Consolidated Statement of Changes in Equity for the period ended 30th Sept 2019:

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

a. Equity share capital

	As at 30th September 2019		As at 31st March 2019	
	Number of Shares	Amount	Number of Shares	Amount
A. Equity share capital				
Opening Balance	-	-	1,00,000	1.00
Less: Cancellation of shares under Scheme of Arrangement (Refer Note 35)	-	-	-1,00,000	-1.00
	-	-	-	-
B. Equity Share Suspense*				
Equity shares of ₹ 1/- each	12,72,82,478	12,72.82	12,72,82,478	12,72.82
	12,72,82,478	**12,72.82**	**12,72,82,478**	**12,72.82**

*Represents equity shares subsequently alloted on 27th Januray 2020.

b. Other Equity

Particulars	Note	Reserves & surplus				
		Securities Premium	General Reserve	Retained Earnings	Exchange differences on translating the financial statement of foreign operations	Total Equity
Balance at 6th November, 2018						
Acquired in pursuant to demerger		12,230.21	5,527.91	30,016.09	-	47,774.21
Adjustment due to demerger		-	(601.24)	-	-	(601.24)
Deferred tax impact of demerger		-	-	1,956.51	-	1,956.51
Profit for the year	9(b)	-	-	10,927.43	-	10,927.43
Cancellation of shares under scheme of demerger (refer note 35)		-	1.00	-	-	1.00
Other comprehensive income	9(b)	-	-	-	-	-
Income tax relating to items of other comprehensive income		-	-	-	-	-
Transfer to General Reserve	9(b)	-	-	(1,500.00)	-	(1,500.00)
Transfer from Retained Earnings	9(b)	-	1,500.00	-	-	1,500.00
Total comprehensive income for the year		-	1,501.00	11,383.94	-	12,283.70
		-	-	-	-	-
Dividend paid	9(b)	-	-	(1,909.24)	-	(1,909.24)
Tax on distributed profit		-	-	(392.45)	-	(392.45)
Balance at March 31, 2019		12,230.21	6,427.67	39,098.35	-	57,756.22
		-	-	-	-	-
Balance at April 1, 2019		12,230.21	6,427.67	39,098.35	-	57,756.22
Profit for the year	9(b)	-	-	16,402.10	-	16,402.10
Other comprehensive income	9(b)	-	-	(8.46)	-	(8.46)
Income tax relating to items of other comprehensive income		-	-	2.96	-	2.96
Transfer to General Reserve		-	-	-	-	-
Transfer from Retained Earnings		-	-	-	-	-
Total comprehensive income for the year		-	-	16,396.59	-	16,396.59
Foreign exchange translation reserve	9(b)	-	-	-	272.35	272.35
Dividend paid		-	-	-	-	-
Tax on distributed profit		-	-	-	-	-
Balance at Sept 30, 2019		12,230.21	6,427.67	55,494.94	272.35	74,425.17

This is the Statement of Changes in Equity referred to in our report of even date

for KARVY & CO.	**For and on behalf of the Board of Directors of**
Chartered Accountants	**Suven Pharmaceuticals Limited**
(Firm Reg. No.001757S)	

Sd/-
Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place: Hyderabad
Date: 27th January 2020

Sd/-
Venkateswarlu Jasti
Chairman & Managing Director
DIN: 00278028

Sd/-
K. Hanumantha Rao
Company Secretary
Membership No. A11599

Sd/-
P. Subba Rao
Chief Financial Officer
Membership No. A11342

Consolidated Statement of Cash Flows for the period ended 30th Sept, 2019:

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars		For the period ended 30th Sept 2019	For the year ended 31st March 2019
A. Cash flow from operating activities			
Profit before tax		21,655.86	15,786.71
Adjustments:		-	-
Depreciation and amortisation expense		1,120.73	1,149.68
Interest Income		(19.20)	(19.76)
Finance Cost		824.30	278.92
Gain on sale of Current Investment		(151.21)	(16.33)
Loss/(Profit) on disposal of Property, plant & equipment		(8.00)	-
Operating profit before working capital changes		23,422.48	17,179.22
Adjustments for (Increase)/decrease in operating assets		-	-
Trade Receivables		(1,384.68)	(8,489.11)
Inventories		478.47	(1,708.92)
Other non current financial assets		(10.19)	171.58
Other non current assets		(883.68)	2,703.51
Other current financial assets		(4.04)	4.01
Other current assets		(831.57)	(370.65)
Adjustments for Increase/(decrease) in operating liabilities		-	-
Trade Payables		(709.47)	985.36
Long term provisions		-	288.58
Short term provision		95.54	(273.18)
Other financial liabilities		325.74	(1,751.42)
Other current liabilities		(184.62)	(392.42)
Cash generated from operating activities		20,313.98	8,346.58
Income taxes paid (net of refunds)		950.40	3,306.11
Net Cash flows from operating activities	(A)	19,363.59	5,040.47
		-	-
B. Cash flow from Investing activities			
Payments for Purchase of property, plant and equipment		(2,974.49)	(5,659.03)
Proceeds from sale of Property, plant & equipment		21.43	(19.56)
Changes in Investments		(24,675.00)	-
Sale/(purchase) of mutual funds		(8,583.51)	(689.77)
Bank balances not considered as cash and cash equivalents		(2.40)	(199.36)
Interest received		19.20	19.76
Foreign currency translation reserve		272.35	-
Net cash flow from/(used in) investing activities	(B)	(35,922.42)	(6,547.96)
		-	-
C. Cash flows from financing activities		-	-
(Repayment)/Proceeds from long term borrowings		-	5,203.03
(Repayment)/Proceeds from short term borrowings		21,842.28	(24.64)
Finance Cost		(824.30)	(278.92)
Dividends paid to equity holders (including dividend distribution tax)		-	(2,301.69)
		-	-
Net cash flow from/(used In) financing activities	(C)	21,017.98	2,597.78
		-	-
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	4,459.14	1,090.30
Cash and cash equivalents as at the beginning of the period (Refer Note 5(e) (i))		1,090.30	-
Cash and cash equivalents at the end of the period		5,549.44	1,090.30
		-	-
Cash and cash equivalents (Refer Note 5(e)(i))		5,549.44	1,090.30
Balances per statement of cash flows		5,549.44	1,090.30

