Independent Auditor's Report

To the Members of **Vanthy's Pharmaceutical Development Private Limited**

Report on the Ind AS Financial Statements

We have audited the accompanying Indian Accounting Standard ("Ind AS") financial statements of Vanthy's Pharmaceutical Development Private 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").

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 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.

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 control 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.

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.

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 A", 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 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 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 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 doesn't have any pending litigation 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.

(iv) the Company has provided requisite disclosures in the Ind AS financial statements as to the holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures performed by us and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management - Refer to note 23 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: 16 May 2017

Annexure A to the Independent Auditor's Report to the Members of Vanthy's Pharmaceutical Development Private Limited on the Ind AS financial statements for the year ended 31 March 2017

We report that:

(i) According to the information and explanations given to us, the Company does not hold any fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable to the Company.

(ii) According to the information and explanations given to us, the Company does not hold any inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) 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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not made any investments, or provided any guarantee, or security as specified under section 185 and 186 of the Companies Act, 2013. 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) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act 2013, and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(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, cess and any other statutory dues have generally 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, value added tax,

According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, cess and any other statutory dues 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, there are no disputed dues of income-tax which have not been deposited with the appropriate authorities.

(viii) According to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us, no term loan was taken by the Company and has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(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.

(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 any managerial remuneration during the year as mentioned under section 197 read with Schedule V of the Companies Act, 2013. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

(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) Based on our examination of books of account and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements. As informed to us, requirements as stipulated by the provisions of section 177 of the Act are not applicable to the Company.

(xiv) Based on our examination of the books of account and 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.

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

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 16 May 2017

Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements Vanthy's Pharmaceutical Development Private 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 **Vanthy's Pharmaceutical Development Private 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 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 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 16 May 2017

Vanthys Pharmaceutical Development Private Limited
Balance Sheet as at 31 March 2017

(Rs. in thousands)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
ASSETS				
Non-current assets				
Income tax assets (net)	3	215	202	241
Total non-current assets		**215**	**202**	**241**
Current assets				
Financial assets				
i. Cash and cash equivalents	4	3,529	872	625
ii. Loans	5	31,000	31,000	27,500
iii. Other financial assets	6	-	211	2,247
Other current assets	7	-	-	-
Total current assets		**34,529**	**32,083**	**30,372**
Total assets		**34,744**	**32,285**	**30,613**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	9	225,000	225,000	225,000
Other equity	10	(190,880)	(192,776)	(194,437)
Total equity		**34,120**	**32,224**	**30,563**
LIABILITIES				
Current liabilities				
Financial liabilities				
i. Trade payables	11	620	56	50
Other current liabilities	12	4	5	-
Total liabilities		**624**	**61**	**50**
Total equity and liabilities		**34,744**	**32,285**	**30,613**

Significant accounting policies	2
Notes to the financial statements	3-24

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

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

For and on behalf of the Board of Directors of
Vanthys Pharmaceutical Development Private Limited

Pravin Tulsyan
Partner
Membership No: 108044

Dr. Ashutosh Agarwal
Managing Director
DIN: 07187888

R. Sankaraiah
Director
DIN: 00025022

Place : Noida
Date : 16 May2017

Abhishek Mishra
Company Secretary

Nitin Garg
CFO

Vanthys Pharmaceutical Development Private Limited
Statement of Profit and loss for the year ended 31 March 2017

(Rs. in thousands)

	Notes	For the year ended 31 March 2017	For the year ended 31 March 2016
Other income	13	2,945	2,632
Total income		**2,945**	**2,632**
Expenses			
Other expenses	14	202	118
Total expenses		**202**	**118**
Profit before tax		**2,743**	**2,514**
Tax expense			
- Current tax	15	847	853
Total tax expense		**847**	**853**
Profit for the year		**1,896**	**1,661**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**1,896**	**1,661**
Earnings per equity share of Rs. 10 each			
Basic (Rs.)	20	0.08	0.07
Diluted (Rs.)	20	0.08	0.07
Significant accounting policies	2		
Notes to the financial statemnents	3-24		

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

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

Pravin Tulsyan
Partner
Membership No: 108044

Place : Noida
Date : 16 May2017

For and on behalf of the Board of Directors of
Vanthys Pharmaceutical Development Private Limited

