CS/BSE/NSE/AR/2017-18
August 17, 2017

To
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Stock Code: SUVEN - EQ

To
The General Manager
Department of Corporate Services
BSE Limited
25th Floor, P. J. Towers,
Dalal Street, Mumbai - 400 001

Stock Code: 530239

Dear Sir/Madam,

Sub: Furnishing of 28th Annual Report for the financial year 2016-17 under Regulation 34 of the SEBI (LODR) Regulations, 2015.

With reference to the above subject, as per Regulation 34 of the SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 28th Annual Report for the financial year 2016-17 which includes Directors' Report, Balance Sheet, Statement of Profit & Loss and Cash Flow Statement.

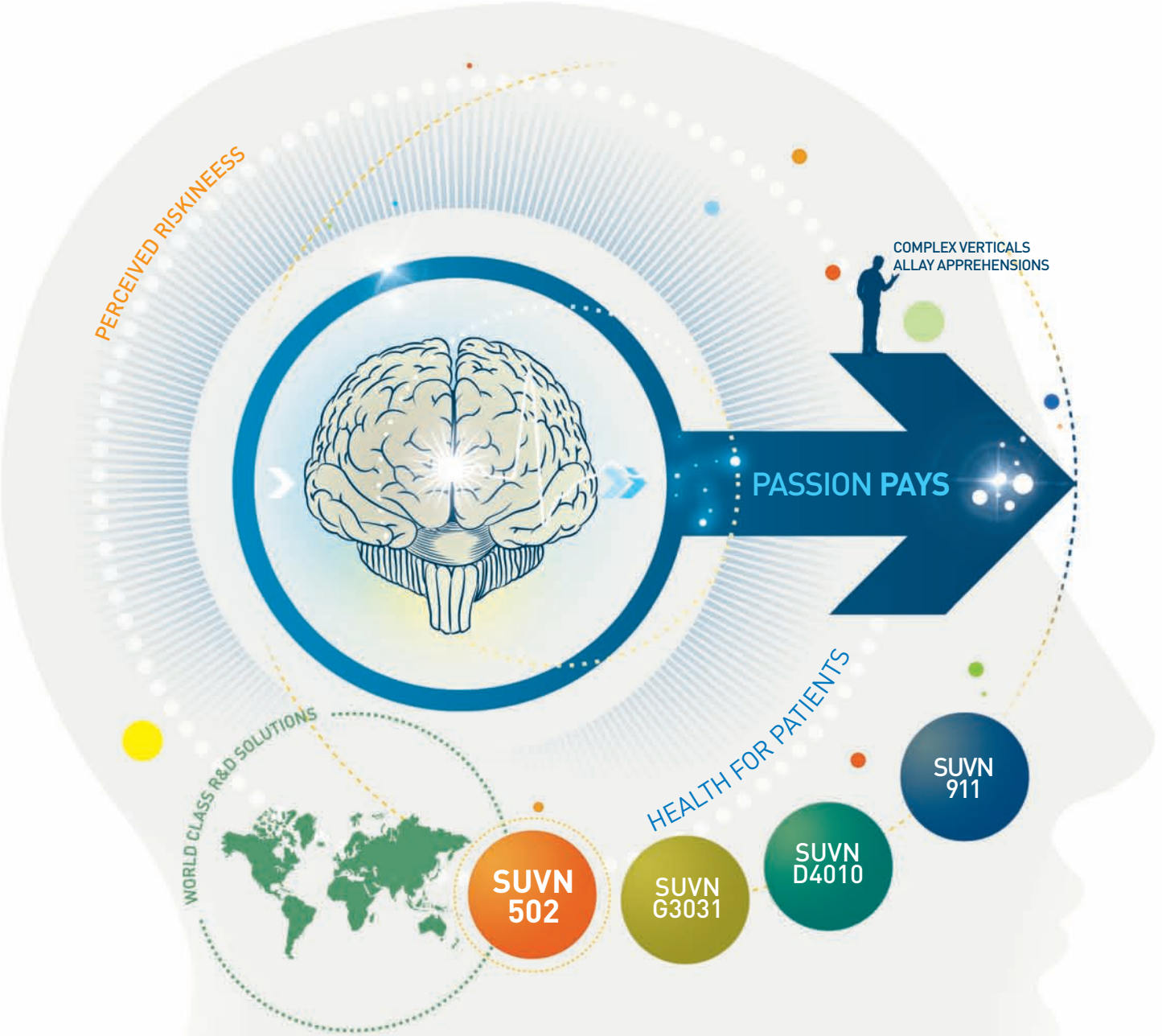
This Annual Report was approved and adopted by the shareholders at the 28th Annual General Meeting of the Company held on Monday, the 14th day of August, 2017.

This is for your information and records.

Thanking you,
Yours faithfully,
For **Suven Life Sciences Limited**

K. Hanumantha Rao
Company Secretary

SUVEN
LIFE SCIENCES LIMITED



PASSION **PAYS**

28TH ANNUAL REPORT 2016-17

CAUTIONARY STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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SUVEN

- Small company but one of the most enthusiastic.
- Technical business; run with a service mindset.
- Invested with professionalism, driven by passion.

PASSION

…made us select unchartered territories despite relatively easier avenues.

…infused the spirit of challenge to go-beyond the visible.

…created an exciting work culture where successes and failure are equally celebrated.

…transformed perceived risky ventures into thriving business spaces.

PASSION **PAYS**

Over the last five years, revenue increased 211%, EBIDTA grew 333% and Net Profit upped 400%.

PASSION PAYS

IN MAKING PROFITABLE GROWTH **SUSTAINABLE**

Having transformed people perception of our contract research vertical – from one of apprehension to being a profitable business space, we focused on making this profitable growth more sustainable.

At Suven, the passionate zeal and painstaking efforts of the team have readied flanking verticals within our CRAMS segment that promises sustainable profits.

Supplying intermediates for specialty chemical: We sustained supplies of an intermediate for one specialty chemical to a large global conglomerate; these supplies are expected to continue further for another 4-5 years.

Supplying intermediates for NCEs: We supplied commercial quantity for a molecule (NCE) which has been approved for global launch; we are one of the three suppliers of this intermediate – supplies of which will continue till the patent period.

