risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Break up of financial assets have been disclosed on balance sheet.

The carrying amount of financial assets represents the maximum credit exposure.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by Treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in thousand)

31 March 2017	Carrying Amount	Total	With in 1 year	More than 1 year
Non-derivative financial liabilities				
Trade payables	206	206	206	-
Other financial liabilities	-	-	-	-

31 March 2016	Carrying Amount	Total	With in 1 year	More than 1 year
Non-derivative financial liabilities				
Trade payables	5,652	5,652	5,652	-
Other financial liabilities	-	-	-	-

31 March 2015	Carrying Amount	Total	With in 1 year	More than 1 year
Non-derivative financial liabilities				
Trade payables	953	953	953	-
Other financial liabilities	49	49	49	-

21. First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2017, the comparative information presented in these financial statements for the year ended 31 March 2016 and in the preparation of an opening Ind AS balance sheet at 1 April 2015 (the Company's date of transition). There is no change in financial position, financial performance and cash flows reported under previous GAAP to Ind AS.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 1 Ind AS optional exemptions

A.1.1 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value.

A.1.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2 Ind AS mandatory exemptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Reconciliation of equity as reported under previous GAAP to Ind AS

(₹ in thousand)

	As at date of transition 1 April 2015			As at 31 March 2016		
	Previous GAAP *	**Adjustments on Transitions to Ind AS**	**Ind AS**	**Previous GAAP ***	**Adjustments on Transitions to Ind AS**	**Ind AS**
ASSETS						
Non-current assets						
Property, plant and equipment	36,547	-	36,547	36,547	-	36,547
Capital work in progress	833	-	833	833	-	833
Financial assets						
i. Loans	671,374	-	671,374	27,571	-	27,571
ii. Other financial assets	250	-	250	250	-	250
Income tax asset (net)	3,667	-	3,667	5,887	-	5,887
Total non-current assets	**712,671**	**-**	**712,671**	**71,088**	**-**	**71,088**

Current assets						
Financial assets						
i. Cash and cash equivalents	349	-	349	1,302	-	1,302
ii. Other financial assets	29,378	-	29,378	689	-	689
Other current assets	6	-	6	1	-	1
Total current assets	**29,733**	**-**	**29,733**	**1,992**	**-**	**1,992**
Total assets	**742,404**	**-**	**742,404**	**73,080**	**-**	**73,080**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	156,132	-	156,132	20,500	-	20,500
Other equity	581,899	-	581,899	46,622	-	46,622
Total equity	**738,031**	**-**	**738,031**	**67,122**	**-**	**67,122**
LIABILITIES						
Current liabilities						
Financial liabilities						
i. Trade payables	953	-	953	5,652	-	5,652
ii. Other financial liabilities	49	-	49	-	-	-
Provisions	658	-	658	-	-	-
Other current liabilities	233	-	233	15	-	15
Current tax liabilities	2,480	-	2,480	291	-	291
Total current liabilities	**4,373**	**-**	**4,373**	**5,958**	**-**	**5,958**
Total liabilities	**4,373**	**-**	**4,373**	**5,958**	**-**	**5,958**
Total equity and liabilities	**742,404**	**-**	**742,404**	**73,080**	**-**	**73,080**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total comprehensive income for the year ended 31 March 2016

(₹ in thousand)

	Year ended 31 March 2016		
	Previous GAAP *	**Adjustment on transition to Ind AS**	**Ind AS**
Other income	30,922	-	30,922
Total income	**30,922**	**-**	**30,922**
Expenses			
Finance costs	243	-	243
Other expenses	8,798	-	8,798
Total expenses	**9,041**	**-**	**9,041**
Profit before tax	**21,881**	**-**	**21,881**
Current tax expense	8,880	-	8,880
Profit for the year	**13,001**	**-**	**13,001**
Total comprehensive income for the	**13,001**	**-**	**13,001**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

Reconciliation of total equity as at 31 March 2016 and 1 April 2015

	31 March 2016	1 April 2015
Reported earlier under previous GAAP	67,122	738,031
Now reported under Ind AS	**67,122**	**738,031**

Statement of Cash Flows

Other than effect of certain reclassifications due to difference in presentation, there was no other material effect of cash flow from operating, financing, investing activities for all periods presented.

22. Disclosure on Specified Bank Notes

During the year, the Company had no Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from 8 Nov 2016 to 30 Dec 2016, the denomination-wise SBNs and other notes as per notification are as follows:

(Rs.' 000)

Particular	SBNs (1)	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

(1) For the purpose of this clause, ther term "specified bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated 8 Nov 2016.

23. There are no micro and small 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 the information available with the Company.

24. Earnings per share

(₹ in thousand)

	For the year ended 31 March 2017	For the year ended 31 March 2016
Profit for basic and diluted earnings per share of ₹ 10 each	1,625	13,001
Weighted average number of equity shares	2,250,000	7,831,024
Basic and diluted earnings per share (in rupees)	0.79	1.66

25. Segment Information

An operating Segment is a component that engaged is business activities of which it may earns revenues and incurs expenses, including revenue and expenses that relate to transaction with any of the other components, as far which discrete financial information is available. This Company was primarily involved in Healthcare services, which was considered as the only segment. After the sale of hospital the disclosure requirements of the Ind AS – 108 in this regard are not applicable.

26. The Board at its meeting held on 25 March 2015 approved the Scheme for capital reduction between the Company and its shareholders. The Scheme of capital reduction envisages capital reduction of paid up equity share capital by ₹135,631,710 from 1 March 2015. Pursuant to this capital reduction, the equity share capital and securities premium of the Company amounting to ₹ 676,124,074 would be cancelled in the manner specified below:

i. Equity share capital amounting to ₹ 135,631,710 (i.e. 13,563,171 equity shares of face value of ₹ 10 each) held by Jubilant Life Science Limited, would be cancelled along with the securities premium received on the cancelled shares amounting to ₹ 540,492,364 (at ₹ 39.85 per share);

ii. Cash amounting to ₹ 676,124,074 would be paid to Jubilant Life Science Limited on cancellation of 13,563,171 equity shares. The Scheme was filed with Hon'ble Allahabad High Court on 27 March 2015 and was approved vide order dated 21 July 2015, effect of the same had been considered in the financial statements.

As per our report of even date attached

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

For and on behalf of the Board of Directors of
Jubilant First Trust Healthcare Limited

Pravin Tulsyan
Partner
Membership No.: 108044
Place: Noida
Date: 15 May 2017

Aashti Bhartia
Chairperson
DIN:02840983

Shyam Nath Singh
Director
DIN:00010530