

JUBILANT INNOVATION INDIA LIMITED
Balance Sheet as at 31 March 2014

	Note	As at 31 March 2014	As at 31 March 2013
		INR'000	INR'000
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	500	500
Reserves and surplus	3	3,208	3,313
		3,708	3,813
Current liabilities			
Trade payables	4	64	24
Other current liabilities	5	8	59
		72	83
		3,780	3,896
ASSETS			
Current Assets			
Cash and bank balances	6	3,400	3,516
Short-term loans and advances	7	380	380
		3,780	3,896
Significant accounting policies	1A		
The notes referred to above form an integral part of the financial statements			

As per our report of even date attached

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

For and on behalf of board of directors of
Jubilant Innovation India Limited

Pravin Tulsyan
Partner
Membership no.: 108044
Place : Noida
Date: 23 May 2014

R. Sankaraiah Paresh Gupta
Director Director

JUBILANT INNOVATION INDIA LIMITED

Statement of Profit and Loss for the year ended 31 March 2014

	Note	For the year ended 31 March 2014	For the year ended 31 March 2013
		INR'000	INR'000
Revenue		-	-
Expenses			
Other expenses	8	97	70
Total Expenses		97	70
(Loss) before exceptional items and tax		(97)	(70)
Exceptional items	9	-	(110)
(Loss)/Profit before tax		(97)	40
Tax expenses:			
- Tax paid for earlier years		8	20
		8	20
(Loss)/Profit after tax for the period		(105)	20
Basic (loss)/earnings per share of Rs. 10 each (in rupees)	15	(2.10)	0.41
Diluted (loss)/earnings per share of Rs. 10 each (in rupees)	15	(2.10)	0.41
Statement of significant accounting policies	1A		
The notes referred to above form an integral part of the financial statements			
As per our report of even date attached			
For B S R & Co. LLP Chartered Accountants ICAI Firm registration number:101248W		For and on behalf of board of directors of Jubilant Innovation India Limited	
Pravin Tulsyan Partner Membership no.: 108044 Place : Noida Date: 23 May 2014		R. Sankaraiah Director	Paresh Gupta Director

JUBILANT INNOVATION INDIA LIMITED

Cash flow statement for the year ended 31 March 2014

	For the year ended 31 March 2014	For the year ended 31 March 2013
	INR' 000	INR' 000
Cash flow used in/arising from operating activities :		
Net (loss)/profit before tax	(97)	40
Adjustments for working capital changes;		
Decrease in trade and other receivables	-	1,448
Decrease in trade and other payables	(11)	(14)
Cash used in/ generated from operations	(108)	1,474
Direct taxes paid (net of refunds)	(8)	(20)
Net cash (used in)/provided by operating activities	(116)	1,454
Net (decrease)/increase in cash and cash equivalents	(116)	1,454
Add: cash and cash equivalents at the beginning of year	3,516	2,062
Cash and cash equivalents at the close of the year (refer note 6)	3,400	3,516

Notes:

1) Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3)-" Cash Flow Statements".

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm registration number:101248W

*For and on behalf of board of directors of
Jubilant Innovation India Limited*

Pravin Tulsyan

Partner

Membership no.: 108044

Place: Noida

Date: 23 May 2014

R. Sankaraiah

Director

Paresh Gupta

Director

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014

	As at 31 March 2014	As at 31 March 2013
	INR'000	INR'000
2 Share capital		
Authorized		
1,000,000 equity shares of Rs. 10 each (Previous year 1,000,000 equity shares of Rs. 10 each)	10,000	10,000
	10,000	10,000
Issued and Subscribed		
50,000 Equity shares of Rs. 10 each (Previous year 50,000 equity shares Rs. 10 each)	500	500
	500	500
Paid up		
50,000 Equity shares of Rs. 10 each (Previous Year 50,000 equity shares Rs. 10 each)	500	500
	500	500
	500	500
	500	500

Rights preferences and obligations attached to the class of shares

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

2.2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held.

2.3) Particulars of shareholders holding more than 5% shares of a class of share:

Name of the shareholder	Number	% held as at 31 March,2014	No of shares	% held as at 31 March,2013
Jubilant Innovation BVI Limited, the holding Company (including 6 shares held by nominee shareholder)	50,000	100%	50,000	100%

2.4) The reconciliation of the number of shares outstanding:

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number	INR	Number	INR
At the commencement and at the end of the year	50,000	500,000	50,000	500,000

2.5) The details of shares held by holding Company:

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares		Number of shares	
Jubilant Innovation BVI Limited, the holding Company	50,000		50,000	