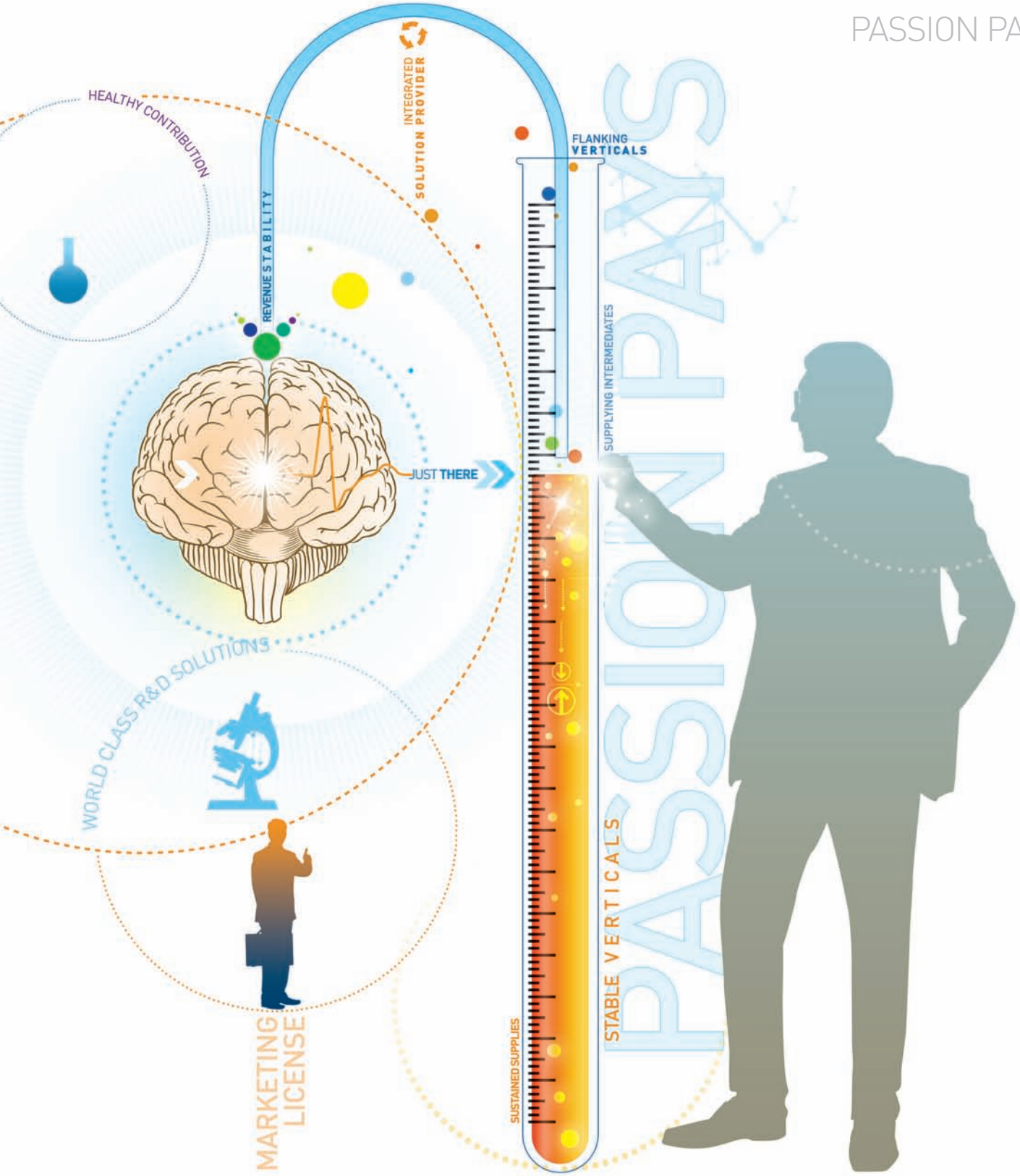
Contract technical services: Our exclusive marketing license (valid upto FY2026) for our Malathion lotion for the US and Canada markets generated more than ₹14 crore in revenue in FY17

Going forward, we are hopeful that these verticals will make a more meaningful contribution to the Company's growth. This optimism stems from the following developments:

Supplying intermediates for specialty chemicals: We are developing a pipeline of intermediates to be used in agrochemical products which are at various stages of development with launch prospects between FY19 and FY21.

Supplying intermediates for launched NCEs: We are confident of receiving orders for commercial supplies of the intermediate for the second molecule; prospects of repeat business for the first molecule also remain healthy

Supplies of formulated products: We have filed numerous ANDAs in collaboration with customers which, when approved, will provide sustainable revenue.


HEALTHY CONTRIBUTION
REVENUE STABILITY
INTEGRATED SOLUTION PROVIDER
FLANKING VERTICALS
SUPPLYING INTERMEDIATES
JUST THERE
WORLD CLASS R&D SOLUTIONS
MARKETING LICENSE
SUSTAINED SUPPLIES
STABLE VERTICALS
PASSION PAYS

PASSION PAYS

IN STAYING THE **DEVELOPMENT** CYCLE

Having changed people's questions from 'what-if's' to 'what-next' about our NCE development programme, our team remains steadfast on staying the development cycle.

At Suven, the 'can do it attitude' of our team has resulted in invaluable assets for the Company -- four of our 13-molecule pipeline are at various stages in the development cycle.

SUVN-502 for Alzheimers: We have enrolled 250+ candidates for Phase II Clinical Trial in USA; about 100 patients finished the treatment period.

SUVN-G3031 for various dementias: We have completed Phase I clinical trial in USA and ready for Phase II.

SUVN-D4041 for various dementias: We have completed Phase I Clinical Trial in USA and undergoing long term toxicology studies.