This is the Cash Flow Statement referred to in our report of even date

Note: 1. The above cash flow statement has been prepared under the indirect method has setout in the Ind AS 7 (statement of cashflow)

2. For components of cash and cash equivalents refer note 5(e)(i)

As per our report of even date

for KARVY & CO.	**For and on behalf of the Board of Directors of**
Chartered Accountants	**Suven Pharmaceuticals Limited**
(Firm Reg. No.001757S)	

Sd/-
Ajay Kumar Kosaraju
Partner
Membership No. 021989

Place: Hyderabad
Date: 27th January 2020

Sd/-
Venkateswarlu Jasti
Chairman & Managing Director
DIN: 00278028

Sd/-
K. Hanumantha Rao
Company Secretary
Membership No. A11599

Sd/-
P. Subba Rao
Chief Financial Officer
Membership No. A11342

Notes to Consolidated Financial Statements for the six-month period ended 30 September 2019

Note 1. Company Overview

Suven Pharmaceuticals Limited (SPL) is a bio-pharmaceutical company, incorporated on 6th November, 2018 with the object of being engaged in the business of development and manufacturing of New Chemical Entity (NCE) based Intermediates, Active Pharmaceutical Ingredients (API), Speciality Chemicals and formulated drugs under contract research and manufacturing services for global pharmaceutical, biotechnology and chemical companies. Suven Pharma Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of SPL, is a SPV (Special Purpose Vehicle) created on 9th March 2019, for undertaking various business opportunities in Pharma Industry.

Note 2. Significant accounting policies

a) Basis of preparation

i) Compliance with IND AS

These special purpose interim consolidated financial statements of the Company for the half year ended 30th September 2019 have been prepared in accordance with Ind AS 34 "Interim Financial Reporting" specified under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2013, as amended for the limited purpose of inclusion in the Information Memorandum to be filed with Stock Exchanges. Accordingly, the comparative number for interim consolidated statement of profit and loss, interim consolidated statement of changes in equity and interim consolidated cash flow statement has been given for the period 6th November 2018 to 31 March 2019, instead of April to September 2018.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets are measured either at fair value or at amortised cost depending on the classification
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and
- Share-based payments which are measured at fair value of the options

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

All other assets are classified 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.

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.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as the Chief Operating Decision Maker. Refer note 28 for the segment information presented.

d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(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 year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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 and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

e) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

f) Revenue recognition

The Company earns revenue primarily from sale of New Chemical Entity (NCE) based Intermediates, Active Pharmaceutical Ingredients (API) Speciality chemicals and formulated drugs under contract research and manufacturing services.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

1) identify the contract with a customer,

2) identify the performance obligations in the contract,

3) determine the transaction price,

4) allocate the transaction price to the performance obligations in the contract, and

5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price, the Company uses third-party prices for similar deliverables or the company uses expected cost plus margin approach in estimating the stand-alone selling price.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

The Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue. The Company has adopted Ind AS 115 using the cummulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under Ind AS 18.

g) 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 profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other 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 profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

The benefit of Government loan at a below market rate of interest is treated as Government grant , measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

h) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

i) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

l) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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.

m) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

n) Provisions, Contingent liabilities, Contingent assets and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

o) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Royalty

Royalty income is recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the royalty will flow to the company, and the amount of the royalty can be measured reliably.

(Contd.)

p) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

q) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

r) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

s) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised.

Estimated useful life :

- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- Furniture ,fittings and equipment	3 - 10 years
- Vehicles	8 - 10 years

t) Intangible assets

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use

- management intends to complete the software and use or sell it

- there is an ability to use or sell the software

- it can be demonstrated how the software will generate probable future economic benefits

- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and

- the expenditure attributable to the software during its development can be reliably measured

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

(ii) Amortization methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives (3-10 years in case of computer softwares) on a straight line basis.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

Estimated useful life:

Software 3 - 10 years

u) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

v) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

w) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

x) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings 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 recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

y) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment 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.

Investments in units of mutual funds

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds

z) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

aa) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ab) Earning 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.

ac) Cash flow statement

Cash flows are reported using the direct method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows . The cash flows from operating , financing activities of the company are segregated.

ad) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

ae) Critical estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of Depreciable assets/intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairment of assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Note 2.1 Recent accounting pronouncements

Effective date for application of the following amendments is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of these amendments on the financial statements.

Ind AS 116 - Leases:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition -

i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Ind AS 12 - Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Ind AS 109- Prepayment features with Negative compensation:

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

Ind AS 19 - Plan amendment, curtailment or settlement:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling

Ind AS 23 - Borrowing Costs:

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

Ind AS 28 - Long-term Interests in Associates and Joint Ventures:

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

Ind AS 103 - Business Combinations and Ind AS 111 - Joint Arrangements:

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

The Demerger will be accounted in accordance with Indian Accounting Standard(IND AS 103) - Business Combination as notified under Section 133 of the Act read together with paragraph 3 of the Companies (Indian Accounting Standard) Rules 2015.

The Resulting Company, as on the Appointed Date, shall record the assets and liabilities pertaining to the Demerged Undertaking, transferred to and vested in it pursuant to the Scheme of Arrangement at their respective book values, excluding revaluation, if any, as appearing in the books of the Demerged Company.

The Securities Premium Account, General Reserve and Retained earnings of the Demerged Company, as on the Appointed Date, shall be apportioned between the Resulting Company and the Demerged Company on the basis of net assets transferred to the Resulting Company and net assets retained by the Demerged Company.

