INDEPENDENT AUDITORS' REPORT

To the Members of Jubilant Generics Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jubilant Generics Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profitand other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

    (A) 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 changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its financial statements - Refer Note 30 to the financial statements;

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 disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the current year and accordingly the requirement as stipulated under section 197 of the Act are not applicable to the Company.

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

Pravin Tulsyan
Partner
Membership No. 108044

Place: Noida
Date: 14 May 2019

Annexure A to the Independent Auditor's Report of even date on financial statements of Jubilant Generics Limited

The Annexure A referred to in our report to the members of the Company for the year ended 31 March 2019. We report that:

(i) (a) The Company is maintaining 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 in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, the discrepancies noticed on such verification were not material and have been properly adjusted in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the books of account, the title deeds of immovable property are held in the name of the Company.

(ii) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained. As informed to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.

(iii) In our opinion and according to the information and explanations given to us, the Company has granted unsecured loan to holding company covered in the register maintained under section 189 of the Act. In respect of the aforesaid loan:

(a) The terms and conditions of the grant of such loan are not prejudicial to the Company's interest;

(b) the party was regular in payment of interest, which was payable six monthly. Principal is repayable after 5 years from the date of loan; and

(c) there is no amount overdue for more than ninety days.

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

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules specified by the Central Government for maintenance of cost records under section 148(1) of the Act, in respect of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax and Goods and Service tax have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no amounts payable in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and Goods and service tax dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of excise, duty of customs and value added tax which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	**Nature of the Dues**	**Amount involved* (Rs. in million)**	**Amount paid under protest (Rs. in million)**	**Financial year to which the amount relates**	**Forum where dispute is pending**
Central Excise Act, 1944	Excise Duty	3.59	-	2010-11	High court
		0.05	-	2011-12	Deputy Commissioner
		3.10	-	2012-17	Commissioner
		0.01	-	2013-14	Superintendent
Finance Act, 1994	Service Tax	232.13	0.79	2006-13	High court
		62.57	-	2015-17	Commissioner
Customs Act, 1962	Customs Duty	0.08	0.08	2000-02	Deputy Commissioner
Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.80	1.80	2018-19	Joint Commissioner, Commercial Tax (Appeal)

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

(viii) In our opinion and according the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company did not have any loans or borrowings from financial institutions and government and had not issued any debentures during the year.

(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 or initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) Based on our examination of the books of account and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us, 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) According to the information and explanations given to us and based on our examination of the books of account, 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 financial statements, as required by the applicable accounting standards. Further, according to the information and explanations given to us and based on our examination of the records of the company, 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 Number: 101248W/W-100022

Pravin Tulsyan
Partner
Membership No.: 108044

Place: Noida
Date: 14 May 2019

Annexure B to the Independent Auditors' report on the financial statements of Jubilant Generics Limited for the year ended 31 March 2019.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Jubilant Generics Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Pravin Tulsyan
Partner
Membership No. 108044

Place: Noida
Date: 14 May 2019

Jubilant Generics Limited

Ind AS financial statements

March 2019

Jubilant Generics Limited
Balance Sheet as at 31 March 2019

(INR in million)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	7,185.46	6,388.98
Capital work-in-progress	3	725.76	596.16
Goodwill	4	1,371.36	1,371.36
Other intangible assets	4	1,215.53	1,233.42
Intangible assets under development	4	3,085.07	3,172.60
Financial assets			
i. Investments	5(a)	4,055.00	4,055.00
ii. Loans	5(b)	3,295.03	3,289.54
Deferred tax assets (net)	6	724.89	812.10
Income tax assets (net)		92.74	92.74
Other non-current assets	7	25.16	60.83
Total non-current assets		**21,776.00**	**21,072.73**
Current assets			
Inventories	8	3,118.61	2,470.21
Financial assets			
i. Trade receivables	5(c)	2,525.81	1,903.41
ii. Cash and cash equivalents	5(d)	30.17	67.30
iii. Other bank balances	5(e)	3.60	3.60
iv. Loans	5(b)	0.02	0.54
v. Other financial assets	5(f)	271.99	96.89
Other current assets	9	1,200.52	1,012.42
Total current assets		**7,150.72**	**5,554.37**
Total assets		**28,926.72**	**26,627.10**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10(a)	25.80	25.80
Other equity	10(b)	24,043.59	22,605.49
Total equity		**24,069.39**	**22,631.29**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	11(a)	6.22	8.87
Provisions	13	243.57	235.09
Other non-current liabilities	12 (a)	97.14	77.62
Total non-current liabilities		**346.93**	**321.58**
Current liabilities			
Financial liabilities			
i. Borrowings	11(b)	611.02	863.12
ii. Trade payables	11(d)		
Total outstanding dues of micro enterprises and small enterprises		32.12	12.49
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,861.92	1,712.76
iii. Other financial liabilities	11(e)	848.60	563.66
Other current liabilities	12 (b)	943.19	485.14
Provisions	13	42.04	37.06
Current tax liabilities (net)		171.51	-
Total current liabilities		**4,510.40**	**3,674.23**
Total liabilities		**4,857.33**	**3,995.81**
Total equity and liabilities		**28,926.72**	**26,627.10**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 101248W/W-100022

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

Pravin Tulsyan	**Sankaraiah Rajagopal**	**Pramod Yadav**
Partner	*Director*	*Director*
Membership No: 108044	DIN: 00025022	DIN: 05264757

Place : Noida
Date : 14 May 2019

Amit Chaurasia
Company Secretary

Jubilant Generics Limited
Statement of Profit and Loss for the year ended 31 March 2019

(INR in million)

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations	14	11,685.79	9,627.01
Other income	15	320.54	317.08
Total income		**12,006.33**	**9,944.09**
Expenses			
Cost of materials consumed	16	4,398.47	3,669.79
Purchases of stock-in-trade		9.80	20.09
Changes in inventories of finished goods, stock-in-trade and work-in-progress	17	(237.57)	115.54
Excise duty on sales		-	32.90
Employee benefits expense	18	1,762.65	1,571.42
Finance costs	19	18.41	7.07
Depreciation and amortisation expense	20	1,145.74	1,651.27
Other expenses	21	2,939.99	2,442.01
Total expenses		**10,037.49**	**9,510.09**
Profit before tax		**1,968.84**	**434.00**
Tax expense/(benefits)	22		
- Current tax		449.51	114.65
- Deferred tax charge/(credit)		85.12	(26.26)
Total tax expense/(benefits)		**534.63**	**88.39**
Profit for the year		**1,434.21**	**345.61**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit obligations		5.98	(4.87)
Income tax relating to items that will not be reclasssified to profit or loss	22	(2.09)	1.70
Other comprehensive income for the year, net of tax		**3.89**	**(3.17)**
Total comprehensive income for the year		**1,438.10**	**342.44**
Earning per equity share of INR 10 each	36		
Basic and Diluted (INR)		555.97	133.98

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

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

Pravin Tulsyan
Partner
Membership No: 108044

Sankaraiah Rajagopal
Director
DIN: 00025022

Pramod Yadav
Director
DIN: 05264757

Place : Noida
Date : 14 May 2019

Amit Chaurasia
Company Secretary

Jubilant Generics Limited
Statement of Changes in Equity for the year ended 31 March 2019

a) Equity share capital

	(INR in million)
Balance as at 1 April 2017	**25.80**
Issue of equity shares	-
Balance as at 31 March 2018	**25.80**
Issue of equity shares	-
Balance as at 31 March 2019	**25.80**

(b) Other Equity (1)

(INR in million)

	Reserves and surplus			Total reserves and surplus and other comprehensive income	Total other equity
	Capital reserve	Securities premium	Retained earnings		
As at 1 April 2017	**4,365.34**	**15,572.04**	**2,325.67**	**22,263.05**	**22,263.05**
Profit for the year	-	-	345.61	345.61	345.61
Other comprehensive income	-	-	(3.17)	(3.17)	(3.17)
Total comprehensive income for the year	-	-	342.44	342.44	342.44
As at 31 March 2018	**4,365.34**	**15,572.04**	**2,668.11**	**22,605.49**	**22,605.49**
Profit for the year	-	-	1,434.21	1,434.21	1,434.21
Other comprehensive income	-	-	3.89	3.89	3.89
Total comprehensive income for the year	-	-	1,438.10	1,438.10	1,438.10
As at 31 March 2019	**4,365.34**	**15,572.04**	**4,106.21**	**24,043.59**	**24,043.59**

(1) Refer note 10(b) for nature and purpose of other equity

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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