SUVN-911 for Major Depressive Disorder: We have started Phase 1 clinical trial in USA

OUR NCE JOURNEY
APPARENTLY RISKY. **ACTUALLY RICH.**

1116
Product patents
(June 30, 2017)

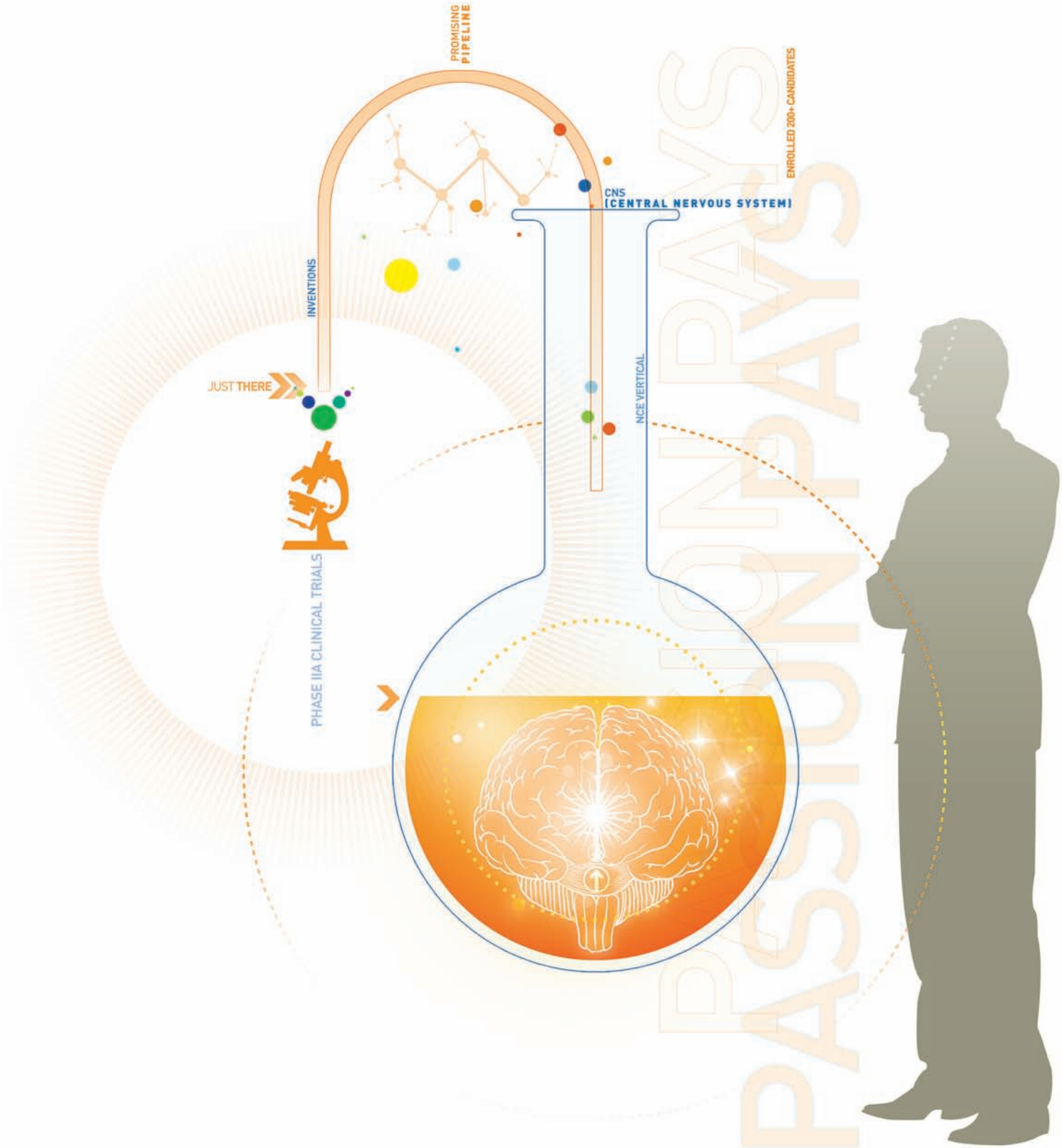
39
Process patents
(June 30, 2017)

13
Molecule pipeline
(June 30, 2017)

30
Product inventions
(June 30, 2017)

9
Process inventions
(June 30, 2017)

600+
Investment in this R&D so far (₹ crore)


PROMISING
PIPELINE
INVENTIONS
JUST THERE
PHASE IIA CLINICAL TRIALS
CNS
(CENTRAL NERVOUS SYSTEM)
NCE VERTICAL
ENROLLED 200+ CANDIDATES
PASSION PAYS

AN OVERVIEW

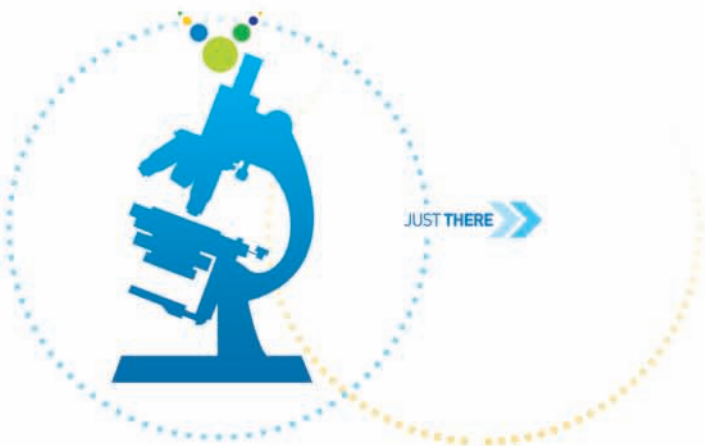
SUVEN LIFE SCIENCES: A COMPANY DRIVEN BY PASSION. A FULL-FLEDGED BIOPHARMACEUTICAL SOLUTIONS PROVIDER FOR GLOBAL PHARMACOS.

A RESPECTED OUTLIER IN THE HIGH-PROFIT,

Suven Life Sciences Limited is a pharmaceutical research expert that leverages its innovation capability to undertake CRAMS projects involving discovery and development of molecules for innovator companies. The Company's expertise in process research, custom synthesis and NCE development support services has earned it respect of and strengthened business ties with global pharmaceutical companies.

Suven is headquartered in Hyderabad, Telangana with its R&D facilities in the same city. Its shares are listed on the BSE and the NSE in India.

The Company has a 1016-member team; its 425-member strong R&D team comprises of 30 PhDs and works in the research intensive areas of analytical development, drug discovery, process R&D and formulations development.