Dr. Ashutosh Agarwal
Managing Director
DIN: 07187888

R. Sankaraiah
Director
DIN: 00025022

Abhishek Mishra
Company Secretary

Nitin Garg
CFO

Vanthys Pharmaceutical Development Private Limited
Statement of Changes in Equity for the year ended 31 March 2017

A) Equity share capital	(Rs. in thousands)
Balance as at 1 April 2015	**225,000**
Changes in equity share capital during the year	-
Balance as at 31 March 2016	**225,000**
Changes in equity share capital during the year	-
Balance as at 31 March 2017	**225,000**

B) Other Equity

(Rs. in thousands)

	Reserve and Surplus Retained earning	Items of Other comprehensive income	Total
Balance as at 1 April 2015	(194,437)	-	(194,437)
Profit for the year	1,661	-	1,661
Other comprehensive income	-	-	-
As at 31 March 2016	(192,776)	-	(192,776)
Balance as at 1 April 2016	(192,776)	-	(192,776)
Profit for the year	1,896	-	1,896
Other comprehensive income	-	-	-
As at 31 March 2017	(190,880)	-	(190,880)

Refer note 10 for nature and purpose of other equity.

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

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

For and on behalf of the Board of Directors of
Vanthys Pharmaceutical Development Private Limited

Pravin Tulsyan
Partner
Membership No: 108044

Dr. Ashutosh Agarwal
Managing Director
DIN: 07187888

R. Sankaraiah
Director
DIN: 00025022

Place : Noida
Date : 16 May2017

Abhishek Mishra
Company Secretary

Nitin Garg
CFO

Vanthys Pharmaceutical Development Private Limited
Statement of cash flows for the year ended 31 March 2017

(Rs. in thousands)

	For the year ended 31 March 2017	For the year ended 31 March 2016
A. Cash flow from operating activities		
Net profit before tax	2,743	2,514
Adjustments for:		
Interest income	(2,945)	(2,632)
Operating cash flow before working capital changes	**(202)**	**(118)**
Decrease in other financial assets and other current assets	3,481	-
(Decrease)/increase in trade payables	(2,917)	6
(Decrease)/increase in other current liabilities	(1)	5
Cash generated from/(used in) operations	**361**	**(107)**
Income tax paid	(860)	(551)
Net cash used in operating activities	**(499)**	**(658)**
B. Cash flow from investing activities		
Loan to ultimate holding company	-	(3,500)
Interest received	3,156	4,405
Net cash generated from investing activities	**3,156**	**905**
Net increase in cash and cash equivalents (A+B)	2,657	247
Cash and cash equivalents at the beginning of year	872	625
Cash and cash equivalents at the end of the year	**3,529**	**872**
Components of cash and cash equivalents		
Balances with banks		
- on current accounts	3,529	872
	3,529	**872**

Note: The Statement of Cash Flows have been prepared under the indirect method as set out in Indian Accounting Standard- 7 on Statement of Cash flows as notified under Section 133 of the Companies Act, 2013.

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

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

Pravin Tulsyan
Partner
Membership No: 108044

Place : Noida
Date : 16 May2017

For and on behalf of the Board of Directors of
Vanthys Pharmaceutical Development Private Limited

Dr. Ashutosh Agarwal
Managing Director
DIN: 07187888

R. Sankaraiah
Director
DIN: 00025022

Abhishek Mishra
Company Secretary

Nitin Garg
CFO

Note 1: Corporate Information

Vanthys Pharmaceutical Development Private Limited (the Company) is a wholly owned subsidiary of Jubilant Innovation Pte Limited. Company is 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 2017 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.

Note 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.

(a) Basis of preparation

(i) Statement of compliance

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 Standards) 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. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 24.

(ii) Historical cost convention

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

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

Current assets include the current portion of non-current financial assets.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelvemonths after the reporting period

The Company classifies all other liabilities as non-current.

Theoperatingcycleisthetimebetweentheacquisitionofassetsforprocessingandtheirrealisationincashandcashequivalents.Thecompanyhasidentifiedtwelvemonthsasitsoperatingcycle for the purpose of current-non- current classification of assets and liabilities.