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

Pravin Tulsyan
Partner
Membership No: 108044

Sankaraiah Rajagopal
Director
DIN: 00025022

Pramod Yadav
Director
DIN: 05264757

Place : Noida
Date : 14 May 2019

Amit Chaurasia
Company Secretary

Jubilant Generics Limited
Statement of Cash Flows for the year ended 31 March 2019

(INR in million)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A. Cash flows from operating activities		
Profit before tax	1,968.84	434.00
Adjustments :		
Depreciation and amortisation expense	1,145.74	1,651.27
Loss on sale/disposal/discard of property, plant and equipment (net)	17.78	11.73
Finance costs	18.41	7.07
Unrealised foreign exchange loss/(gain)	66.64	(51.04)
(Liabilities no longer required written back)/allowance for expected credit loss,net	(33.12)	23.48
Dividend on non-trade investments	-	(0.14)
Interest income	(287.25)	(279.09)
Operating cash flows before working capital changes	**2,897.04**	**1,797.28**
(Increase)/ decrease in trade receivables, loans, other financial assets and other assets	(1,043.95)	(36.20)
(Increase)/decrease in inventories	(648.39)	190.10
Increase in trade payables, other financial liabilities, other liabilities and provisions	933.05	242.95
Cash generated from operations	**2,137.75**	**2,194.13**
Income tax paid (net of refunds)	(278.00)	(450.16)
Net cash generated from operating activities	**1,859.75**	**1,743.97**
B. Cash flows from investing activities		
Purchase of property, plant and equipment, other intangible assets (including capital work-in-progress and intangible assets under development)	(1,887.51)	(1,963.47)
Sale of property plant and equipment	12.79	3.07
Dividend received	-	0.14
Interest received	287.26	279.08
Net cash used in investing activities	**(1,587.46)**	**(1,681.18)**
C. Cash flows from financing activities #		
Repayment of short-term borrowings (net)	(182.10)	(23.14)
Inter corporate loan from ultimate holding company (net)	(70.00)	70.00
Finance costs paid	(57.32)	(112.82)
Net cash (used in)/generated from financing activities	**(309.42)**	**(65.96)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(37.13)**	**(3.17)**
Add: cash and cash equivalents at the beginning of year	67.30	70.47
Cash and cash equivalents at the end of the year (refer note 5(d)	**30.17**	**67.30**

Refer note 11(c) for changes in liabilities arising from financing activities.
Bank balances of INR 15.40 million (previous year INR 3.6 million) has restricted use.
During the year, the Company paid in cash INR 19.11 million (previous year INR 10.48 million) towards corporate social responsibility (CSR) expenditure (included in donation - Refer note 34).

Note:
Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

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

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

Pravin Tulsyan
Partner
Membership No : 108044

Sankaraiah Rajagopal
Director
DIN: 00025022

Pramod Yadav
Director
DIN: 05264757

Place : Noida
Date : 14 May 2019

Amit Chaurasia
Company Secretary

1. Corporate Information

Jubilant Generics Limited ("the Company") is a public limited company domiciled in India and incorporated on 25 November 2013 under the provisions of Companies Act, 1956. The Company is incorporated to engage in the manufacture and supply of Generics (including Active Pharmaceutical Ingredients (APIs) and Solid Dosage Formulations). The registered office of the Company is situated at Plot No 1A, Sector 16A, Institutional Area, Noida, Gautam Buddha Nagar, Uttar Pradesh 201301.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year except for the changes mentioned below:-

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective from 1 April 2018. The Company applied Ind AS 115 using the cumulative effect method which is applied to contracts that were not completed as of 1 April 2018. Accordingly, the comparatives have not been retrospectively adjusted. The Company has adopted Appendix B, "Foreign currency transactions and advance consideration" to Ind AS 21, "the effects of changes in foreign exchange rates" effective from 1 April 2018 prospectively to all assets, expenses and income in the scope of the said Appendix. The adoption of the above Standard/Appendix does not have any significant impact on the financial position or performance of the Company.

The Company has not early adopted any Standards or amendments that has been issued but is not yet effective.

(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. All the amounts included in the financial statements are reported in millions of Indian Rupees and are rounded to the nearest million, except per share data and unless stated otherwise.

The financial statements are authorized for issue by the Company's Board of Directors on May 14, 2019.

In accordance with Rule 6 of the Companies (Accounts) Rules, 2014, Company does not prepare consolidated financial statements.

(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
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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 twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities; respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

(c) Property, plant and equipment (PPE) and intangible assets

(i) **Property, plant and equipment**

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a 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 its intended use. Any trade discounts and rebates are deducted 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.

(ii) **Intangible assets**

- *Goodwill*

Goodwill arising on business combinations is disclosed in the Balance sheet and is carried at cost less accumulated impairment losses.

Internally generated goodwill is not recognised as an asset.

With regard to other internally generated intangible assets:

- Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
- Development expenditure including regulatory cost and legal expenses leading to product

registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of PPE). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

- Intangible assets that are acquired (including implementation of software system) are measured initially at cost.
- After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) **Depreciation and amortization 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 PPE 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, except for the following classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Management estimate of useful life	Useful life as per Schedule II
Motor vehicles (Vehicle -Owned)	5 years	8 years
Motor vehicles under finance lease (Vehicle - Leased)	Tenure of lease or 5 years whichever is shorter	8 years
Computer servers and networks (included in office equipment)	5 years	6 years
Dies and punches for manufacture of dosage formulations (included in property, plant and equipment)	1-2 years	15 years
Change parts for manufacture of dosage formulations (included in property, plant and equipment)	5 years	15 years
Employee perquisite related assets (except end user computers) (included in office equipment)	5 years, being the period of perquisite scheme	10 years
Leasehold improvements	10 years	Period of lease

Leasehold improvement (included in furniture & fixtures) are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalisation, whichever is shorter.

The estimated useful lives of intangibles are as follows:

Internally generated product registration	5 years
Rights	5 years
Software	5 years

Depreciation and amortization on property, plant and equipment and intangible assets added/ disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) **Derecognition**

A property, plant and equipment and intangible assets 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 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.

(d) Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held for sale, property, plant and equipment and intangible assets are no longer depreciated or amortised.

(e) Impairment of non-financial assets

Goodwill that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if event or changes in circumstances indicate that they might be impaired The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(f) 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 the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and 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. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and 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, at initial recognition, the Company may irrevocably 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 to retained earnings.

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

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized 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 ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

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.

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 of financial liabilities

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.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign-exchange forward contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Compound financial instruments

Compound financial instruments issued by the company comprise convertible debenture denominated in Indian Rupee that can be converted to ordinary shares at the option of the holder and issuer, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.
Subsequent to initial recognition, the liability component of compound financial instruments is measured at amortised cost using the EIR method. The equity component of a compound financial instrument is not remeasured.
Interest related to the financial liability is recognised in Statement of profit and loss. On conversion at maturity and early conversion, the financial liability is reclassified to equity and no gains or losses are recognised.

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) Inventories

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

The Company uses weighted average method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable. The cost of work in progress and manufactured finished goods include an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(h) Cash and cash equivalents

Cash and cash equivalent 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.

(i) 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.

(j) Revenue recognition

Effective 1 April 2018, the Company adopted IND AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as at 1 April 2018.

In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. There is no material effect on adoption of Ind AS 115 on the financial statements.

Revenue from sale of products is recognised upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers. Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Any fees including upfront fees received in relation to contract manufacturing arrangements is recognized over the period over which the company satisfies the underlying performance obligations. In respect of outsourcing contracts for drug development with third party Clinical Research Organization (CRO), revenue is recognized on the basis of actual cost incurred plus mark up as agreed with the customer under each agreement.

Revenues are measured based on the transaction price, which is the consideration, net of tax collected from customers and remitted to government authorities such as Goods and services tax (GST), sales tax, excise duty, value added tax and applicable discounts and allowances including expected sales return etc. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels etc.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash and only passage of time is required as per contractual terms. Contract liabilities are recognised when there are billings in excess of revenues. Contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognised when or as the performance obligation is satisfied.

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales. Such export incentives are recorded as part of other operating revenue.

(k) Employee benefits

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

(ii) Post-employment *benefits:* Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

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

b) Provident fund

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

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

(ii) Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(iii) Other long-term employee benefits:

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iv) Termination benefits:

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

Actuarial valuation

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.
Remeasurment gains and losses are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurment gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

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

(l) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

(m) 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 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 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;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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 applied 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 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 recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(n) Leases

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. If it is a lease arrangement, it is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Finance leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(o) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company in the Indian rupee. These financial statements are presented in Indian rupees.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs, All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

(p) Segment reporting

Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the company has determined pharmaceutical as the only reportable segment.