PASSION PAYS

60	5	2105	544.48	186.44
Promoters holding, March 31, 2017 (%)	Institutional holding, March 31, 2017 (%)	Market capitalisation, March 31, 2017 (₹ crore)	Revenue, 2016-17 (₹ crore)	EBIDTA, 2016-17 (₹ crore)

VISION

In search of new CNS therapies
Become a leading company focused on treatments for unmet medical needs in Mental Health

MISSION

Health for patients and Value for partners

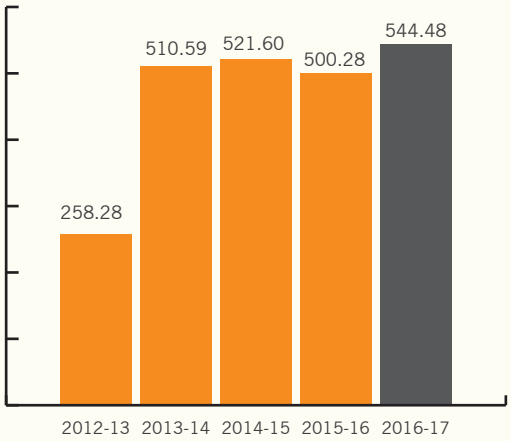
Headquarters	Manufacturing facilities			R&D facilities		Global presence
Banjara Hills Hyderabad, Telangana	Pashamylaram Telangana	Suryapet, Telangana	JNPC, Visakhapatnam, Andhra Pradesh	Jeedimetla, Telangana	Pashamylaram, Telangana	New Jersey, USA
Corporate office, Business Development, Finance, Human Resources and Administration	API and formulation facility	Intermediate Facility	API and Intermediate facility	Discovery Research, Process Research and Pilot plant	Discovery Research, Process Research, Formulation R&D and IP Management	Development, Project Management & IP Management

Our global customers

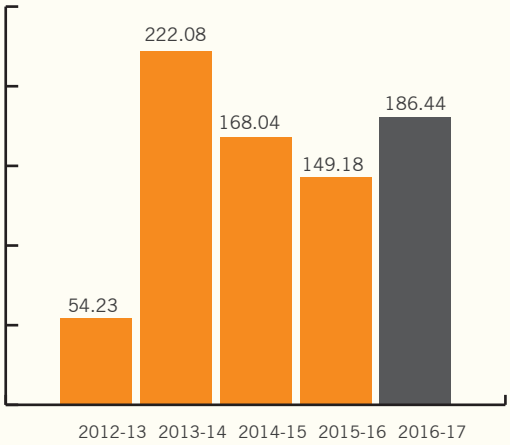
123.38	146.94	1016	425	70
Net Profit, 2016-17 (₹ crore)	Cash flow from operating activities, 2016-17 (₹ crore)	Team size, March 31, 2017	R&D team, March 31, 2017	Customers, March 31, 2017

PASSION PAYS

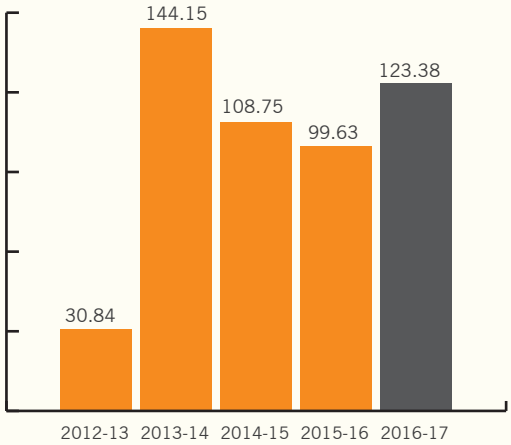
HERE IS PROOF



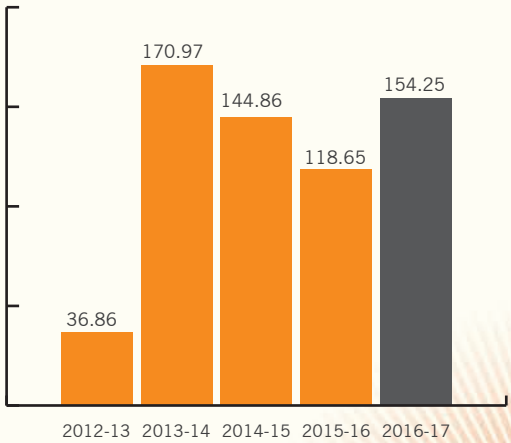
Revenue from operations
(₹ crore)



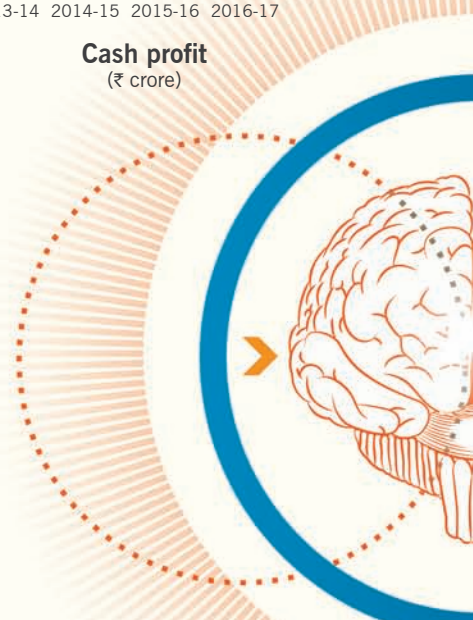
EBIDTA
(₹ crore)

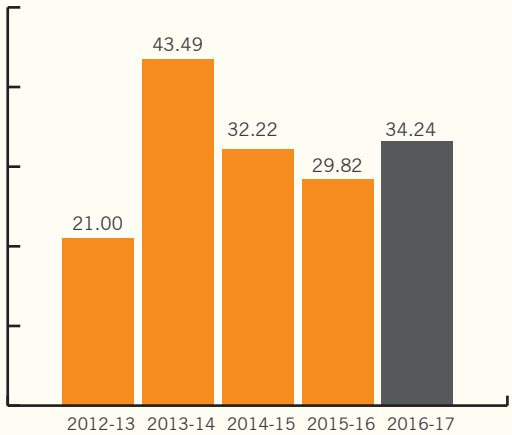


Net profit
(₹ crore)