(c) Other Income

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

(d) Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or 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 that reflects 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 realise 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 is not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

  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 apply to the period when the asset is realised or 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 thereporting 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 recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(e) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on handand short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(f) Financial Instruments

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 FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity 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. 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.

(g) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) 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

(h) Measurement of fair values

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

Fair values are categorised into different levels 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. as 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 fair 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 the valuations should be classified.

When measuring the fair value of an asset or a 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 categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(i) 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 :-

- Recognition and estimation of tax expense including deferred tax –Note 15
- Estimated impairment of financial assets and non-financial assets – Note2(f)

(j) 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.

Note 3: Income tax assets (net) (Rs. in thousands)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Advance income-tax [net of provision for income-tax Rs. 5,27,000 (31 March 2016 Rs. 8,03,000; 1 April 2015 Rs. 7,50,000)]	215	202	241
	215	**202**	**241**

Note 4: Cash and cash equivalents (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balances with banks			
- in current accounts	3,529	872	625
	3,529	**872**	**625**

Note 5: Loans

(Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Unsecured, current and considered good			
Inter corporate deposit with related parties (refer note 19)	31,000	31,000	27,500
	31,000	**31,000**	**27,500**

Note 6: Other financial assets (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Interest accrued on inter corporate deposits (refer note 19)	-	211	2,247
	-	**211**	**2,247**

Note 7: Other current assets (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balances with government authorities	-	3,481	3,481
Provision for balances with government authorities	-	3,481	3,481
	-	-	-

Note 8: Deferred tax asset (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Deferred tax on account of:			
Unabsorbed business losses	360	539	566
Difference in WDV of fixed assets under accounts over provided under income-tax act, 1961	-	-	695
Total deferred tax asset	360	539	1,261
Less: Deferred tax asset not recognised in the absence of reasonable certainty of realization	360	539	1,261
Deferred tax asset, (net)	-	-	-

Note 9: Equity Share capital (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised			
22,500,000 (31 March 2016 : 22,500,000; 1 April 2015 : 22,500,000) equity shares of Rs. 10 each	225,000	225,000	225,000
	225,000	**225,000**	**225,000**
Issued and subscribed			
22,500,000 (31 March 2016 : 22,500,000; 1 April 2015 : 22,500,000) equity shares of Rs. 10 each	225,000	225,000	225,000
	225,000	**225,000**	**225,000**
Paid up			
22,500,000 (31 March 2016 : 22,500,000; 1 April 2015 : 22,500,000) equity shares of Rs. 10 each fully paid up	225,000	225,000	225,000
	225,000	**225,000**	**225,000**

Movements in equity share capital

Particulars	**As at 31 March 2017**		**As at 31 March 2016**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
At the commencement and at the end of the year	22,500,000	225,000	22,500,000	225,000

Rights, preferences and terms attached to class of shares:

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 on winding up. The equity shares are entitled to receive dividends as declared from time to time. The voting rights of equity shareholders 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 can not be exercised in respect of shares on which any call or other sums presently payable have not been paid.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at 31 March 2017		As at 31 March 2016	
Particulars	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Equity shares of Rs. 10 eac held by: 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%

Note 10: Other equity (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Retained earnings	(190,880)	(192,776)	(194,437)
	(190,880)	**(192,776)**	**(194,437)**

Movement in other equity

(Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016
Retained earnings		
Balance as at the beginning of the year	(192,776)	(194,437)
Profit for the year	1,896	1,661
Balance as at the end of the year	**(190,880)**	**(192,776)**

Note 11: Trade payables (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current			
Trade payables to other than related party (Refer note 21)	36	56	50
Trade payables to related parties (Refer note 19)	584	-	-
Total trade payables	**620**	**56**	**50**

Note 12: Other current liabilities (Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Statutory dues payables	4	5	-
	4	**5**	**-**

Note 13: Other income (Rs. in thousands)

Particulars	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Interest income on inter corporate deposits	2,945	2,632
	2,945	**2,632**

Note 14: Other expenses (Rs. in thousands)

Particulars	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Rates and taxes	21	37
Payment to auditors (Refer note 14(a) below)	40	50
Legal and professional fees	141	31
	202	**118**