(q) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

(r) Earnings per share

(i) *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, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(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.

(s) 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.

(t) Critical estimates and judgments

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.

- Assessment of useful life of property, plant and equipment and intangible assets – Note 2(c)
- Valuation of inventories – Note 2(g)
- Recognition of revenue and related accruals – Note 2(j)
- Fair value measurement – Note 2(s)
- Estimation of assets and obligations relating to employee benefits – Note 24
- Recognition and estimation of tax expense including deferred tax – Note 22
- Estimated impairment of financial assets and non-financial assets – Note 2(e) and 2(f)
- Recognition and measurement of contingency : Key assumption about the likelihood and magnitude of an outflow of resources – Note 30
- Lease classification – Note 31(b)

(u) Recent accounting pronouncements

Applicable standards issued but not yet effective

The Company has not early adopted the following new standards or amendments to standards in preparing these financial statements.

Ind AS 116, Leases

MCA vide its notification dated 30 March 2019, notified Ind AS 116 "Leases". The standard is effective from 1 April 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 "Leases" and sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises present value of the lease payment (discounted using incremental borrowing rate or interest rate implicit in the lease) as right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments and lease rent expense will be replaced with the amortization of right-of use-asset and interest accrued on lease liability. The standard also contains enhanced disclosure requirements for lessees and will have consequential impact on cash flows categories as well. The new standard substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019 using the modified retrospective approach. Therefore, the cumulative effect of adopting new standard will be recognized as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

IAS 19, Employee Benefits

MCA vide its notification dated 30 March 2019, notified amendments to Ind AS 19 – "Employee Benefits" regarding plan amendments, curtailments and settlements. The amendments are as follows:

• If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement;

•In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding asset ceiling.

The above amendments are effective from 1 April 2019. The Company is currently in the process of evaluating the impact of this change on its financial statements.

Appendix C, "Uncertainty over Income Tax Treatments", to Ind AS 12, Income Taxes

MCA vide its notification dated 30 March 2019, notified Appendix C, "Uncertainty over Income Tax Treatments", to Ind AS 12, which clarifies how the recognition and measurement requirements of Ind AS 12 "Income taxes", are applied where there is uncertainty over income tax treatments. This appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the applicable tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under applicable tax law.

The appendix provides specific guidance in several areas where previously Ind AS 12 was silent. Appendix applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The Appendix is effective from 1 April 2019. The Company is currently in the process of evaluating the impact of this change on its financial statements.

3. Property, plant and equipment and capital work-in-progress

INR in million

Description	Land-freehold	Building- factory	Building- Other	Plant and equipment	Furniture and fixtures	Vehicles- owned	Vehicles- leased	Office equipment	Total	Capital work-in-progress (CWIP)
Gross carrying value as at 1 April 2017	601.89	1,067.14	112.76	5,333.99	115.96	1.74	15.36	76.23	7,325.07	207.10
Additions/adjustments (3)	-	94.17	-	495.67	13.28	-	7.72	41.46	652.30	1,033.24
Deductions/adjustments	-	-	-	(34.21)	(2.34)	-	(4.42)	(2.52)	(43.49)	(644.18)
Gross carrying value as at 31 March 2018	**601.89**	**1,161.31**	**112.76**	**5,795.45**	**126.90**	**1.74**	**18.66**	**115.17**	**7,933.88**	**596.16**
Accumulated depreciation as at 1 April 2017	-	76.24	5.05	863.36	38.93	0.89	5.12	32.91	1,022.50	-
Depreciation charge for the year	-	41.81	3.07	467.13	15.65	0.41	3.85	19.17	551.09	-
Deductions/adjustments	-	-	-	(23.71)	(1.73)	-	(2.48)	(0.77)	(28.69)	-
Accumulated depreciation as at 31 March 2018	**-**	**118.05**	**8.12**	**1,306.78**	**52.85**	**1.30**	**6.49**	**51.31**	**1,544.90**	**-**
Net carrying value as at 31 March 2018	**601.89**	**1,043.26**	**104.64**	**4,488.67**	**74.05**	**0.44**	**12.17**	**63.86**	**6,388.98**	**596.16**

INR in million

Description	Land-freehold	Building- factory	Building- Other	Plant and equipment	Furniture and fixtures	Vehicles- owned	Vehicles- leased	Office equipment	Total	Capital work-in-progress (CWIP)
Gross carrying value as at 1 April 2018	601.89	1,161.31	112.76	5,795.45	126.90	1.74	18.66	115.17	7,933.88	596.16
Additions/adjustments (3)	-	299.34	96.56	835.61	114.96	1.25	3.96	70.46	1,422.14	1,543.39
Deductions/adjustments	(4.06)	-	-	(50.37)	(1.45)	(0.07)	(5.16)	(4.99)	(66.10)	(1,413.79)
Gross carrying value as at 31 March 2019	**597.83**	**1,460.65**	**209.32**	**6,580.69**	**240.41**	**2.92**	**17.46**	**180.64**	**9,289.92**	**725.76**
Accumulated depreciation as at 1 April 2018	-	118.05	8.12	1,306.78	52.85	1.30	6.49	51.31	1,544.90	-
Depreciation charge for the year	-	48.09	3.74	481.13	21.54	0.20	4.05	25.77	584.52	-
Deductions/adjustments	-	-	-	(18.98)	(1.24)	-	(2.46)	(2.28)	(24.96)	-
Accumulated depreciation as at 31 March 2019	**-**	**166.14**	**11.86**	**1,768.93**	**73.15**	**1.50**	**8.08**	**74.80**	**2,104.46**	**-**
Net carrying value as at 31 March 2019	**597.83**	**1,294.51**	**197.46**	**4,811.76**	**167.26**	**1.42**	**9.38**	**105.84**	**7,185.46**	**725.76**
Net carrying value as at 1 April 2018	**601.89**	**1,043.26**	**104.64**	**4,488.67**	**74.05**	**0.44**	**12.17**	**63.86**	**6,388.98**	**596.16**

Notes:

(1) Refer note 31(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
(2) Refer note 19 for finance costs capitalised.
(3) Includes INR 107.73 million (previous year INR 69.75 million) in respect of research and development assets.
(4) Capital research and development expenditure aggregating to INR 101.08 million (previous year INR 74.14 million) incurred during the year included in additions to property plant & equipment/ capital work-in-progress.

4. Goodwill, other intangible assets and intangible assets under development

INR in million

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangibles assets under development
Gross carrying value as at 1 April 2017	1,371.36	1,647.25	15.81	194.95	1,858.01	3,494.06
Additions/adjustments (1)	-	498.76	-	30.16	528.92	879.00
Deductions/adjustments (3)	-	-	-	-	-	(1,200.46)
Gross carrying value as at 31 March 2018	**1,371.36**	**2,146.01**	**15.81**	**225.11**	**2,386.93**	**3,172.60**
Accumulated amortisation as at 1 April 2017	-	711.09	10.38	3.40	724.87	-
Amortisation for the year	-	380.00	5.18	43.46	428.64	-
Accumulated amortisation as at 31 March 2018	**-**	**1,091.09**	**15.56**	**46.86**	**1,153.51**	**-**
Net carrying value as at 31 March 2018	**1,371.36**	**1,054.92**	**0.25**	**178.25**	**1,233.42**	**3,172.60**

INR in million

Description	Goodwill	Internally generated product registration/ market authorisation (a)	Rights (b)	Software (c)	Total (a+b+c)	Intangibles assets under development
Gross carrying value as at 1 April 2018	1,371.36	2,146.01	15.81	225.11	2,386.93	3,172.60
Additions/adjustments (1)	-	471.20	-	4.19	475.39	462.05
Deductions/adjustments (3)	-	-	-	-	-	(549.58)
Gross carrying value as at 31 March 2019	**1,371.36**	**2,617.21**	**15.81**	**229.30**	**2,862.32**	**3,085.07**
Accumulated amortisation as at 1 April 2018	-	1,091.09	15.56	46.86	1,153.51	-
Amortisation for the year	-	447.58	0.25	45.45	493.28	-
Accumulated amortisation as at 31 March 2019	**-**	**1,538.67**	**15.81**	**92.31**	**1,646.79**	**-**
Net carrying value as at 31 March 2019	**1,371.36**	**1,078.54**	**-**	**136.99**	**1,215.53**	**3,085.07**
Net carrying value as at 1 April 2018	**1,371.36**	**1,054.92**	**0.25**	**178.25**	**1,233.42**	**3,172.60**

Notes:

(1) Represents INR 471.20 million (previous year INR 498.76 million) in respect of research and development assets.