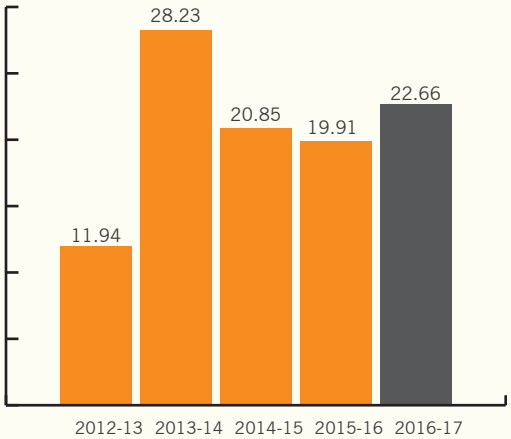


Cash profit
(₹ crore)

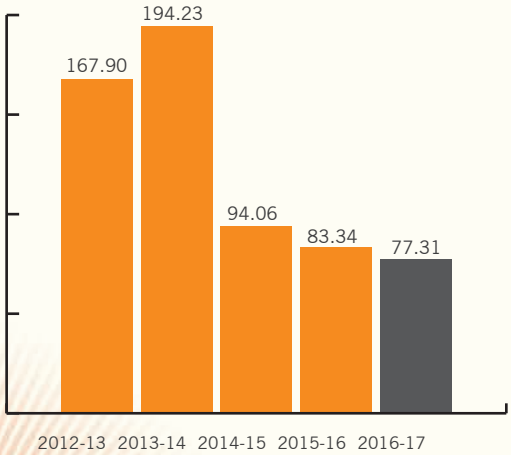




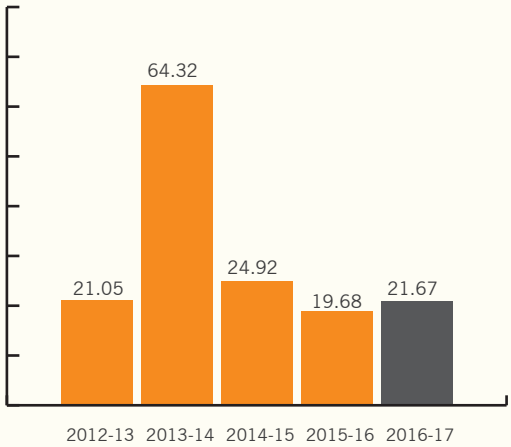
EBIDTA margin
(%)



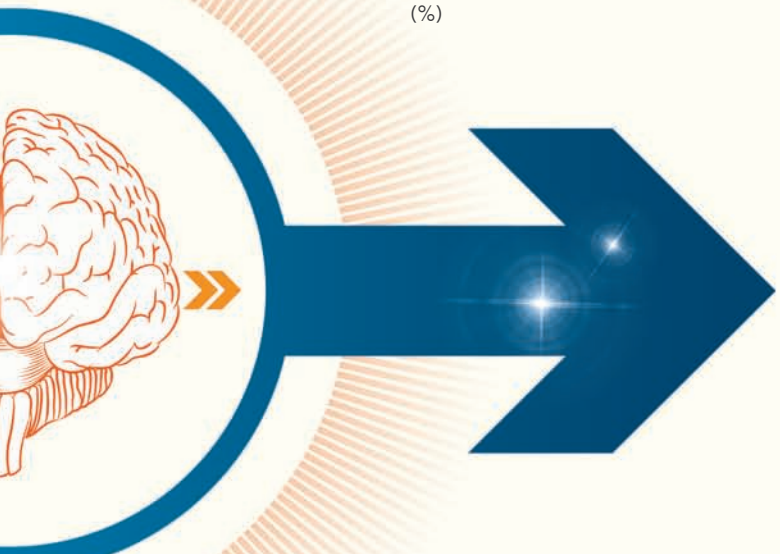
Net margin
(%)



ROE
(%)



ROCE
(%)



MR VENKAT JASTI
CHAIRMAN & CEO

Dear shareholders,

IT HAS BEEN AN EXCITING TIME AT SUVEN, FOR OUR PAINSTAKING EFFORTS OF MAKING REVENUE ACCRETION PREDICTABLE AND PROFITABLE GROWTH SUSTAINABLE, HAVE YIELDED HEARTENING RETURNS.

In fiscal 2016-17 two important things transpired. One, we supplied commercial quantities for an approved NCE which was launched by our customer in the global markets. And two, we continued to receive fees from a global pharmaceutical company for a formulated product.

The coming together of these initiatives lends stability to our business and add important growth levers that promise to sustain profitable growth over the coming years.

In fiscal 2017-18, we expect these flanking strategies to play a more meaningful role in strengthening business profitability. This optimism stems from the interesting possibilities.

Our NCE vertical is at an inflection point. Four molecules are at various stages in their development cycle – one is undergoing Phase II trial, one is ready for Phase II trial, one has completed Phase I trial and one has entered Phase I trial.

And our success in delivering CRAMS projects to our global clients abily supports our investments in NCE development.

Now there is an interesting development in the CRAMS business. Globally, innovators are cherry-picking only those molecules for development which hold the potential of success. For us, this means an increasing number of projects would move up the development value chain (from Phase I to Phase II and to Phase III) making the base CRAMS business more revenue accretive and profitable over medium to long term.

Message to shareholders

The current fiscal promises a lot of action in both verticals – CRAMS and NCE development. We remain hopeful that our planned initiatives would propel our CRAMS business into the next orbit. We continue to remain steadfast on our resolve to unlock value from our steadily progressing NCE pipeline. We are confident that these strategies will significantly increase wealth for our shareholders over the coming years.

Warm regards

Mr. Venkat Jasti
Chairman & CEO

PASSION PAYS

OPERATIONAL REVIEW

WE IMPROVED PROFITS AND PROFITABILITY OVER THE PREVIOUS YEAR EVEN AS REVENUE **GROWTH REMAINED MARGINAL**

Were you happy with the Company's performance in FY17?
It was a fairly good year when compared with the previous fiscal. Although our revenue grew marginally over the previous year, business profitability improved as EBIDTA and net profit grew at 27% and 24% respectively.

What reasons would you ascribe for the subdued topline growth?
There was essentially one reason which pulled down our growth numbers. In our base CRAMS business, we experienced mixed churn in our project portfolio leading to a reduction in our topline.