Note 3: Property, plant and equipment *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	Land - Free Hold*	Buildings - Office at Factory	Buildings - Factory (including roads)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Laboratory Equipments	ETP Works	EDP Equipments	Total	Capital work-in-progress
Gross carrying amount												
At 6th November, 2018	-	-	-	-	-	-	-	-	-	-	-	-
Acquired in pursuant to the scheme of arrange-ment (refer note 35)	1,522.11	31.20	9,806.97	18,132.50	428.06	157.86	170.40	2,691.29	782.94	263.34	33,986.67	2,474.29
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-
Additions	14.32	-	-	306.08	6.38	-	3.29	75.81	7.00	8.96	421.84	8,632.58
Disposals	-	-	-	0.45	-	-	-	-	-	-	0.45	-
Balance as at 31st March, 2019	**1,536.43**	**31.20**	**9,806.97**	**18,438.13**	**434.44**	**157.86**	**173.69**	**2,767.10**	**789.94**	**272.30**	**34,408.06**	**11,106.87**
Accumul-ated depre-ciation												
At 6th November, 2018	-	-	-	-	-	-	-	-	-	-	-	-
Acquired in pursuant to the scheme of arrange-ment (refer note 35)	-	2.63	1,329.69	3,450.85	175.24	61.39	90.12	986.08	200.93	157.18	6,454.10	-
Charge for the period	-	0.37	210.68	667.03	26.42	11.88	16.36	139.16	30.28	31.01	1,133.19	-
Disposals	-	-	-	0.45	-	-	-	-	-	-	0.45	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	-	**3.00**	**1,540.38**	**4,117.43**	**201.66**	**73.27**	**106.47**	**1,125.24**	**231.20**	**188.19**	**7,586.85**	-
Net Book Value as at March 31, 2019	**1,536.43**	**28.20**	**8,266.59**	**14,320.69**	**232.78**	**84.58**	**67.22**	**1,641.87**	**558.74**	**84.11**	**26,821.21**	**11,106.87**
Gross carrying amount												
At 1st April, 2019	1,536.43	31.20	9,806.97	18,438.13	434.44	157.86	173.69	2,767.10	789.94	272.30	34,408.06	11,106.87
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	250.13	-	-	1.68	9.39	2.45	24.74	288.39	2,684.46
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	5.70	-	35.92	-	-	-	-	41.62	-
Balance as at 30th Sept, 2019	**1,536.43**	**31.20**	**9,806.97**	**18,682.56**	**434.44**	**121.93**	**175.37**	**2,776.50**	**792.39**	**297.04**	**34,654.82**	**13,791.33**
Accumul-ated depre-ciation and impairment												
Upto 1st April, 2019	-	3.00	1,540.38	4,117.43	201.66	73.27	106.47	1,125.24	231.20	188.19	7,586.85	-
Charge for the period	-	0.37	211.00	640.44	26.40	8.59	16.62	138.00	30.45	31.80	1,103.68	-
Disposals	-	-	-	2.70	-	25.50	-	-	-	-	28.19	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30th Sept, 2019	-	**3.37**	**1,751.38**	**4,755.18**	**228.06**	**56.37**	**123.09**	**1,263.23**	**261.66**	**219.99**	**8,662.33**	-
Net Book Value as at 30th Sept, 2019	**1,536.43**	**27.82**	**8,055.59**	**13,927.38**	**206.38**	**65.56**	**52.28**	**1,513.26**	**530.73**	**77.05**	**25,992.49**	**13,791.33**

Notes:

Refer Note 12 for information on property, plant and equipment pledged as security by the Company

Refer Note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

** Title deeds for the freehold land of ₹153,642,712/- are in the name of Suven Life Sciences Limited (The Demerged Company). The same have been accquired by the Company pursuant to the Scheme of Demerger (refer note 35) and the same is pending as at Sept 30, 2019 for mutation in the name of the Company.*

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Note 4: Intangible assets

	Software	Total
Gross carrying amount		
At 6th November, 2018		
Acquired in pursuant to the scheme of arrangement (refer note 35)	313.28	313.28
Additions	19.56	19.56
Disposals	-	-
Balance as at 31st March, 2019	**332.84**	**332.84**
Accumulated amortisation	-	-
At 6th November, 2018	-	-
Acquired in pursuant to the scheme of arrangement (refer note 35)	47.86	47.86
Charge for the period	16.47	16.47

(Contd.)

Balance as at 31st March,2019	**64.33**	**64.33**
Net Book Value as at March 31, 2019	268.50	268.50
Gross carrying amount	-	-
At 1st April, 2019	332.84	332.84
Additions	-	-
Balance as at 30th Sept, 2019	**332.84**	**332.84**
Accumulated amortisation and impairment	-	-
Upto 1st April, 2019	64.33	64.33
Charge for the period	17.05	17.05
Balance as at 30th Sept, 2019	**81.38**	**81.38**
Net Book Value as at 30th Sept, 2019	**251.45**	**251.45**

Note 5: Financial assets

5(a)(i) Non- current investments *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019		As at 31 March 2019	
	Shares	Amount	Shares	Amount
Investment carried at cost				
Unquoted Equity Instruments - (Fully paid up)				
a) In Associate Companies				
- Rising Pharma Holding Inc.	-	24,675.00	-	-
b) Other Investments		-		-
Jeedimetla Effluent Treatment Ltd	1,000	6.00	1,000	6.00
Patancheru Envirotech Pvt Ltd	10,487	1.05	10,487	1.05
Total Investments carried at cost	**11,487**	**24,682.05**	**11,487**	**7.05**
Total Non-Current investments	**11,487**	**24,682.05**	**11,487**	**7.05**
Aggregate amount of quoted investments & market value thereof	-	-	-	-
Aggregate value of unquoted investments	-	24,682.05	-	7.05
Aggregate amount of impairement in value of Investment in unquoted equity investments	-	-	-	-

5(a)(ii) Current investments

Particulars	As at 30 Sept 2019		As at 31 March 2019	
	Units	Amount	Units	Amount
Investment in Mutual Funds- Unquoted (Fully paid up)				
HDFC Short Term Debt Fund - Growth	85,81,102	1,853.26	-	-
Reliance Prime Debt Fund - Growth	21,818	1,023.93	-	-
IDFC Low Duration Fund - Growth	66,98,151	1,848.05	-	-
SBI Liquid Fund - Growth	1,28,719	3,875.53	24,212	706.10
TATA Liquid Fund - Growth	27,598	840.05	-	-
Total Current Investments	**1,54,57,388**	**9,440.82**	**24,212**	**706.10**
Aggregate amount of quoted investments & market value thereof	-	-	-	-
Aggregate value of unquoted investments	-	9,440.82	-	706.10
Aggregate amount of impairment in value of Investment in unquoted investments	-	-	-	-