(2) Capital research and development expenditure aggregating to INR 462.05 million (previous year INR 848.93 million) incurred during the year included in additions to Intangible assets/Intangible assets under development.

(3) The carrying value of internally generated product registration and other intangibles (including intangible assets under development) has been reviewed and based on prevailing market conditions, technical and financial assessment, INR 106.00 million (previous year INR 671.54 million) have been charged off and included under depreciation and amortisation expense in the Statement of Profit and Loss.

(4) Refer note 19 for finance costs capitalised.

5(a) Non-current investments

INR in million

	As at 31 March 2019	As at 31 March 2018
Investment in equity shares (at cost)		
Unquoted investment (fully paid up)		
(A) Subsidiary:		
Jubilant Pharma NV	965.00	965.00
[13,900,000 (Previous year 13,900,000) equity shares of face value Euro 1 per share]		
(B) Associate:		
Jubilant Pharma Holdings Inc.	3,090.00	3,090.00
[200 (Previous year 200) equity shares with no par value]		
Total non-current investments	**4,055.00**	**4,055.00**
Aggregate amount of unquoted investments	**4,055.00**	**4,055.00**

5(b) Loans

INR in million

	As at 31 March 2019		As at 31 March 2018	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security deposits	-	39.15	-	34.84
Loan to related parties (refer note 29)	-	3,250.00	-	3,250.00
Loan to employees	0.02	5.88	0.54	4.70
Total loans	**0.02**	**3,295.03**	**0.54**	**3,289.54**

5(c) Trade receivables

INR in million

	As at 31 March 2019	As at 31 March 2018
Unsecured and current		
Trade receivables considered good	2,132.55	1,490.00
Receivables from related parties (Refer note 29)	393.26	413.41
Trade receivables - considered doubtful	9.79	9.64
Less: Expected credit loss allowance (Refer note 26)	(9.79)	(9.64)
Total trade receivables	**2,525.81**	**1,903.41**

5(d) Cash and cash equivalents

INR in million

	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- in current accounts (1)	15.81	14.26
Cash on hand	0.50	0.61
Others		
- Funds in transit	13.80	52.39
- Imprest	0.06	0.04
Total cash and cash equivalents	**30.17**	**67.30**

(1) INR 11.80 million (previous year INR Nil) has restricted use

5 (e) Other bank balance

INR in million

	As at 31 March 2019	As at 31 March 2018
Deposits accounts with maturity up to twelve months from the reporting date- held as margin money	3.60	3.60
Total other bank balance (1)	**3.60**	**3.60**

(1) These have restricted use

5 (f) Other current financial assets

INR in million

	As at 31 March 2019	As at 31 March 2018
Advances recoverable from related parties (refer note 29)	244.02	73.99
Contract assets	6.85	1.77
Interest receivable	21.12	21.13
Total other current financial assets	**271.99**	**96.89**

6. Deferred tax

Deferred income tax reflect the net tax effects of temporary differences between the carrying amount of asset and liabilities for financial reporting purposes and the amount used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

The balance comprises temporary differences attributable to:

Deferred tax assets

	Provision for compensated absences and gratuity	Expenditure allowed on actual payment basis	Tax losses carried forward	MAT Credit Entitlement	Others	Total
As at 1 April 2017	47.54	12.01	1,387.33	539.81	8.86	1,995.55
(Charged)/credited:						
- to statement of profit and loss	19.34	9.68	187.97	114.65	2.09	333.73
- to Other comprehensive income	1.70	-	-	-	-	1.70
As at 31 March 2018	**68.58**	**21.69**	**1,575.30**	**654.46**	**10.95**	**2,330.98**
(Charged)/credited:						
- to statement of profit and loss	24.68	2.44	(323.63)	449.51	(1.05)	151.95
- to Other comprehensive income	(2.09)	-	-	-	-	(2.09)
As at 31 March 2019	**91.16**	**24.13**	**1,251.67**	**1,103.97**	**9.91**	**2,480.84**

The balance comprises temporary differences attributable to:

Deferred tax liabilities:

INR in million

	Depreciation and amortisation	Difference in tax value and book value of R&D CWIP/ intangibles and intangibles under development	Others	Total
As at 1 April 2017	**641.87**	**545.95**	**23.59**	**1,211.41**
Charged/(credited):				
- to statement of profit and loss	240.85	76.69	(10.07)	307.47
As at 31 March 2018	**882.72**	**622.64**	**13.52**	**1,518.88**
Charged/(credited):				
- to statement of profit and loss	189.19	54.08	(6.20)	237.07
As at 31 March 2019	**1,071.91**	**676.72**	**7.32**	**1,755.95**

Reflected in the Balance Sheet as follows:

INR in million

	As at 31 March 2019	As at 31 March 2018
Deferred tax assets	2,480.84	2,330.98
Deferred tax liabilities:	1,755.95	1,518.88
Deferred tax assets, net:	**724.89**	**812.10**

Reconciliation of deferred tax assets (net):

INR in million

	As at 31 March 2019	As at 31 March 2018
Balance as at the commencement of the year	812.10	784.14
Credit during the year recognised in statement of profit and loss (including MAT)	(85.12)	26.26
Credit during the year recognised in OCI	(2.09)	1.70
Balance as at the end of the year	**724.89**	**812.10**

Deferred tax has not been recognized on temporary differences in relation to indexation benefit of investment in subsidiary and freehold land amounting to INR 157.44 million (31 March 2018: INR 125.95 million) and INR 23.21 million (31 March 2018: INR 18.70 million) respectively, as the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary differences will not reverse in foreseeable future.

7. Other non-current assets

INR in million

	As at 31 March 2019	As at 31 March 2018
Capital advances	25.16	60.83
Total other non-current assets	**25.16**	**60.83**

8. Inventories

INR in million

	As at 31 March 2019	As at 31 March 2018
Raw materials*	1,095.02	718.95
Work-in-progress	1,280.71	1,079.83
Finished goods*	419.29	382.60
Stores and spares	237.30	211.11
Packing material	76.71	76.08
Others- process chemicals and fuels	9.58	1.64
Total inventories	**3,118.61**	**2,470.21**

*Goods in transit, included in above

INR in million

	As at 31 March 2019	As at 31 March 2018
Raw materials	22.94	40.68
Finished goods	108.81	121.75
Total inventories	**131.75**	**162.43**

Total write down of inventories recognised during the year	268.75	177.19

Cost of inventories (including cost of purchased products) recognised as an expense amounted to INR 6,372.20 million and INR 5,442.79 million for the years ended 31 March 2019 and 31 March 2018, respectively.

9. Other current assets

INR in million

	As at 31 March 2019	As at 31 March 2018
Prepaid expenses	100.31	83.03
Recoverable from/ balance with government authorities (also refer note 35)	1,033.71	871.50
Advance to employees	10.04	8.33
Advance for supply of goods and services	56.46	49.56
Total other current assets	**1,200.52**	**1,012.42**

10. Equity share capital and other equity

10(a) Equity share capital

INR in million

	As at 31 March 2019	As at 31 March 2018
Authorised		
3,000,000 (Previous year 3,000,000) equity shares of INR 10 each	30.00	30.00
	30.00	**30.00**
Issued and subscribed		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each	25.80	25.80
	25.80	**25.80**
Paid up		
2,579,665 (Previous year 2,579,665) equity shares of INR 10 each	25.80	25.80
	25.80	**25.80**

Movements in equity share capital

	As at 31 March 2019		As at 31 March 2018	
	Number	INR in million	Number	INR in million
At the commencement of the year	2,579,665	25.80	2,579,665	25.80
At the end of the year	2,579,665	25.80	2,579,665	25.80

Terms and rights attached to equity shares

The Company has only one class of shares referred to as equity shares having par value of INR 10 each. Holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at 31 March 2019		As at 31 March 2018	
Equity shares of INR10 each fully paid-up held by	**Number**	**% of total shares**	**Number**	**% of total shares**
Jubilant Pharma Limited, Singapore - the holding company (including 6 shares held jointly with 6 individuals) (Previous year 7 shares held jointly with 7 individuals)	2,579,665	100%	2,579,665	100%

10(b) Reserves and surplus

Nature and purpose of other reserves

Capital reserve

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently.

Securities premium

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilized in accordance with the provisions of the Act.

Equity component of compound financial instruments

Equity component of compound financial instruments comprises equity portion of unsecured compulsorily convertible debentures.