Even as your topline improved only marginally in comparison to the previous year levels, business profitability improved considerably. How would you explain this?
The improvement in profitability is mainly attributed to mix of products in phase II stage and also supply of one commercial product during this year.

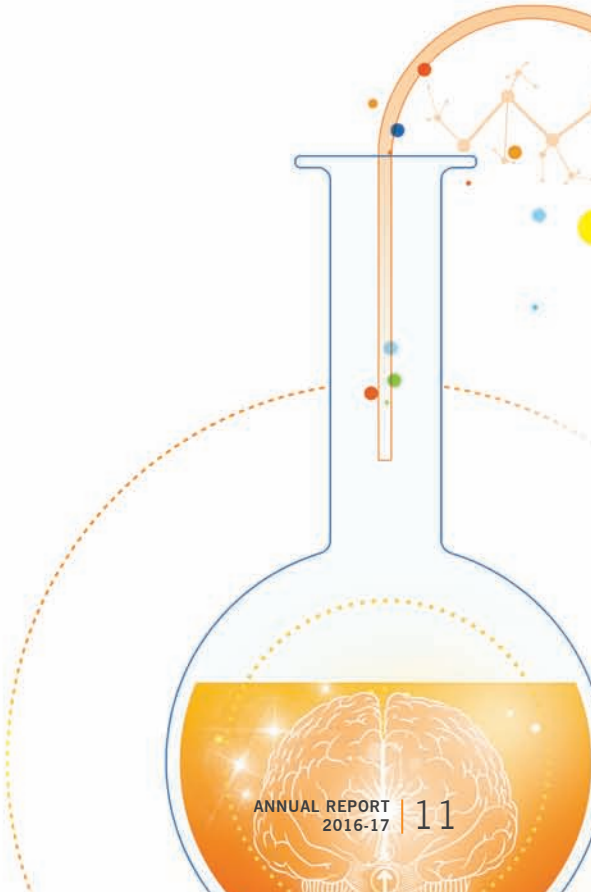
What measures did you take to make the financials stronger?
Our focus has been mainly towards improving the efficiency in delivery of CRAMS projects and also maintaining the sticky customer profile wherein we are the preferred supplier for 4 global companies. This lead to improved profitability and stronger financials.

What was the progress on the NCE pipeline?
It was a very exciting year as all our leading molecules moved a step higher in the development cycle. For SUNV-502, we enrolled more than 250 patients (out of a total requirement of 537 patients) for our Phase II Clinical Trial; we hope to complete the study in the next 18-24 months. Our other molecules namely SUVN-G3031 is ready for Phase II, SUVN-D4010 has completed Phase I and SUVN-911 has entered Phase I.

How do you expect the overall CRAMS business to pan out in next few years for Suven?
We see a good growth opportunity in the base CRAMS business. In addition, we are working on few more specialty chemicals and also Intermediates, APIs and clinical batch formulations. We expect these business opportunity to stabilise over the next 3 to 5 years.

VALUE-DRIVEN GROWTH

EBIDTA MARGIN (%)	NET MARGIN (%)
21.00 (2012-13)	11.94 (2012-13)
34.24 (2016-17)	22.66 (2016-17)



MANAGEMENT **DISCUSSION** AND **ANALYSIS**

Global economic review

Global GDP growth slowed marginally to 3.1% year-on-year, as deceleration in key emerging and developing economies overshadowed a modest recovery in major developed countries. This deceleration was accompanied by modest increase in commodity prices, subdued global trade, bouts of financial market volatility, and weakening capital flows.Global industrial production (IP) growth slowed to 1.5% year-on-year in 2016, after growing by 1.8% in 2015.This could have been worse had it not been for a healthy uptick in global economy during the second half of 2016, especially in advanced economies – this also provides optimism for economic resurgence in the current year.

Outlook: Consistently good economic news since the summer of 2016 is starting to add up to a brightening global outlook. With buoyant financial markets and a long-awaited cyclical recovery in manufacturing and trade under way, world growth is projected to rise from 3.1% in 2016 to 3.5% in 2017 and 3.6% in 2018.

Indian economy – performance and prospects

Favourable government reforms and a stringent fiscal regime in the recent past have supported the accelerated growth of the Indian economy since 2014. And despite the Indian economy having sustained its 7%-plus growth in 2016-17, the nation's growth momentum decelerated marginally due to 7.1% in 2016-17 against 7.9% in 2015-16. This slip was primarily owing to two factors 1) political disruption prevailing in key global partners of the nation and 2) short-term disruptive government initiatives.

On the brighter side, the steep decline in global oil prices that began in late 2014 boosted the economic activity in India, further improved the external current account and fiscal position and helped lower inflation. In addition,continued fiscal consolidation by reducing government deficits and debt accumulation, and an anti-inflationary monetary policy stance have helped cement macroeconomic stability.

Outlook: Economy experts and opinion makers are optimistic of India's economic resurgence and expect the nation's GDP growth to improve to about 7.5% in 2017-18, catalysed by two important triggers – the GST roll out and the infrastructure spend announced in the Union Budget 2017-18.

Global pharmaceutical space

The life sciences sector's growth correlates highly with countries' general economic strength and health care spending levels and both of these vary widely around the globe.

And while spending growth is expected to pick up, the pressure to reduce costs, increase efficiency, and prove value remains intense. Because of these contradictory trends, global health care spending is expected to increase by a low single digit.

Pricing pressures in the United States and unstable economic conditions in Brazil, Russia, and China, which collectively drive 50% of global pharma revenue, have led to a slowdown in the pharma segment. Under the circumstances, demand for generic drugs will continue to rise as payers pursue avenues to reduce costs.

Pharma companies are adapting to current market dynamics and positioning themselves for growth through portfolio transformation, targeted deal-making, cost-cutting measures, and sharpened focus on high-performing therapeutic area and geographic markets.