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

(Rs. in thousands)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
As auditor:		
Audit Fee	40	50
Total payment to auditors	**40**	**50**

Note 15: Income tax

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

(Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016
Current income tax:		
Current income tax charge for the year	847	853
Income tax expense reported in the statement of profit or loss	847	853

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

(Rs. in thousands)

	As at 31 March 2017	As at 31 March 2016
Accounting profit before income tax	2,743	2,514
Accounting profit before income tax	**2,743**	**2,514**
At India's statutory income tax rate of 30.90 % (31 March 2016: 30.90 %)	847	777
- Effect of non-deductible expenses	-	76
Income tax expense reported in the statement of profit and loss	**847**	**853**

Note 16: Fair value measurements

(Rs. in thousands)

	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										
Cash and cash equivalents		-	-	3,529	-	-	872	-	-	625
Loans		-	-	31,000	-	-	31,000	-	-	31,000
Other financial assets		-	-	-	-	-	211	-	-	2,247
Total financial assets				**34,529**	**-**	**-**	**32,083**	**-**	**-**	**30,372**
Financial liabilities										
Trade payables		-	-	620	-	-	56	-	-	50
Other current liabilities		-	-	4	-	-	5	-	-	-
Total financial liabilities				**624**			**61**			**50**

Note:

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 the instruments.

Note 17: Financial risk management

A. Financial risk management

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 in which all employees understand their roles and obligations.

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

- credit risk (see (i)); and
- liquidity risk (see (ii));

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty 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, investments, foreign exchange transactions and other financial instruments.

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

Financial assets

With regard to financial assets, management believes these to be high quality assets with negligible credit risk. The management believes that the parties (group Company) from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Break up of financial assets have been disclosed on Balance Sheet.

ii. 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.

31 March 2017	**Contractual cash flows**			
	Carrying amount	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	620	620	620	-
Other current liabilities	4	4	4	-

31 March 2016	**Contractual cash flows**			
	Carrying amount	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	56	56	56	-
Other current liabilities	5	5	5	-

1 April 2015	**Contractual cash flows**			
	Carrying amount	**Total**	**Within 1 year**	**More than 1 year**
Non-derivative financial liabilities				
Trade payables	50	50	50	-
Other current liabilities	-	-	-	-

Note 18: Capital management

Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company is having nil borrowings as on 31 March 2017 (31 March 2016: Nil; 1 April 2015: Nil).

Note 19: Related Party Disclosures

1. **Related Parties where control exist**

   Ultimate Holding Company
   Jubilant Life Sciences Limited, India

   Intermediate Holding Company
   Jubilant PharmaPte. Limited, Singapore

   Holding Company
   Jubilant Drug Development Pte. Limited, Singapore

2. **Other parties with whom transactions have taken place during the year and nature of relationship**

   Fellow Subsidiaries
   Jubilant Biosys Limited
   Jubilant Clinsys Inc., USA
   Jubilant Chemsys Limited
   Jubilant Generics Limited

3. **Key managerial personnel**

   Munish Kumar Kaushik, Director

(Rs. in thousands)

Sl. No.	Particulars	31 March 2017	31 March 2016
Description of Transactions:			
1.	**Recovery of Expenses:** Jubilant Biosys Limited	584	560
		584	**560**
2.	**Inter-Corporate Deposits Given:** Jubilant Life Sciences Limited	-	3,500
		-	**3,500**
3.	**Interest on Inter-Corporate Deposits:** Jubilant Life Sciences Limited	2,945	2,632
		2,945	**2,632**

Outstanding amount as at year end

(Rs. in thousands)

Sl.No.	Particulars	31 March 2017	31 March 2016	1 April 2015
1.	**Trade payable** Jubilant Biosys Limited	584	**-**	**-**
		584	**-**	**-**
2.	**Loans** Jubilant Life Sciences Limited	31,000	31,000	27,500
		31,000	**31,000**	**27,500**
3.	**Other financial assets** Jubilant Life Sciences Limited	-	211	2,247
		-	**211**	**2,247**

Note 20: Earnings per share

		Year ended 31 March 2017	Year ended 31 March 2016
Profit for basic and diluted earnings per share of Rs.10 each	Rs. in thousands	**1,896**	**1,661**
Weighted average number of equity shares used in computing basic and diluted earnings per share	Nos.	22,500,000	22,500,000
Earnings per share (face value of Rs.10 each)			
Basic and diluted	Rupees	0.08	0.07

Note 21: Micro, small and medium enterprises

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

Note 22: Disclosure on Specified Bank Notes

During the year, the company did not have any 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 SBN held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	**SBNs** (1)	**Other denomination Notes**	**Total**
Closing cash in hand as on 08 November 2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30 December 2016	-	-	-

(1) For the purpose of this clause, the 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.