5(b) Loans

Particulars	As at 30 Sept 2019		As at 31 March 2019	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	16.46	7.34	10.77	7.22
Total loans	**16.46**	**7.34**	**10.77**	**7.22**

5(c) Other financial assets

Particulars	As at 30 Sept 2019		As at 31 March 2019	
	Current	Non Current	Current	Non Current
Unsecured, considered good				
Security Deposits	0.28	434.54	0.28	415.19
Interest accrued on deposit	-	12.94	-	22.23
Total Other financial assets	**0.28**	**447.48**	**0.28**	**437.42**

5(d) Trade receivables

Particulars	As at 30 Sept 2019	As at 31 March 2019
Unsecured, considered good	16,134.85	14,750.17
Total receivables	**16,134.85**	**14,750.17**

5(e) (i) Cash and cash equivalents

Particulars	As at 30 Sept 2019	As at 31 March 2019
Balances with banks		
- in current accounts	69.91	57.75
- in EEFC account	4,003.73	657.77
- in Cash Credit account	1,466.94	367.38
Cash on hand	8.86	7.39
Total cash and cash equivalents	**5,549.44**	**1,090.30**

5(e) (ii) Other bank balances

Particulars	As at 30 Sept 2019	As at 31 March 2019
In unclaimed dividend accounts	7.79	11.65
Deposits - LC & BG	187.67	187.65
Interest accrued on LC & BG	6.30	0.06
Total Other bank balances	**201.76**	**199.36**

Note 6: Other non-current assets *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019	As at 31 March 2019
Capital advances	1,563.62	679.93
Total other non-current assets	**1,563.62**	**679.93**

Note 7: Inventories (Valued at lower of cost or Net Realisable Value)
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	As at 30 Sept 2019	As at 31 March 2019
Raw materials	3,728.03	3,033.11
Work-in-progress	7,734.13	7,001.16
Finished goods	2,129.67	4,188.32
Stores and spares	1,424.80	1,258.36
Packing materials	214.72	228.87
Total inventories	**15,231.36**	**15,709.83**

Note 8: Other current assets *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019	As at 31 March 2019
Unsecured, considered good		
Service tax appeal deposit	3.00	-
MEIS receivable	375.37	536.52
MEIS licenses on hand	139.78	344.39
Duty drawback receivable	108.72	39.29
GST Receivable	5,819.00	4,785.44
Pre paid expenses	284.16	385.99
Advances to Material Suppliers	561.65	352.05
Advances to service providers	46.51	35.79
Others advances	-	27.15
Total other current assets	**7,338.19**	**6,506.62**

Note 9: Equity share capital and other equity *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019	As at 31 March 2019
(a) Equity Share Capital		
Authorised Capital		
201,000,000 Equity shares of ₹ 1/- each	2,010.00	2,010.00
(201,000,000 Equity shares of ₹ 1/- each)		
	2,010.00	**2,010.00**
Issued, Subscribed and fully paid up		
100,000 Equity shares of ₹ 1/- each	-	1.00
Less: Cancellation of shares under Scheme of Arrangement (Refer Note 35)	-	(1.00)
(100,000 Equity shares of ₹ 1/- each)		
	-	-
(b) Equity Share Suspense		
Equity shares to be issued pursuant to the Scheme of Arrangement (Refer Note 35)		
Equity Shares of ₹ 1/- each	1,272.82	1,272.82
12,72,82,478 Equity shares of ₹ 1/- each		

9(a) 1 Reconciliation of the shares outstanding at the beginning and at the end of the year
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	As at 30 Sept 2019		As at 31 March 2019	
	Number	Amount	Number	Amount
As at November 06, 2018	-	-	-	-
Opening balance as at 01st April 2019	12,72,82,478	1,272.82	-	-
Issue of equity share capital	-	-	1,00,000	1.00
Cancellation of shares under scheme of demerger (refer note 35)	-	-	-1,00,000	-1.00
Allotment of shares pursuant to scheme of demerger (refer note 35)	-	-	12,72,82,478	1,272.82
Closing balance	**12,72,82,478**	**1,272.82**	**12,72,82,478**	**1,272.82**

NOTE:

1) 12,72,82,478 equity shares of ₹ 1/- each amounting to ₹ 12,72,82,478/- is the proposed equity share capital of the Company effective from 1st October, 2018 post restructuring. The Company is in the process of listing its equity shares in the recognised Stock exchanges in India, hence the share capital stands unallotted and disclosed under equity share suspense account.

2) In terms of the Scheme, the paid up equity share capital of ₹ 100,000 of Suven Pharmaceuticals Limited pertaining to the period prior to the Appointed date i.e. 1st October 2018 stands cancelled and reduced (Refer note 35).

3) The equity shares shall be subsequently allotted on 27th January 2020.

9(a) 2 Terms/rights attached to equity shares

Equity shares have a par value of ₹ 1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The Board of Directors has declared and paid an interim dividend of ₹ 1.50/- per equity share.

9(b) Other equity *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019	As at 31 March 2019
Securities premium	12,230.21	12,230.21
General reserve	6,427.67	6,427.67
Retained earnings	55,494.94	39,098.35
Foreign Exchange Translation Reserve	272.35	-
Total other equity	**74,425.17**	**57,756.22**

(i) Securities premium

Particulars	As at 30 Sept 2019	As at 31 March 2019
Opening balance	12,230.21	-
Acquired in pursuant to demerger	-	12,230.21
Add: On issue of shares	-	-
Closing Balance	**12,230.21**	**12,230.21**

(ii) General Reserve

Particulars	As at 30 Sept 2019	As at 31 March 2019
Opening balance	6,427.67	-
Acquired in pursuant to demerger	-	5,527.91
Adjustement due to demerger	-	-601.24
Cancellation of shares under scheme of demerger (refer note 35)	-	1.00
Add: Transferred from Retained Earnings	-	1,500.00
Closing Balance	**6,427.67**	**6,427.67**