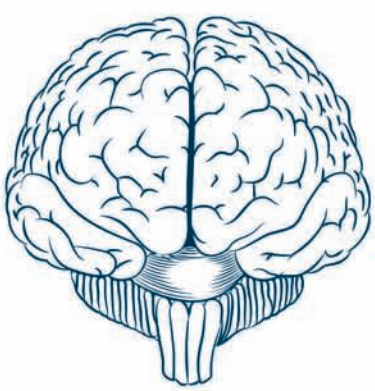
Outlook through 2021

The total volume of medicines consumed globally will increase by about 3% annually through 2021, only modestly faster than

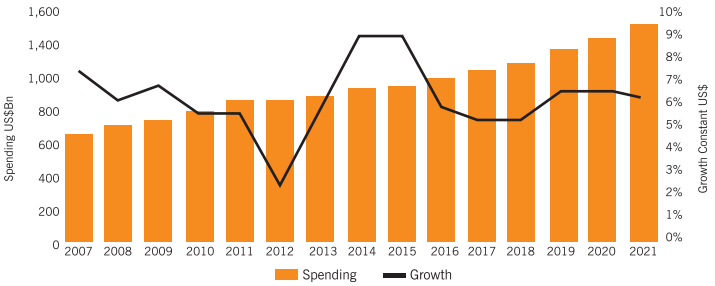
3.1
Global GDP growth in 2016 (%)

1.6
GDP growth in Advanced economies in 2016 (%)

4.1
GDP growth in Emerging Market and developing economies in 2016 (%)



Global Market Spending and Growht 2007-2021



Source: IMS Market Prognosis, Sept 2016, Quintiles IMS Institute Oct 2016

population and demographic shifts, but driven by very different factors around the world.

Global medicine spending will reach nearly US$1.5 trillion by 2021 on an invoice price basis, up nearly US$370 billion from the 2016 estimated spending level. Importantly for the outlook is that spending growth is slowing in 2016, declining from nearly 9% growth in 2014 and 2015 to just 4–7% CAGR over the next five years.

Most global spending growth, particularly in developed markets, will be driven by oncology, autoimmune and diabetes treatments where significant innovations are expected.The next five years will see the market growing at a more consistent rate but with much more attention focused on spending, growth and specifically pricing.

Global research and outsourcing

The importance of research and development (R&D) for the pharmaceutical industry is evidenced by the cumulative R&D expenditure in this sector as a whole but also on the individual company level. The total worldwide R&D spend of pharmaceutical and biotechnology companies increased from US$108 billion (2006) to US$141 billion (2015). It is expected that the pharmaceutical industry will maintain its position as a leading R&D stakeholder in the future with an industry-wide forecasted total R&D spend of US$160 billion by 2020. But R&D efficiencies in terms of NME launches continues to remain low. This is owing to two reasons - low success rate and increasing R&D costs

- The Center for Medicine Research International (CMR) reported in its Pharmaceutical R&D Factbook 2014 an average success rate of 4.9% from first toxicity dose to market approval.
- The costs for pharmaceutical R&D increased in the past decades significantly owing to the use of new technologies, larger clinical trial sizes and superior clinical infrastructure. This view is supported by a number of studies: while the costs per NME were published to be USD 250 million before the 1990s, the average out-of-the-pocket costs per NME have been calculated to be US$403 million (2000s) and US$873 million (2010), respectively.

As the complexity of pharmaceutical R&D has increased over the year, pharmaceutical R&D collaborations have become the order of the day to secure access to the required enlarged set of skills and technologies and optimise R&D investments. Today, all major research-based pharmaceutical companies use opportunities along the whole R&D value chain to access external innovation.

The global CRO market was valued at US$34 billion in 2014, but is expected to scale to US$59.42 billion in 2020 – agrowth at constant rates of 9.80%(Source: Contract Research Organisation (CRO) Industry for Early-Stage Development Services and Last-Stage Development Services: Global Market Perspective, Comprehensive Analysis and Forecast, 2014-2020).

7.1	5	3.5	0.7	103,219
India's GDP growth in 2016-17 (%)	IIP growth in India in 2016-17 (%)	India's fiscal deficit in 2016-17 (%)	India's current account deficit in 2016-17 (%)	Average per capita income 2016-17 (₹)

VERTICAL 1
TOTAL CRAMS

544.48

REVENUE IN 2016-17
(₹ CRORE)

VERTICAL 2
NCE DEVELOPMENT

99.14

INVESTMENT IN 2016-17
(₹ CRORE)

The CRAMS-NCE connect

Suven has leveraged its chemistry skills and over two decades -rich knowledge from the challenging CRAMS business to make a foray into the niche, high-risk NCE space.

CRAMS business

22 years of experience
784 projects delivered
70 global clients

INTERESTING OPPORTUNITIES

Working with global innovators provides insights into unmet global needs

EXPERTISE RESPOSITORY

Working on diverse projects created a huge library of chemistry expertise

PARTNERSHIP POTENTIAL

Being part of the global innovator community provided knowledge of possible partners for late stage NCE development

FUNDING FREEDOM

Expertise, experience and success in delivering CRAMS projects has provided global credibility and recognition which increased project flow and cash flow to fund NCE development projects

NCE space

13 molecules under various stages of development
1 molecules undergoing Phase II clinical trial
1 molecule ready for Phase II
1 molecule completed Phase I
1 molecule entered Phase I
600+ investment (₹ crore) in NCE development since inception

Business segment 1

CONTRACT RESEARCH AND MANUFACTURING SERVICES **(CRAMS)**

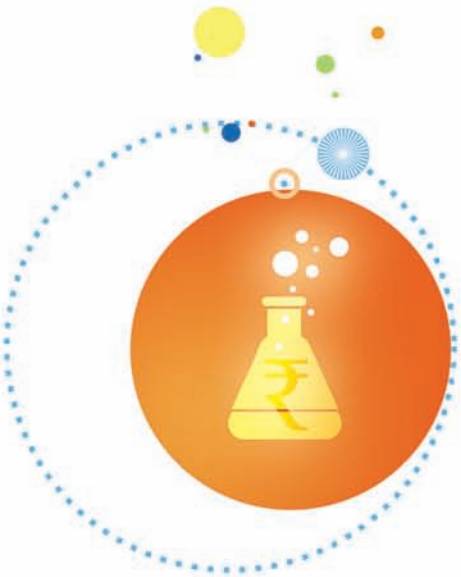
SUVEN LIFE SCIENCES PIONEERED THE NCE-BASED CRAMS SPACE IN INDIA AND CONTINUES TO BE A DOMINANT PLAYER IN THIS SPACE.

Leveraging its research expertise, Suven has established a strong presence in the high-end NCE-based CRAMS space assisting global pharmacos in their innovation programmes. The Company develops and supplies intermediates for NCEs during the clinical phase of drug development.