11(a) Non-current borrowings

INR in million

	As at 31 March 2019	As at 31 March 2018
Long term maturity of finance lease obligations (secured)	6.22	8.87
Total non-current borrowings	**6.22**	**8.87**
Add: Current maturities of financial lease obligations (Refer note 11(e))	4.12	4.00
Total Non-current borrowings (including current maturities)	**10.34**	**12.87**

11(b) Current borrowings

INR in million

	As at 31 March 2019	As at 31 March 2018
Loans repayable on demand		
From banks		
Secured	287.32	363.17
Unsecured	150.00	250.00
Bank overdraft (unsecured)	173.70	179.95
From others		
From related party (Refer note 29)	-	70.00
Total current borrowings	**611.02**	**863.12**

Notes:

1. Finance lease obligations are secured by hypothecation of specific assets taken under such lease. The same are repayable within five years.

2. Working capital facilities (including cash credit) sanctioned by consortium of banks and financial institutions are secured by a first charge by way of hypothecation, ranking pari-passu inter-se banks, of the entire book debts and receivables and inventories, both present and future, of the Company. All working capital loans are repayable as per terms of agreement within one year.

3. Short-term loans are availed in Indian rupees. Indian rupee loans carry interest rate ranging from 6.33% to 9.85% (Previous year 6.20% to 12.25%) per annum.

4. Inventory and other financial assets with a carrying amount of INR 3,118.61 million (Previous year INR 2,470.21 million), and INR 2,525.81 million (Previous year INR 1,904.46 million) respectively are provided as security against borrowing at year end.

11(c) Movement in current and non-current borrowings

INR in million

	31 March 2019	31 March 2018
Borrowings at the beginning of the year	875.99	827.13
Movement due to cash transactions per the statement of cash flows	(252.10)	46.86
Movement due to non-cash transactions:		
- Assets taken on lease	(2.53)	2.00
Borrowings at the end of the year	**621.36**	**875.99**

11(d) Trade payables

INR in million

	As at 31 March 2019	As at 31 March 2018
Current		
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	32.12	12.49
-Total outstanding dues of creditors other than micro enterprises and small enterprises	1,861.92	1,712.76
Total trade payables	**1,894.04**	**1,725.25**

Amount payable to related parties included in above (refer note 29)	284.74	241.18

11(e) Other current financial liabilities

INR in million

	As at 31 March 2019	As at 31 March 2018
Current maturities of finance lease obligations {refer note 11(a)}	4.12	4.00
Interest accrued but not due on borrowings	0.88	1.45
Security deposit	0.70	0.30
Capital creditors *	108.10	96.99
Employee benefits payable	129.09	112.11
Other payable to related parties (refer note 29)	605.71	348.81
Total other current financial liabilities	**848.60**	**563.66**

* Includes payable to Micro, Small and Medium Enterprises INR 2.35 million (Previous year INR 1.93 million)

12 (a) Other non-current liabilities

INR in million

	As at 31 March 2019	As at 31 March 2018
Contract Liabilities	44.74	64.40
Deferred income - Government grant	52.40	13.22
Total other non-current liabilities	**97.14**	**77.62**

12 (b) Other current liabilities

INR in million

	As at 31 March 2019	As at 31 March 2018
Contract Liabilities	832.61	382.30
Deferred income - Government grant	2.43	1.38
Statutory dues payables	108.15	101.46
Total other current liabilities	**943.19**	**485.14**

13. Provisions

INR in million

	As at 31 March 2019		As at 31 March 2018	
	Current	**Non-current**	**Current**	**Non-current**
Provision for employee benefits (refer note 24)	42.04	243.57	37.06	235.09
Total provisions	**42.04**	**243.57**	**37.06**	**235.09**

14. Revenue from operations

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of products (including excise duty)		
- Finished goods	11,155.64	9,262.93
- Traded goods	0.53	0.69
Sale of services	91.65	35.51
Other operating revenue	437.97	327.88
Total revenue from operations	**11,685.79**	**9,627.01**

Revenue from operations for the current year is not comparable with previous year since the revenue is net of Goods and Services Tax (GST) w.e.f. 1 July 2017, whereas revenue includes excise duty upto 30 June 2017.

Disaggregation of revenue:

In the following table, revenue is disaggregated by primary geographical market, service lines and sales channels.

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Primary geographical markets		
India	926.36	777.40
Americas and Europe	8,110.05	6,790.33
Rest of the world	2,211.41	1,731.40
Total	**11,247.82**	**9,299.13**
Major product/service line		
API	6,662.19	5,433.01
Dosage	4,585.63	3,866.12
Total	**11,247.82**	**9,299.13**

Contract balances

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Trade receivables	2,525.81	1,903.41
Contract assets	6.85	1.77
Contract liabilities	877.35	446.70

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the Company issues an invoice to the customer. The contract liabilities relate to the advance received from customers and deferred revenue against which revenue is recognized when or as the performance obligation is satisfied.

The amount of INR 368.33 million recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 31 March 2019.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations, excluding those where original expected duration of one year or less, amounts to INR 127.06 million.

15. Other income

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income	287.25	279.09
Dividend on non-trade investments	-	0.14
Net foreign exchange gain	-	36.43
Liabilities written back	33.27	-
Other items	0.02	1.42
Total other income	**320.54**	**317.08**

16. Cost of materials consumed

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw materials consumed	4,398.47	3,669.79
Total cost of materials consumed	**4,398.47**	**3,669.79**

17. Changes in inventories of finished goods, stock-in-trade and work-in-progress

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance		
Work-in-progress	1,079.83	1,285.23
Finished goods	382.60	292.74
Total opening balance	**1,462.43**	**1,577.97**
Closing balance		
Work-in-progress	1,280.71	1,079.83
Finished goods	419.29	382.60
Total closing balance	1,700.00	1,462.43
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	**(237.57)**	**115.54**

18. Employee benefits expense

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages, bonus, gratuity and allowances	1,565.37	1,397.61
Contribution to provident fund and other funds	81.31	71.63
Staff welfare expenses	115.97	102.18
Total employee benefits expense	**1,762.65**	**1,571.42**

19. Finance costs

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense*	17.30	5.49
Other borrowing costs	1.11	1.58
Total finance costs	**18.41**	**7.07**

* Includes interest INR 14.04 million under section 234B and 234C of the Income-tac Act, 1961 (Previous year INR Nil)

Note:
(1) Finance costs amounting to INR 38.34 million (Previous year INR 58.53 million) has been capitalised during the year on general borrowings with a capitalisation rate of 1.30% (Previous year 2.12%).

20. Depreciation and amortisation expense

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment	584.52	551.09
Amortisation of intangible assets (refer note 4)	561.22	1,100.18
Total depreciation and amortisation expense	**1,145.74**	**1,651.27**

21. Other expenses

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Power and fuel	655.43	556.72
Consumption of stores and spares and packing materials	594.40	608.48
Processing charges	9.31	18.06
Excise duty related to increase/(decrease) in inventory of finished goods	-	30.26
Rental charges (refer note 31)	38.95	40.03
Rates and taxes	170.71	103.47
Insurance	16.46	17.80
Advertisement, publicity and sales promotion	23.06	17.93
Travel and conveyance	60.75	49.96
Repairs and maintenance		
Plant and machinery	136.85	116.88
Buildings	11.02	13.96
Others	52.90	42.02
Office expenses	36.05	33.73
Vehicle running and maintenance (refer note 31)	9.42	10.67
Printing and stationery	11.82	10.17
Telephone and communication charges	14.92	16.29
Staff recruitment and training	19.50	15.31
Donation (including corporate social responsibility expenditure)	19.11	10.58
Payments to auditors (refer note 21(a) below)	1.50	1.31
Legal and professional fees	620.70	442.80
Freight and forwarding (including ocean freight)	101.71	67.55
Directors' sitting fees	0.46	0.62
Subscription	13.05	17.22
Bank charges	10.59	14.31
Claims and other selling expenses	283.49	87.75
Commission on sales	2.28	53.79
Net foreign exchange loss	4.18	-
Allowance for expected loss	0.15	23.48
Loss on sale/disposal/discard of property, plant and equipments (net)	17.78	11.73
Miscellaneous expenses	3.44	9.13
Total other expenses	**2,939.99**	**2,442.01**

21(a): Details of payments to auditors (excluding applicable taxes and including out of pocket expenses)

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Audit fee	1.20	1.20
Certification and other service fees	0.30	0.11
Total payments to auditors	**1.50**	**1.31**

22. Income tax expense

The major components of income tax expenses for the years ended 31 March 2019 and 31 March 2018 are:

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit or loss section		
Current income tax:		
Current income tax charge for the year	449.51	113.83
Adjustments in respect of current income tax of previous years	-	0.82
	449.51	**114.65**
Deferred tax:		
Deferred tax on profits for the year	89.45	(19.77)
Adjustments in respect of deferred tax of previous years	(4.33)	(6.49)
	85.12	**(26.26)**
Income tax expense reported in the Statement of Profit and Loss	**534.63**	**88.39**
OCI section		
Tax related to items that will not be reclassified to Profit or Loss	2.09	(1.70)
Income tax charged to OCI	**2.09**	**(1.70)**

Reconciliation between average effective tax rate and applicable tax rate for 31 March 2019 and 31 March 2018:

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before income tax	1,968.84	434.00
At India's statutory income tax rate of 34.944% (31 March 2018 34.608%)	687.99	150.20
Effect of non-deductible expenses and exempt income	8.23	115.72
Increment allowance for research and development and other capital expenditure:		
- on Revenue	(89.08)	(68.68)
- on Capital	(68.18)	(103.18)
Effect of prior year re-assessments	(4.33)	(5.67)
Income Tax expenses reported in the Statement of Profit and Loss	**534.63**	**88.39**

23. Research and development expenditure incurred (excluding cost of acquired intangibles, finance cost, depreciation and amortization expense) comprises as mentioned below:

INR in million

Revenue expenditure	For the year ended 31 March 2019	For the year ended 31 March 2018
Cost of material consumed	172.05	294.40
Employee benefits expense	487.62	474.51
Utilities- power	44.86	42.11
Other expenses	390.36	496.55
Total revenue expenditure (A)	**1,094.89**	**1,307.57**

Out of the above total expenditure, the amount of R&D expenditure transferred to Intangibles/ Intangible assets under development is INR 432.79 Million (Previous year INR 795.80 million). This should also be read in conjunction with other disclosures made in the financial statements.

Capital expenditure (equipment)

INR in million

Capital expenditure	For the year ended 31 March 2019	For the year ended 31 March 2018
Capital expenditure	101.08	74.14
Total capital expenditure (B)	**101.08**	**74.14**
Total (A+B)	**1,195.97**	**1,381.71**

Of the above, amount of R&D expenditure incurred during the year (including R &D expenditure incurred and carried as development expenditure) eligible for deduction under section 35(2AB) are as below:

Revenue expenditure:

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Cost of material consumed	172.05	294.40
Employee Benefit Expense	442.98	432.40
Utilities - Power	44.86	42.06
Other Expenses	129.91	145.68
Total	**789.80**	**914.54**

Capital expenditure:

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Equipments	101.08	74.14
Total	**101.08**	**74.14**

24. Employee benefits in respect of the Company have been calculated as under:

(A) Defined Contribution Plans

The Company has certain defined contribution plan such as employee state insurance, employee pension scheme, wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

(INR in million)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Employer's contribution to employee's pension scheme 1995	26.35	25.15
Employer's contribution to employee state insurance	3.33	4.03

(B) Defined Benefit Plans

i. Gratuity

In Accordance with Ind AS 19 "Employee benefits" an actuarial valuation has been carried out in respect of gratuity.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.65% p.a. (Previous year 7.70 % p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (Previous year 58 years) and mortality table is as per IALM (2006-08) (Previous year IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (Previous year 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company, hence not disclosed. The expected rate of return assumed on plan assets is 7.65% p.a. (Previous year 7.70% p.a.).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(INR in million)

	As at 31 March 2019	As at 31 March 2018
Present value of obligation at the beginning of the year	175.24	146.65
Current service cost	28.06	27.16
Interest cost	13.49	11.00
Actuarial (gain)/loss	(6.31)	5.44
Benefits paid	(19.10)	(15.01)
Present value of obligation at the end of the year	191.38	175.24

Fair Value of Plan Assets:**

(INR in million)

	As at 31 March 2019	As at 31 March 2018
Plan assets at the beginning of the year	27.21	21.61
Expected return on plan assets	2.10	1.62
Contribution by employer	7.32	5.86
Actual benefits paid	(4.21)	(2.45)
Actuarial (loss)/gain on plan assets	(0.34)	0.57
Plan assets at the end of the year	32.08	27.21

** In respect of certain employees of Nanjangud manufacturing units of the Company.

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(INR in million)

	As at 31 March 2019	As at 31 March 2018
Present value of obligation at the end of the year	191.38	175.24
Fair value of plan assets at the end of the year	(32.08)	(27.21)
Net liabilities recognised in the Balance Sheet	159.30	148.03

Expense recognised in the statement of profit and loss under employee benefit expense:

(INR in million)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Current service cost	28.06	27.16
Interest cost	11.40	9.38
Expenses recognised in the Statement of profit and loss	39.46	36.54

Amount recognised in the other comprehensive income:

(INR in million)

	For the year ended 31 March 2019	For the year ended 31 March 2018
Actuarial (gain)/loss on arising from change in demographic assumption	0.37	(0.01)
Actuarial (gain)/loss on arising from change in financial assumption	0.70	(1.95)
Actuarial (gain)/loss on arising from experience adjustment	(7.38)	7.40
Actuarial (gain)/loss on plan assets	0.34	(0.57)

Company's best estimate of contribution during next year is INR 43.93 million (Previous year INR 42.60 million).

As at 31 March 2019 and 31 March 2018, 100% of the plan assets were invested in insurer managed funds.

Sensitivity analysis

(INR in million)

Particulars	**31 March 2019**		**31 March 2019**	
Assumptions	**Discount rate**		**Future salary increase**	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(5.67)	6.00	6.04	(5.75)

(INR in million)

Particulars	**31 March 2018**		**31 March 2018**	
Assumptions	**Discount rate**		**Future salary increase**	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(5.26)	5.57	5.61	(5.35)

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

ii. Provident Fund:

The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. The total liability of INR Nil (31 March 2018: INR Nil) as worked out by the actuary has been allocated to each entity based on the corpus value of each entity as at 31 March 2019. Accordingly, liability of INR Nil (31 March 2018: INR Nil) has been allocated to Company and INR Nil (31 March 2018: INR Nil) has been charged to Statement of Profit and Loss during the year.

Actuarial assumption made to determine interest rate guarantee on exempt provident fund liabilities are as follows:

	As at 31 March 2019	**As at 31 March 2018**
Discount Rate	7.65%	7.70%
Guaranteed rate of return	8.55%	8.55%

The Company has contributed INR 56.68 million to Provident Fund (Previous year: INR 52.25 million) for the year.

(C) Other long term benefits (Compensated absences)

(INR in million)

	As at 31 March 2019	**As at 31 March 2018**
Present value of obligation at the end of the year	126.31	124.12

25. Fair value measurements

(INR in million)

	Note	Level of hierarchy	31 March 2019 FVPL	FVOCI	Amortised cost	31 March 2018 FVPL	FVOCI	Amortised cost
Financial assets								
Trade receivables	(a)		-	-	2,525.81	-	-	1,903.41
Loans	(b)	3	-	-	3,295.05	-	-	3,290.08
Cash and cash equivalents	(a)		-	-	30.17	-	-	67.30
Other bank balances	(a)		-	-	3.60	-	-	3.60
Other financial assets	(a)		-	-	271.99	-	-	96.89
Total financial assets			**-**	**-**	**6,126.62**	**-**	**-**	**5,361.28**
Financial liabilities								
Borrowings	(b)	3	-	-	621.36	-	-	875.99
Trade payables	(a)		-	-	1,894.04	-	-	1,725.25
Other financial liabilities	(a)		-	-	844.48	-	-	559.66
Total financial liabilities			**-**	**-**	**3,359.88**	**-**	**-**	**3,160.90**

Note:

(a) 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.

(b) Fair value of borrowings and loans is as below

(INR in million)

	Level	Fair Value 31 March 2019	31 March 2018
Loans	3	3,302.76	3,200.05
Borrowings	3	621.36	875.99

There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2019 and 31 March 2018.

26. Financial risk management

A. Financial risk management

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

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 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 Audit committee of the Board with top management oversees the formulation and implementation of the Risk management policies. The risks are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

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

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i. 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, loans and investments. The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are an institutional dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than six month (net of expected credit loss allowance) is INR 38.52 million (Previous year INR 53.77 million)

Movement in the expected credit loss allowance of trade receivables are as follows:

(INR in million)

	31 March 2019	31 March 2018
Balance at the beginning of the year	9.64	5.43
Add: Provided during the year (net of reversal)	0.15	4.59
Less: Amount written off *	-	(0.38)
Balance at the end of the year	9.79	9.64

* Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company.

Expected credit loss with respect to other financial assets:
With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit 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 and accordingly no provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables 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 the treasury department. 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.