(iii) Retained earnings

Particulars	As at 30 Sept 2019	As at 31 March 2019
Opening balance	39,098.35	-
Add: Accquired in pursuant to the Scheme of Demerger (Refer note 35)	-	30,016.09
Deferred tax adjustement	-	1,956.51
Net profit for the year	16,402.10	10,927.43
Transferred to General reserve	-	-1,500.00
Dividend paid	-	-1,909.24
Tax on distributed profit	-	-392.45
Other Comprehensive Income	-	-
- Remeasurements of post employment benefit obligation, net of tax	-5.51	-
Closing balance	**55,494.94**	**39,098.35**

(iv) Foreign Exchange Translation Reserve

Particulars	As at 30 Sept 2019	As at 31 March 2019
Opening balance	-	-
Exchange differences on translating the financial statement of foreign operations	272.35	-
Closing Balance	**272.35**	-

Nature and purpose of reserves

Securities premium reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of companies Act 2013.

General Reserve:

General reserve is used from time to time to transfer the profits from retained earnings for appropriation purpose.

Retained Earnings:

Retained earnings are the profits of the company earned till date net of appropriations

Note 10: Provisions *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019		As at 31 March 2019	
	Current	Non-Current	Current	Non-Current
Provision for Employee benefits*				
- Leave obligations	148.95	355.63	100.95	355.63
- Gratuity	120.89	238.90	64.89	238.90
	269.83	**594.53**	**165.83**	**594.53**

**As the Actuarial Valuation Report has not been obtained as at 30th September 2019, the above provision amounts are based on the estimates of the management, hence, relevant notes relating to the same have not been provided.*

Note 11: Deferred tax assets/(liabilities)

The balances comprises temporary differences attributable to:
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	As at 30 Sept 2019	As at 31 March 2019
Defined benefit obligations*	217.54	187.94
Demerger expenses	19.17	30.42
Other items	0.11	0.10
Others-MAT credit	-0.00	816.73
Total Deferred tax assets	**236.83**	**1,035.19**
Set-off of deferred tax liabilities pursuant to set-off provisions		
- Depreciation	2,808.09	3,950.22
- Unrealised capital gains on MF	27.11	2.13
Total Deferred tax Liabilities	**2,835.20**	**3,952.36**
Total deferred tax assets/(Liabilities) (net)	**-2,598.37**	**-2,917.17**

**Adjustment in pursuant to the scheme of arrangement (refer note 35)*

12 (a) Current borrowings *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	As at 30 Sept 2019	As at 31 March 2019
Secured		
Working Capital Loans from State Bank of India (refer note (i) below)	2,976.92	2,965.71
Working Capital Loans from Bank of Bahrain & Kuwait (refer note (i) below)	592.20	563.53
Unsecured	-	-
Federal Bank -Term Loan (refer note (ii) below)	4,918.79	-
Loan from Director (refer note (iii) below)	1.00	1.00
Loan from Others	3,525.00	-
Loan from related party (refer note (iv) below)	17,659.56	4,656.25
Interest on Loan from related party	448.17	92.87
Total Current Borrowings	**30,121.64**	**8,279.36**

Notes:

I. Details of Current Borrowings

(i). Rate of Interest , Nature of Security and Terms of repayment

(a). Working capital loans of ₹356,911,608 (PY ₹ 352,924,063) was availed from State Bank of India and Bank of Bahrain & Kuwait. The loan is secured by hypothecation on Stocks, receivables and other current assets of the company and second charge on fixed assets of the Company and Interest rate ranging from 9.25%

Debit Balance in cash credit accounts as at March 31, 2019 & March 31, 2018 have been grouped under the head "Cash and Cash equivalents"

(ii). Details of Term Loans

Particulars	Terms of repayment from Balance Sheet Date	As at 30 September 2019	Range of Interest
Foreign currency loan - Federal bank	Repayable in 4 equal monthly installments commencing from 3rd month	4,918.79	5.05 (USD)

(iii) The Loan from Director represents loan from Mr. Sunder Venkatraman. The Director has resigned on 10th January 2020.

(iv) Loan from related party represents loan taken from Suven Life Sciences Limited.

12(b) Trade Payables

Particulars	As at 30 Sept 2019	As at 31 March 2019
Dues to micro enterprises and small enterprises (Refer Note below)	740.69	73.22
Dues to creditors other than micro enterprises and small enterprises	3,907.33	5,284.27
Total trade payables	**4,648.02**	**5,357.49**
Dues to micro and small enterprises:		

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

Particulars	As at 30 Sept 2019	As at 31 March 2019
Principal amount remaining unpaid to any supplier as at the end of the accounting year	734.13	67.12
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	6.56	6.09
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day each accounting 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 this Act	6.48	6.03
The amount of interest accrued and remaining unpaid at the end of the accounting year	0.08	0.06
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to small enterprises	-	-

12(c) Other Financial liabilities

Particulars	As at 30 Sept 2019	As at 31 March 2019
Current		
Liabilities for expenses	1,382.39	1,016.08
Payable for Capital Goods	355.69	392.39
Unpaid dividend on equity shares*	7.79	11.65
Total other current financial liabilities	**1,745.87**	**1,420.12**

*As at 30th September 2019, There has been No Amount due and outstanding to be transferred to IEPF (Investor Education and Protection Fund).