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014

	As at 31 March 2014	As at 31 March 2013
	INR'000	INR'000
3 Reserve and surplus		
Surplus as per statement of profit and loss		
At the commencement of year	3,313	3,293
Add: (Loss)/Profit for the year	(105)	20
Total reserve and surplus	3,208	3,313
4 Trade payable		
Trade payables others	64	24
* No amount is payable to micro, small and medium enterprises (refer note 13)		
	64	24
5 Other current liabilities		
TDS payable	6	6
Other payables (includes liabilities for expenses etc.)	2	53
	8	59
6 Cash and bank balances		
Cash and cash equivalents		
Balances with banks:		
- Current accounts	3,400	3,516
	3,400	3,516
7 Short term loans and advances		
- Service tax refundable	380	380
	380	380

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014

	For the year ended 31 March 2014	For the year ended 31 March 2013
	INR'000	INR'000
8 Other expenses		
Rates and taxes	-	2
Auditors remuneration - As auditors	56	56
- Out of pocket expenses	-	8
- Others*	41	-
Legal, professional and consultancy charges	-	3
Bank charges	-	1
	97	70
9 Exceptional items		
Foreign exchange (gain)	-	(110)
	-	(110)

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014.

1. Corporate Information

Jubilant Innovation India Limited (the Company) is domiciled in India. The Company is a 100% subsidiary of Jubilant Innovation BVI Limited. The primary activity of the Company is to make sale of scientific and technical consultancy.

1A. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

A. Basis of preparation and presentation of financial statements

The accounts of the Company are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the mandatory accounting standards notified under the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, which as per clarification issued by the Ministry of Corporate Affairs continue to apply under Section 133 of the Companies Act, 2013 (which has superseded section 211 (3C) of the Companies Act 1956, w.e.f 12 September 2013), the other provisions of the Companies Act 1956 (including the new notified sections under Companies Act, 2013, to the extent applicable). The financial statements are presented in Indian rupees rounded off to the nearest thousand.

The financial statements are presented as per Revised Schedule VI to the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

B. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include income taxes etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Effect of material changes is disclosed in the notes to the financial statements.

C. Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

- a. it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
-

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014.

- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

D. Income taxes

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

Current tax

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the current year and reversal of timing differences for earlier years. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014.

E. Foreign Currency Conversions/ Translations

Foreign currency transactions are recorded into Indian rupees by applying to the foreign currency amount the exchange rate between Indian rupees and the foreign currency on/or closely approximating to the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

F. Provisions, contingent liabilities and contingent assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

G. Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014.

10. Commitments

Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account nil (Previous year nil) [capital advances Rs. Nil (Previous year nil)].

11. Related Party Disclosures

a) Related Parties

Following is the list of related parties:

Ultimate Holding Company

Jubilant Life Sciences Limited, India

Intermediate Holding Company

Jubilant Pharma Limited, Singapore (formerly Jubilant Pharma PTE Limited, Singapore)

Holding Company

Jubilant Innovation BVI Limited

Fellow Subsidiary Company

Jubilant Biosys Limited

b) Transactions with related parties during the year:

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

Jubilant Biosys Limited		(INR' 000)
Particulars	For the year ended 31 March 2014	For the year ended 31 March 2013
Expenses incurred	8	119

12. Segment Reporting

Based on the guiding principles given in the Accounting Standard on 'Segment Reporting' (AS-17), the Company is of opinion that its primary business segment is in the business of sale of scientific and technical consultancy. As the Company's business activity falls within a single primary segment, the disclosure requirements of the said AS-17 in this regard are not applicable.

13. Micro and Small Business Entities

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2014 and as at 31 March 2013. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company.

JUBILANT INNOVATION INDIA LIMITED

Notes to the financial statements for the year ended 31 March 2014.

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

	(INR'000)	
	As at 31 March 2014	As at 31 March 2013
Deferred Tax Assets on account of :		
Loss during the year	33	-
Total (A)	33	-
Deferred Tax Liabilities	-	-
Deferred Tax Asset - (Net)	33	-

* The Company has not recognized Deferred Tax Asset of Rs. 33 thousands as there is no virtual certainty of profits in future.

15. Earnings/(loss) per Share

	(INR'000)	
	For the year ended 31 March 2014	For the year ended 31 March 2013
(Loss)/Profit as per statement of profit and loss	(105)	20
No. of Equity Shares (in '000) (basic and diluted)	50	50
Basic and diluted (loss)/earnings per share	(2.10)	0.41

16. Previous year's figure have been regrouped/ rearranged wherever found necessary to confirm to this year's classification.

17. Previous year figures were audited by another firm of Chartered Accountants.

As per our report of even date attached

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

For and on behalf of the board of directors of
Jubilant Innovations India Limited

Pravin Tulsyan
Partner
Membership No. 108044

R Sankaraiah
Director

Paresh Gupta
Director

Place: Noida
Date: 23 May 2014