Note 23: Segment Reporting

Based on the guiding principles given in the Ind AS 108 on "Operating Segments", as the Company's business activity falls within a single primary segment, the disclosure requirements of the said of Ind AS 108 in this regard are not applicable.

Note 24: 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 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). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

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.

Ind AS optional exemptions

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 and intangible assets at their previous GAAP carrying value.

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 "Financial Instruments"prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a firsttimeadopter 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 aresult of past transactions was obtained at the time of initially accounting for those transactions.

Ind AS mandatory exceptions

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. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

   - Impairment of financial assets based on expected credit loss model.
   - Determination of the discounted value for financial instruments carried at amortised cost.

2. **Classification and measurement of financial assets**
   Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

   Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B: Reconciliations of equity as reported under previous GAAP toInd AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation of balance sheet

	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						
Income tax asset (net)	241	-	241	202	-	202
Total non-current assets	**241**	**-**	**241**	**202**	**-**	**202**
Current assets						
Financial assets						
i. Cash and cash equivalents	625	-	625	872	-	872
ii. Loans	27,500	-	27,500	31,000	-	31,000
iii. Other financial assets	2,247	-	2,247	211	-	211
Other current assets	-	-	-	-	-	-
Total current assets	**30,372**	**-**	**30,372**	**32,083**	**-**	**32,083**
Total assets	**30,613**	**-**	**30,613**	**32,285**	**-**	**32,285**
EQUITY AND LIABILITIES						
Equity						
Equity share capital	225,000	-	225,000	225,000	-	225,000
Other equity	(194,437)	-	(194,437)	(192,776)	-	(192,776)
Total equity	**30,563**	**-**	**30,563**	**32,224**	**-**	**32,224**
LIABILITIES						
Current liabilities						
Financial liabilities						
i. Trade payables	50	-	50	56	-	56
Other current liabilities	-	-	-	5	-	5
Total current liabilities	**50**	**-**	**50**	**61**	**-**	**61**
Total liabilities	**50**	**-**	**50**	**61**	**-**	**61**
Total equity and liabilities	**30,613**	**-**	**30,613**	**32,285**	**-**	**32,285S**

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

B: Reconciliation of Statement of Profit and Loss as previously reported under previous GAAP to Ind AS

	Year ended 31 March 2016		
	Previous GAAP *	**Effect of transition to Ind AS**	**Ind AS**
Continuing operations			
Other income	2,632	-	2,632
Total income	**2,632**	**-**	**2,632**
Expenses			
Other expenses	118	-	118
Total expenses	**118**	**-**	**118**
Profit before and tax	**2,514**	**-**	**2,514**
Income tax expense			
- Current tax	853	-	853
Total tax expense	**853**	**-**	**853**
Profit for the year	**1,661**	**-**	**1,661**
Other comprehensive income			
Total comprehensive income	**1,661**	**-**	**1,661**

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

C: Equity reconciliation

Particulars	**Note**	**As at 31 March 2016**	**As at 31 March 2015**
Reported earlier under previous GAAP		**32,224**	**30,563**
Adjustments	-	-	-
Now reported under Ind AS		**32,224**	**30,563**

D: Statement of Cash Flows

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

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

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

For and on behalf of the Board of Directors of
Vanthys Pharmaceutical Development Private Limited

Pravin Tulsyan
Partner
Membership No: 108044

Dr. Ashutosh Agarwal
Managing Director
DIN: 07187888

R. Sankaraiah
Director
DIN: 00025022

Place : Noida
Date : 16 May 2017

Abhishek Mishra
Company Secretary

Nitin Garg
CFO