Note 13: Current tax asset/(Liability) (net) *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Advance tax balance	4,256.51	3,306.11
Less: Provision for income tax	8,886.67	3,317.07
Total Current tax asset/(Liability) (net)	**-4,630.16**	**-10.96**

Note 14: Other current liabilities *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Government grants	-	-
Advance from customers	222.85	399.06
Statutory dues payable	119.64	128.06
Total other current liabilities	**342.49**	**527.11**

Note 15: Revenue from operations *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Sale of Products	45,339.80	34,424.74
Sale of Services	705.62	2,532.74
	46,045.42	**36,957.48**
Other Operating Income		
Export Incentives (MEIS)	770.68	742.19
Duty Drawback Received	215.05	83.79
Service tax rebate claim received	0.75	-
	986.48	**825.98**
	47,031.90	**37,783.46**

Note 16: Other income *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Interest income		
On fixed deposits	6.31	6.32
Others	12.90	13.44
Credit balances written back	14.27	23.92
Insurance Claim received	0.41	-
Foreign Exchange Gain (Net)	595.89	-
Gain on Financial Assets	151.21	16.33
Net gain on sale of Property, Plant and equipment	8.00	-
	788.98	**60.01**

Note 17: Cost of materials consumed *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Raw Materials		
Raw Material at the beginning of the period	3,033.11	-
Add: Inventories accquired pursuant to the scheme	-	2,710.65
Purchases during the period	12,430.47	12,600.96
Less: Raw Material at the end of the period	3,728.03	3,033.11
	11,735.55	**12,278.50**
Packing Materials		
Packing Material at the beginning of the period	228.87	-
Add: Inventories accquired pursuant to the scheme	-	226.35
Purchases during the period	164.23	176.15
Less: Packing Material at the end of the period	214.72	228.87
	178.39	**173.63**
	11,913.94	**12,452.12**

Note 18: Changes in inventories of work-in-progress and finished goods
(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	30 Sept 2019	31 March 2019
Opening Balance:		
Work-in-progress	7,001.16	-
Add: Inventories accquired pursuant to the scheme	-	4,285.57
Finished Goods	4,188.32	-
Add: Inventories accquired pursuant to the scheme	-	4,771.78
Total opening balance	**11,189.48**	**9,057.35**
Closing Balance:		
Work-in-progress	7,734.13	-
Add: Inventories accquired pursuant to the scheme	-	7,001.16
Finished Goods	2,129.67	-
Add: Inventories accquired pursuant to the scheme	-	4,188.32
Total closing balance	**9,863.80**	**11,189.48**
	1,325.68	**-2,132.13**

Note 19: Manufacturing expenses *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Power & Fuel	1,930.32	1,805.78
Consumable Stores	53.45	53.61
Factory Upkeep Expenses	1,358.43	1,094.44
Environment Management Expenses	693.57	602.30
Safety Expenses	64.76	62.38
Quality Control Expenses	398.37	331.92
Repairs & Maintenance:	-	-
Buildings	12.75	16.33
Plant & Machinery	712.65	1,163.71
	5,224.30	**5,130.47**

Note 20: Employee benefits expense *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Salaries & Wages	3,288.94	2,567.35
Contribution to Provident & other funds	202.00	201.22
Gratuity Expense	50.28	82.77
Staff Welfare Expenses	122.16	111.81
	3,663.37	**2,963.15**

Note 21: Finance costs *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Interest		
On Borrowings	179.51	78.95
On Inter Company Loan	448.17	92.87
Bank Charges	196.61	107.09
	824.30	**278.92**

Note 22: Depreciation and amortisation expense *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Depreciation of property, plant and equipment (Refer Note 3)	1,103.68	1,133.20
Amortisation of intangible assets (Refer Note 4)	17.05	16.47
	1,120.73	**1,149.68**

Note 23: Other expenses *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Rent	36.55	38.25
Rates & Taxes	14.18	12.70
Service Tax	-	16.24
Insurance	258.12	161.10
Communication Charges	51.87	47.44
Travelling & Conveyance	314.27	319.68
Printing & Stationery	30.44	16.51
Vehicle Maintenance	15.29	12.77
Professional Charges	238.07	184.19

(Contd.)

Payments to Auditors (Refer note 23(a) below)	13.29	12.31
Security Charges	109.65	117.78
Repairs & Maintenance - others	42.84	58.14
Loss on sale of Property, Plant and equipment	2.25	-
Corporate Social Responsibility (Refer note 23(b) below)	-	-
Foreign Exchange Loss (Net)	-	268.71
Sales Promotion	487.65	391.18
Clearing & Forwarding	205.65	178.28
Commission on Sales	83.72	102.05
General Expenses	188.84	277.21
	2,093.00	**2,215.00**

Note 23(a): Details of payments to auditors *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	30 Sept 2019	31 March 2019
Payment to auditors		
As auditor:		
(i) Stat Auditor Fees	9.50	10.00
(ii) Tax audit fees	-	-
(iii) Other services	3.03	2.00
(iv) Re-imbursement of out -of- pocket expenses	0.76	0.31
	13.29	**12.31**

Note 23(b): Corporate social responsibility expenditure

Particulars	30 Sept 2019	** 31 March 2019
Amount required to be spent as per section 135 of the Act	315.13	NA
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	NA
(ii) On purpose other than (i) above	-	NA

**Since Previous year ended 31st March 2019 was the first year of incorporation of the Company, CSR obligation as per Section 135 and relevant rules of Companies Act, 2013 are not applicable.

Note 24: Income tax expense

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

Particulars	30 Sept 2019	31 March 2019
(a) Income tax expense		
Current tax		
Current tax on profits for the year	5,569.60	3,317.07
Adjustments for current tax of prior periods		
Total current tax expense	**5,569.60**	**3,317.07**
Deferred tax		
Decrease(increase) in deferred tax assets		
Increase/(decrease) in deferred tax liabilities	-315.84	1,542.21
Total Deferred tax expense/(benefit)	**-315.84**	**1,542.21**
Income tax expense	**5,253.76**	**4,859.28**
Income tax expense is attributable to:		
Profit from operations	**5,253.76**	**4,859.28**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	30 Sept 2019	31 March 2019
Profit from operations before income tax expenses	21,737.86	15,786.71
Tax at the Indian tax rate of 25.168% (2018-19 -34.944%)	**5,470.99**	**5,516.51**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Loss on sale of Fixed Assets	0.57	-
Disallowance u/s 40a (ia)	0.09	-
Profit on sale of asset	-2.01	-
Interest on Income tax	46.61	29.07
Interest on MSMED	0.12	2.13
Income tax paid at special rate	-31.48	(123.08)
opening DTL on impact of rate change	7.91	-
Gratuity & Leave encashment	44.45	-
Impact of WDV change	-1,103.11	5.07
MAT Credit	816.73	(570.42)
Others	2.91	0.01
Income tax expenses	**5,253.76**	**4,859.28**