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(INR in million)

31 March 2019	Carrying Amount	Contractual Cash flows		
		Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	621.36	621.36	615.14	6.22
Trade payables	1,894.04	1,894.04	1,894.04	-
Other financial liabilities	844.48	844.48	844.48	-
	3,359.88	**3,359.88**	**3,353.66**	**6.22**

(INR in million)

31 March 2018	Carrying Amount	Contractual Cash flows		
		Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	875.99	875.99	867.12	8.87
Trade payables	1,725.25	1,725.25	1,725.25	-
Other financial liabilities	559.66	559.66	559.66	-
	3,160.90	**3,160.90**	**3,152.03**	**8.87**

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The currencies in which the company is exposed to risk are USD, Euro, CAD and Other.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contract and interest rate swaps.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	As at 31 March 2019				As at 31 March 2018			
	USD	**Euro**	**CAD**	**Other**	**USD**	**Euro**	**CAD**	**Other**
Trade and other receivables	1,990.09	250.22	37.15	46.61	1,333.18	201.62	41.68	61.92
Cash and cash equivalents	13.80	-	-	-	52.39	-	-	-
Trade payables	(1,220.86)	(99.08)	(50.28)	(16.75)	(1,194.32)	(63.55)	(48.46)	(0.03)
Net statement of financial position exposure	**783.03**	**151.14**	**(13.13)**	**29.86**	**191.25**	**138.07**	**(6.78)**	**61.89**

Sensitivity analysis

A reasonably possible strengthening/weakening of the USD, Euro, CAD and others against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

(INR in million)

	Profit or loss (before tax)	
	Strengthening	**Weakening**
31 March 2019		
USD (1% movement)	7.83	(7.83)
Euro (1% movement)	1.51	(1.51)
CAD (1% movement)	(0.13)	0.13
Other (1% movement)	0.30	(0.30)
31 March 2018		
USD (1% movement)	1.91	(1.91)
Euro (1% movement)	1.38	(1.38)
CAD (1% movement)	(0.07)	0.07
Other (1% movement)	0.62	(0.62)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest‑bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings (net of loans given at fixed rate of interest):

INR in Million

	As at 31 March 2019	As at 31 March 2018
Fixed rate borrowings	10.34	82.87
Floating rate borrowings	611.02	793.12
Total borrowings	**621.36**	**875.99**
Less: Fixed rate loan given to ultimate holding company	3,250.00	3,250.00
Net borrowings	**(2,628.64)**	**(2,374.01)**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2019 would decrease / increase by INR 1.53 million (Previous year decrease / increase by INR 1.98 millions). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

27. Segment reporting

Board of Directors of the Company has been identified as the Chief Operating Decision maker (CODM) as defined by Ind AS 108, "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the company has determined pharmaceutical as the only reportable segment.

Information about Geographical segments:

INR in million

	As at 31 March 2019	As at 31 March 2018
Non-current assets (by geographical location of assets)*		
Within India	16,996.10	16,205.63
Outside India	-	-
	16,996.10	**16,205.63**

*Non-current assets are excluding financial instruments and deferred tax assets.

Major customers comprising more than 10% of total revenue

INR in million

	For the year ended 31 March 2019	For the year ended 31 March 2018
Jubilant Cadista Pharmaceuticals Inc.	2,481.02	1,947.69
Jubilant Pharma Trading Inc.	740.11	988.32

28. Capital management

(a) Risk management

The Company's objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) divided by 'Total equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

INR in million

	As at 31 March 2019	As at 31 March 2018
Net debt	587.59	805.09
Total equity	24,069.39	22,631.29
Net debt to equity ratio	**0.02**	**0.04**

29. Related Party Disclosures

i) Related parties of the Company

Ultimate Holding Company
Jubilant Life Sciences Limited

Holding Company
Jubilant Pharma Limited

Fellow Subsidiaries
Jubilant HollisterStier LLC
Jubilant Biosys Limited
Jubilant Cadista Pharmaceuticals Inc.
Jubilant Chemsys Limited
Jubilant DraxImage Inc.
Jubilant Pharma Holdings Inc.
Jubilant Pharma Trading Inc. (merged with Jubilant Pharma Holdings Inc.(with effect from 14th December 2018))
Jubilant Life Sciences (USA) Inc.
Jubilant Clinsys Inc.

Jubilant Infrastructure Limited
Jubilant Pharma Australia Pty Limited
Jubilant Draximage Radiopharmacies Inc.
Jubilant Draximage Limited
Jubilant Infrastructure Limited

Subsidiary
Jubilant Pharma NV

Step-down Subsidiaries
Jubilant Pharmaceuticals NV
PSI Supply NV

Other Entities
Jubilant HollisterStier General Partnership
Jubilant Agri and Consumer Products Limited
Vam Employees Provident Fund Trust
Jubilant Enpro Private Limited
Jubilant Bhartia Foundation

Key Management Personnel
Mr. Amit Chaurasia (Company Secretary)

Directors
Mr. Sankaraiah Rajagopal
Mr. Gurpartap Singh Sachdeva (Ceased with effect from 31 March 2018)
Mr. Shyam Nath Singh (Ceased with effect from 8th May 2018)
Ms. Sudha Pillai
Mr. Pramod Yadav (Joined on 11th April 2018)
Mr. Sanjay Bhartia (Joined on 8th May 2018)
Mr. Ram Prasad Kamineni (Joined on 8th May 2018 and ceased with effect from 25th March 2019)

INR in million

Sr.No	Particulars	For the year ended	
	Description of Transactions:	**31 March 2019**	**31 March 2018**
1	**Sales of goods and services:**		
	Jubilant Cadista Pharmaceuticals Inc.	2,481.02	1,947.69
	Jubilant Pharma Holdings Inc.	333.70	-
	Jubilant Pharma Trading Inc.	740.11	988.32
	PSI Supply NV	421.97	315.70
	Jubilant Life Sciences Limited	-	2.14
		3,976.80	**3,253.85**
2	**Rental and other expenses:**		
	Jubilant Life Sciences Limited	58.38	56.46
	Jubilant Enpro Private Limited	7.84	5.99
		66.22	**62.45**
3	**Purchase of goods and services:**		
	Jubilant Life Sciences Limited	73.46	79.53
	Jubilant HollisterStier LLC	-	15.04
	Jubilant Pharma Australia Pty Limited	2.39	-
	Jubilant Clinsys Inc.	36.70	19.55
	Jubilant Biosys Limited	4.20	1.14
	Jubilant Cadista Pharmaceuticals Inc.	1.46	-
	Jubilant Pharmaceuticals NV	-	0.17
		118.21	**115.43**
4	**Interest expense**		
	Jubilant Life Sciences Limited	0.37	4.52
		0.37	**4.52**
5	**Interest income**		
	Jubilant Life Sciences Limited	276.27	276.28
		276.27	**276.28**
6	**Sale of Merchandise Exports from India Scheme scrip:**		
	Jubilant Life Sciences Limited	32.43	147.78
		32.43	**147.78**
7	**Inter-corporate deposit to ultimate holding company**		
	Jubilant Life Sciences Limited	67.00	55.00
		67.00	**55.00**
8	**Inter-corporate deposit repaid by ultimate holding company**		
	Jubilant Life Sciences Limited	67.00	55.00
		67.00	**55.00**
9	**Inter-corporate deposit from ultimate holding company**		
	Jubilant Life Sciences Limited	420.00	1,830.50
		420.00	**1,830.50**
10	**Inter-corporate deposit repaid to ultimate holding company**		
	Jubilant Life Sciences Limited	490.00	1,760.50
		490.00	**1,760.50**