Financial instruments and risk management

Note 25: Fair Value Measurements *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

	30 September 2019		31 March 2019	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments				
- Equity Investment	-	7.05	-	7.05
- Mutual funds	9,440.82	-	706.10	-
Trade Receivables	-	16,134.85	-	14,750.17
Loans	-	23.80	-	17.99
Security deposits	-	447.76	-	437.69
Cash and Cash equivalents	-	5,549.44	-	1,090.30
Bank Balances	-	7.79	-	11.65
Fixed Deposits with Banks and Interest thereon	-	193.97	-	187.71
Total Financial Assets	**9,440.82**	**22,364.66**	**706.10**	**16,502.56**
Financial Liabilities				
Borrowings	-	30,121.64	-	8,279.36
Current maturities of long-term debt	-	-	-	-
Unpaid dividends	-	7.79	-	11.65
Trade Payables	-	4,648.02	-	5,357.49
Capital creditors	-	355.69	-	392.39
Total Financial Liabilities	**-**	**35,133.13**	**-**	**14,040.89**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at September 30, 2019					
Financial assets					
Equity Investment		-	-	7.05	7.05
Investment in mutual funds	5(a)(i)	-	9,440.82	-	9,440.82
Trade Receivables		-	-	16,134.85	16,134.85
Loans		-	-	23.80	23.80
Security deposits		-	-	447.76	447.76
Fixed Deposits with Banks and Interest thereon		-	-	193.97	193.97
Total Financial Assets		**-**	**9,440.82**	**16,807.43**	**26,248.26**
Financial liabilities measured at amortised cost & Fair Value	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
As at September 30, 2019					
Financial Liabilities					
Borrowings		-	-	30,121.64	30,121.64
Current maturities of long-term debt		-	-	-	-
Unpaid dividends		-	-	7.79	7.79
Trade Payables		-	-	4,648.02	4,648.02
Capital creditors		-	-	355.69	355.69
Total Financial Liabilities		**-**	**-**	**35,133.13**	**35,133.13**

Financial assets measured at fair value & Amortised cost	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2019					
Financial assets					
Equity Investment		-	-	7.05	7.05
Investment in mutual funds		-	706.10	-	706.10
Trade Receivables		-	-	14,750.17	14,750.17
Loans		-	-	17.99	17.99
Security deposits		-	-	437.69	437.69
Fixed Deposits with Banks and Interest thereon		-	-	187.71	187.71
Total Financial Assets		**-**	**706.10**	**15,400.61**	**16,106.71**
Financial liabilities measured at amortised cost & Fair Value	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
As at March 31, 2019					
Financial Liabilities					
Borrowings		-	-	8,279.36	8,279.36
Current maturities of long-term debt		-	-	-	-
Unpaid dividends		-	-	11.65	11.65
Trade Payables		-	-	5,357.49	5,357.49
Capital creditors		-	-	392.39	392.39
Total Financial Liabilities		**-**	**-**	**14,040.89**	**14,040.89**

Level 1: Level 1 hierarchy includes Quoted prices taken from market.

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 are not based on observable market data (unobservable inputs).

Note 26: Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts will be entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity loss exposed to and how the entity manages the risk and the impact of them in the financial statements

Risk	Exposure arising from	Measurement	Management Comment
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Ageing analysis	Diversification of bank deposits and monitoring of credit limits of customers
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis	All USD related Import commitment are covered by snapping from the export USD thru EEFC account
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus rate of interest fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

(A) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

i) Financial instruments and cash deposits

For banks and financial institutions, only high rated banks/institutions are accepted. Other Financial assets (excluding Bank deposits) majorly constitute deposits given to State electricity departments for supply of power, which the company considers to have negligible credit exposure. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

ii) Expected credit loss for trade receivables under simplified approach

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

Year ended 30 September 2019 *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	More than 120 days	Total
Gross carrying amount	14,218.62	1,781.14	106.44	0.62	28.03	16,134.85
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses (loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**14,218.62**	**1,781.14**	**106.44**	**0.62**	**28.03**	**16,134.85**

Year ended 31 March 2019

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	More than 120 days	Total
Gross carrying amount	13,133.37	485.35	248.70	583.93	298.82	14,750.17
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses (loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**13,133.37**	**485.35**	**248.70**	**583.93**	**298.82**	**14,750.17**

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments. *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Year ended September 30, 2019	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	30,121.64	-	-	30,121.64
(ii) Trade payables	-	4,648.02	-	4,648.02
(iii) Other financial liabilities	7.79	1,738.08	-	1,745.87
	30,129.42	6,386.10	-	36,515.52
Year ended March 31, 2019	**On Demand**	**in next 12 months**	**>1 year**	**Total**
(i) Borrowings	8,279.36	-	-	8,279.36
(ii) Trade payables	-	5,357.49	-	5,357.49
(iii) Other financial liabilities	11.65	1,408.47	-	1,420.12
	8,291.01	6,765.96	-	15,056.97

C) Market risk - foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms. The imports were hedged naturally by payment through EEFC account.

(a) Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	As at September 30, 2019			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	4,054.47	-	-	-
Trade receivables (Net)	15,473.10	-	-	-
Financial Liabilities	-	-	-	
Borrowings	8,487.90	-	-	-
Trade payables	1,542.97	-	1.52	-
Other financial liabilities	26.52	-	-	-

Particulars	As at March 31, 2019			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	712.36	-	-	-
Trade receivables	14,298.01	-	-	-
Financial Liabilities	-			
Borrowings	3,529.24			
Trade payables	571.34	-	-	-
Other financial liabilities	55.50	-	-	-

Note 27: Capital Management

(a) Risk management

The Company's objective when managing capital are to:

1. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

2. 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 debts

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) divided by total equity (as shown in the balance sheet)

	30 September, 2019	31 March, 2019
Net debt	24,370.44	6,989.70
Total Equity	75,697.99	59,029.05
Net debt to equity ratio	32%	12%

(b) Dividends (on equity instruments)

	30 September, 2019	31 March, 2019
(i) Equity shares		
Interim dividend for the year ended March 31, 2019 of ₹ 1.50 per fully paid share	-	1,909.24
(ii) Dividends not recognised at the end of the reporting period	-	-
The interim dividend paid has been declared as final dividend in the board meeting held on 25/05/2019	-	-

Note 28: Segment Information

Business Segment

Segments have been identified and reported taking into account the nature of products, the differing risk and returns, the organisation structure, and the internal financial reporting scheme. The company has identified the following segments as its reportable segments:

I. Manufacturing (CRAMS) - Bulk Drugs & Intermediates under contract services products are developed and produced on an exclusive basis under contract Manufacturing services

As the Company has identified single operating segment i.e. CRAMS. Therefore analysis business segment is not required.

Geographical Segment

The Company has identified the following geographical reportable segments:

(a) India - The company sells Bulk Drugs and Intermediates, Fine Chemicals & Services.

(b) USA - The company sells Intermediates & Services

(c) Europe - The company sells Bulk Drugs and Intermediates

(d) Others - The company sells Bulk Drugs, Intermediates & Services

	Revenue for the period ended		Value of Net Assets as on		Additions to Fixed Assets during the year	
	30 Sept 2019	31 March 2019	30 Sept 2019	31 March 2019	FY 2019-20	FY 2018-19
INDIA	872.42	1,065.62	26,238.70	27,071.77	288.39	441.40
U S A	999.19	1,563.17	5.24	17.94	-	4.78
EUROPE	38,387.64	25,393.09	-	-	-	-
OTHERS	5,786.17	8,935.60	-	-	-	-
	46,045.42	**36,957.48**	**26,243.94**	**27,089.71**	**288.39**	**446.18**

Information about major customers

Revenues from one of the customers of the Company's in Europe was ₹ 15,480 lakhs representing approximately 33.62% of the Company's total revenue, for the period ended 30th September 2019 and ₹ 15,196 lakhs representing approximately 41% of the Company's total revenue, for the period ended 31 March 2019.

Note 29: Interest in Other Entities

The Company's subsidiaries as at September 30, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company.

		Ownership interest held by the Company		Ownership interest held by Non-Controlling interests		
Name of the entity	Place of Business/ Country of incorporation	30 Sept 2019	31 March 2019	30 Sept 2019	31 March 2019	Principal activity
Rising Pharma Holdings, INC.	USA	25%	-	75%	-	A privately-held pharmaceutical company based in New Jersey focused on developing generic pharmaceutical products in various therapeutic categories.

Note 30: Related Party Transactions

(a) Holding Company*: Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust)

(b) Key Management personnel (KMP): Mr. Venkateswarlu Jasti (Chairman & MD)
Mr. P. Subba Rao (Chief Financial Officer)
Mr. K. Hanumantha Rao (Company Secretary)

(c) Relative of Key Management personnel: Mrs. Kalyani Jasti (Daughter of Mr. Venkateswarlu Jasti)

(d) Entity with common control: Suven Life Sciences Limited

(a) Parent entities*

Name	Type	Place of Incorporation	Ownership Interest	
			30 Sept 2019	31 March 2019
Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust)	Immediate and Ultimate parent entity	India	60.00%	60.00%

* Shares pending for allotment. (Refer Note 9)

(b) Key Management Personnel compensation

	30 Sept 2019	31 March 2019
Short term employee benefits	442.81	611.75
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**442.81**	**611.75**
Balance outstanding	**218.65**	**227.37**

(c) Relative of Key Management Personnel compensation

	30 Sept 2019	31 March 2019
Short term employee benefits	106.55	232.10
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**106.55**	**232.10**

(d) Entity with common control

	30 Sept 2019	31 March 2019
Suven Life Sciences Limited	18,107.73	4,749.12

Note 31: Contingent Liabilities and contingent assets *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

	30 Sept 2019	31 March 2019
Claims against the company not acknowledged as debts		
a) Letter of credit for imports	2,061.23	1,077.47
b) Bank Guarantee	11.00	6.50
	2,072.23	**1,083.97**

Note 32: Commitments *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

	30 Sept 2019	31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of Payments (including advances)	8,828.38	3,665.86
	8,828.38	**3,665.86**

Note 33: Earnings per share *(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

	30 Sept 2019	31 March 2019
Profit After Tax (PAT)	16,402.10	10,927.43
Weighted average number of equity shares*	12,72,82,478	12,72,82,478
Basic Earnings per share**	12.89	8.59

Note:

* For the purpose of calculating earnings per share for the half year ended 30th September 2019 and for the period 1st October 2018 to 31st March 2019, the equity shares issued pursuant to the Scheme (refer note 35) have been considered effective as on 1st October 2018, being the appointed date under the Scheme and the equity shares of Suven Pharmaceuticals Limited outstanding stands cancelled from the aforesaid date.

** The Earnings per share is not annualised.

Note 34: Income Tax Expenses

Section 115BAA of the Income Tax Act, 1961 was introduced by Taxation Laws (Amendment) Ordinance 2019, which permit a Company to opt for the reduced tax rate of 22%, as prescribed. Accordingly, the Company has recognized provision for income tax for the six months period ended September 30, 2019 and re-measured Deferred tax liabilities/ assets (net) as per the rates prescribed in the said section. The full impact of this change has been recognized in the statement of Profit & Loss for the period ended September 30, 2019.

Note 35: Scheme of Arrangement (Demerger)

The Board of Directors at its meeting held on 5th February, 2019 approved, scheme of arrangement (the Scheme) subject to necessary approvals under Sections 230 to 232, read with Section 66 and other applicable provisions of the Companies Act, 2013.

The National Company Law Tribunal, Hyderabad Bench vide its order dated January 06, 2020 has approved the scheme of arrangement for demerger of CRAMS undertaking of Suven Life Sciences Limited to the Company with effect from October 01, 2018 (the appointed date). Pursuant to the Scheme, all the assets, liabilities, income and expenses of the CRAMS undertaking have been transferred to the Company with effect from the appointed date. Investments held by Suven Life Sciences Limited in the Company stands cancelled and the same have been adjusted against General Reserve. The Company's existing shares issued to Suven Life Sciences limited were cancelled and fresh shares were

(Contd.)