INR in million

Sr.No	Particulars	For the year ended	
	Description of Transactions:	**31 March 2019**	**31 March 2018**
11	**Recovery of expenses:**		
	Jubilant HollisterStier General Partnership	31.90	12.03
	Jubilant HollisterStier LLC	50.21	25.17
	Jubilant Life Sciences Limited	5.58	5.16
	Jubilant Cadista Pharmaceuticals Inc.	22.13	8.14
	Jubilant Chemsys Limited	15.77	16.04
	Jubilant DraxImage Inc.	13.80	6.47
	Jubilant Pharma Holdings Inc.	42.46	1.13
	Jubilant Draximage Radiopharmacies Inc.	9.35	-
	Jubilant Pharma Limited	3.00	1.87
	PSI Supply NV	0.39	-
	Jubilant Agri and Consumer Products Limited	4.93	4.56
		199.52	**80.57**
12	**Sale of property plant and equipment:**		
	Jubilant Cadista Pharmaceuticals Inc.	1.50	-
		1.50	**-**
13	**Purchase of property plant and equipment:**		
	Jubilant Draximage Limited	0.06	-
	Jubilant Agri and Consumer Products Limited	0.34	
		0.40	**-**
14	**Other Income/Sale of Scrap:**		
	Jubilant Chemsys Limited	0.37	-
	Jubilant DraxImage Inc.	42.06	-
		42.43	**-**
15	**Reimbursement of expenses:**		
	Jubilant HollisterStier General Partnership	7.70	40.86
	Jubilant HollisterStier LLC	0.76	0.18
	Jubilant Cadista Pharmaceuticals Inc.	310.14	111.13
	Jubilant DraxImage Inc.	1.31	1.17
	Jubilant Chemsys Limited	0.51	0.48
	Jubilant Life Sciences Limited	143.23	172.79
	Jubilant Pharmaceuticals NV	74.14	47.76
	PSI Supply NV	3.08	-
	Jubilant Pharma Limited	81.41	62.67
	Jubilant Pharma Holdings Inc.	241.66	182.00
	Jubilant Pharma Australia Pty Limited	14.65	-
	Jubilant Infrastructure Limited	0.14	-
		878.73	**619.04**
16	**Donations:**		
	Jubilant Bhartia Foundation	19.11	10.48
		19.11	**10.48**
17	**Remuneration and Related Expenses:**		
	Mr. Amit Chaurasia	3.57	3.20
		3.57	**3.20**
18	**Sitting fees:**		
	Mr. Shyam Nath Singh	0.05	0.22
	Ms. Sudha Pillai	0.41	0.41
		0.46	**0.63**
19	**Company's Contribution to PF Trust :**		
	Vam Employee Provident Fund Trust	56.68	52.25
		56.68	**52.25**

INR in million

Sr.No	Particulars	As at	
		31 March 2019	**31 March 2018**
1	**Amount Outstandings:**		
	Trade payables:		
	Jubilant Clinsys Inc.	2.55	19.55
	Jubilant DraxImage Inc.	6.45	0.67
	Jubilant HollisterStier General Partnership	43.95	46.59
	Jubilant HollisterStier LLC	38.09	35.19
	Jubilant Life Sciences Limited	1.69	23.53
	Jubilant Pharma Holdings Inc.	88.27	51.98
	Jubilant Biosys Limited	2.98	1.75
	Jubilant Pharmaceuticals NV	62.78	42.97
	Jubilant Pharma Australia Pty Limited	16.68	-
	PSI Supply NV	21.30	18.95
		284.74	**241.18**
2	**Other payables:**		
	Jubilant Cadista Pharmaceuticals Inc.	531.20	242.11
	Jubilant Pharma Trading Inc.	-	36.49
	Jubilant Life Sciences (USA) Inc.	74.51	70.21
		605.71	**348.81**
3	**Advance from customers**		
	Jubilant Cadista Pharmaceuticals Inc.	741.52	264.98
	Jubilant Pharma Holdings Inc.	-	-
		741.52	**264.98**
4	**Employee benefits payable**		
	Vam Employees Provident Fund Trust	13.81	12.72
		13.81	**12.72**
5	**Interest receivable:**		
	Jubilant Life Sciences Limited	21.12	21.12
		21.12	**21.12**
6	**Receivable against inter corporate deposit**		
	Jubilant Life Sciences Limited	3,250.00	3,250.00
		3,250.00	**3,250.00**
7	**Payable against inter corporate deposit**		
	Jubilant Life Sciences Limited	-	70.00
		-	**70.00**
8	**Trade receivables:**		
	Jubilant Cadista Pharmaceuticals Inc.	-	26.19
	Jubilant Pharma Trading Inc.	-	163.00
	Jubilant Pharma Holdings Inc.	149.04	-
	Jubilant Pharmaceuticals NV	19.81	20.60
	PSI Supply NV	224.41	203.62
		393.26	**413.41**
9	**Other receivables:**		
	Jubilant Cadista Pharmaceuticals Inc.	19.09	3.64
	Jubilant Chemsys Limited	1.29	1.32
	Jubilant DraxImage Inc.	55.60	4.52
	Jubilant Draximage Radiopharmacies Inc.	9.35	-
	Jubilant HollisterStier LLC	94.89	42.72
	Jubilant HollisterStier General Partnership	11.07	
	Jubilant Pharma Holdings Inc.	41.87	2.27
	Jubilant Life Sciences Limited	10.52	18.45
	Jubilant Agri and Consumer Products Limited	0.34	1.05
	Jubilant Enpro Private Limited	0.31	0.31
		244.33	**74.28**

30. Contingent liabilities to the extent not provided for:

Claims against the Company, disputed by the Company, not acknowledged as debt:

(INR in million)

	As at 31 March 2019	As at 31 March 2018
Service Tax	295.49	317.55
Central Excise	6.80	18.50
Customs	0.08	0.08
Goods and Service Tax	1.80	-
Others	8.07	0.20

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

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

During the current year, the Company received warning letter from U.S. Food and Drug Administration (“USFDA”) for its solid dosage formulations manufacturing facility located at Roorkee, India. As a result of this, USFDA may withhold approval of any new applications or supplements till the Company resolves the issues raised by the agency, however, the Company continues to manufacture and distribute existing products from its Roorkee facility. The Company has submitted comprehensive responses to the USFDA and has engaged with third party consultants to help in the remediation activities. The Company is taking all necessary steps to ensure further stringent controls at all its facilities.

The above does not include all other obligations resulting from claims, legal pronouncements having financial impact in respect of which the Company generally performs the assessment based on the external legal opinion and the amount of which can not be reliably estimated.

31. Commitments as at year end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is INR 379.21 million (Previous year: INR 567.67 million).

b) Leases:

i) The Company’s significant operating lease arrangements are in respect of premises (offices, godowns etc.). These leasing arrangements, which are cancellable, range between 11 months and 3 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental expense recognised under such leases are INR 38.95 million (Previous year INR 40.03 million).

ii) The Company has operating lease arrangements in respect of vehicles which are cancellable, range between 2 years and 5 years. The aggregate lease rentals payable are charged as expenses. Rental expenses recognized under such leases amounting to INR 1.86 million (31 March 2018: INR 3.01 million) has been included under vehicle running and maintenance expense in note 21.

iii) Assets acquired under finance lease:

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

(INR in million)

Particulars	Minimum lease payments		Present value of minimum lease payments		Future interest	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Not later than one year	5.44	5.66	4.12	4.00	1.32	1.66
Later than one year but not later than five years	7.27	10.66	6.23	8.87	1.04	1.79
Later than five years	-	-	-	-	-	-

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

c) Other Commitments:

Export obligation undertaken by the Company under EPCG scheme to be completed over a period of six years on account of import of Capital Goods at concessional import duty and remaining outstanding is INR 313.39 million (Previous year INR 127.31 million). Similarly, export obligation under Advance License Scheme/DFIA scheme on duty free import of specific raw materials, remaining outstanding is INR 638.39 million (Previous year INR 189.29 million).

32. Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans to ultimate holding companies [Refer note 29]:

INR in million

	Purpose of term loan	31 March 2019	31 March 2018
Outstanding as at the beginning of the year	General business purpose and interest rate between 7.00% to 8.50% p.a.	3,250.00	3,250.00
Given during the year		67.00	55.00
Repaid during the year		67.00	55.00
Outstanding as at the end of the year		3,250.00	3,250.00

33. Corporate Social Responsibility (CSR) Expense

(INR in million)

Particulars	31 March 2019	31 March 2018
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	19.11	10.48
Details of CSR spent during the financial year		
a) Construction / acquisition of any asset	-	-
b) On purposes other than (a) above (1)	19.11	10.48

(1) Included in Donation – Refer note 21

34. Government grant recoverable INR 116.20 million (Previous year INR 121.46 million) and Government grant recognized INR 305.98 million (Previous year INR 257.44 million) in Statement of Profit and Loss.

35. 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 in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

INR in million

Particulars	As at 31 March 2019	As at 31 March 2018
The principal amount remaining unpaid to any supplier as at the end of the year	34.47	14.42
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

36. Earnings per share

		For the year ended 31 March 2019	For the year ended 31 March 2018
Profit for basic and diluted earnings per share of INR 10 each	INR in million	1,434.21	345.61
No. of shares for basic and diluted earnings per share	**Nos**	**2,579,665**	**2,579,665**
Basic and Diluted	INR	555.97	133.98

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

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
Jubilant Generics Limited

Pravin Tulsyan
Partner
Membership No.: 108044

Sankaraiah Rajagopal
Director
DIN: 00025022

Pramod Yadav
Director
DIN: 05264757

Place: Noida
Date: 14 May 2019

Amit Chaurasia
Company Secretary