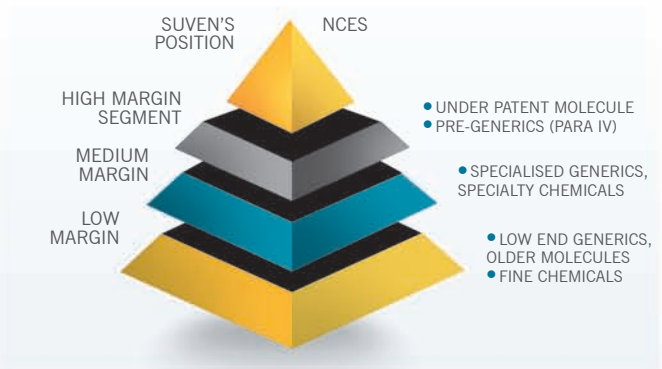
This flagship business segment accounts for more than 90% of the Company's revenues. Within the CRAMS vertical, the Company has segregated the business into three revenue verticals – base CRAMS, CRAMS for commercial products and supply of specialty chemicals.

Base CRAMS: Suven works with global innovator companies, supplying intermediates for their NCEs during the clinical phase of drug development. Over the years, Suven has reported a consistent rise in the number of active products under CRAMS.

CRAMS for commercial products: A high-value, high-margin vertical, which involves supplies of intermediates for NCEs that have been launched globally.



SUVEN IN THE **CRAMS** VALUE CHAIN



PROJECT PROGRESSION

	2012-13	2013-14	2014-15	2015-16	2016-17
Phase I	46	52	57	64	70
Phase II	41	46	52	48	41
Phase III	1	3	1	1	2
Total	**88**	**101**	**110**	**113**	**113**

Yesterday and tomorrow

CRAMS BUSINESS

Revenue in 2016-17 was ₹544.48 crore
Revenue grew by 9% over the previous year
EBIDTA in 2016-17 was ₹180.77 crore
EBIDTA grew by 27% over the previous year

PERFORMANCE IN 2016-17

BASE CRAMS

Project portfolio underwent a churn-number of Phase I projects increased from 64 in 2015-16 to 70 in 2016-17

CRAMS FOR COMMERCIAL PRODUCTS

Supplied commercial quantity for one product-revenues earned cushioned the revenue decline in the base CRAMS vertical

CONTRACT TECHNICAL SERVICES

Increased traction for research services and growth in fees for formulated products

PROMISE FOR 2017-18

BASE CRAMS

Possibility of an increase in Phase II projects which may improve revenue and profitability

CRAMS FOR COMMERCIAL PRODUCTS

Initiated supply of comercial quantity for second NCE would result in improved perforamance

SUPPLY OF SPECIALTY CHEMICAL

Reached a stage of stable business with a continued supply for 4-5 years

CRAMS BUSINESS

Revenue growth estimated at 10-15% over 2016-17

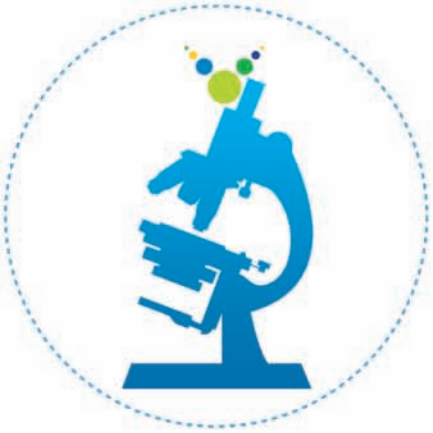
Business segment 2

NEW CHEMICAL **ENTITIES (NCE)**

Suven is among the few Indian pharmaceutical players focused on developing NCEs in the complex CNS space.

This respected outlier in a high-risk, high-return niche has created a promising NCE pipeline comprises 13 molecules, mainly in the central nervous system category. Within this space, Suven's discovery assets address niche areas of cognitive impairment associated with neurodegenerative disorders like Alzheimer's, Attention Deficient Hyperactivity Disorder (ADHD), Huntington's chorea, Parkinson's, Schizophrenia and pain and major depressive disorder.

Suven has gained the reputation of being one of the most prominent companies in this space in Asia. The Company has thus far received 1,116 product patents for 30 products inventions and 39 process patents for 9 process inventions.



NCE PIPELINE

13 molecules at various stages of development
4 molecules in various stages of Clinical Trials

ANALYSIS OF THE FINANCIAL STATEMENTS

Statement of Profit and Loss

Revenue from operations increased by 9% from ₹500.28 crore in 2015-16 to ₹544.48 crore. Even as the growth in revenue from the core CRAMS business remained tepid, revenue growth was contributed by sub-segments with the CRAMS space namely earning from supplies of an intermediate for one approved molecule which was launched by our customer and earning from supplies of our formulated products to a global pharmaceutical major.

Operating costs (Materials and manufacturing costs) declined by 6.91% from ₹252.91 crore in 2015-16 to ₹235.43 crore in 2016-17 even as business earnings increased. While cost of materials consumed decreased by 13.25% over the previous year, manufacturing costs increased by 8.28% over the same period.

Employee costs increased by 23.69% over the previous year owing to on-boarding of fresh talent into the organization, the annual increments and other people initiatives. Also, the R&D expenses increased by 4.45% from ₹62.17 crore in 2015-16 to ₹64.94 crore in 2016-17. This increase was consequent to the Company's focus on moving its NCE pipeline forward along the development cycle.

Finance costs declined by 3.51% due to a reduction in the average interest cost for the Company and a reduction in the debt burden. Subsequently, interest cover strengthened from 24x in 2015-16 to 32x in 2016-17.

Business growth was accompanied by an improvement in business profitability owing to healthy revenue contributions from multiple business verticals. As a result EBIDTA increased by 24.98% from ₹149.18 crore in 2015-16 to ₹186.44; EBIDTA margin improved from 29.82% to 34.24% over the same period. The Company registered a Net Profit of ₹123.37 crore in 2016-17 against ₹99.63 crore in 2015-16 – a growth of 23.84%; net margin stood at 22.66% in 2016-17 against 19.91% in 2015-16.

Balance Sheet

The capital employed in the business increased from ₹668.99 crore as on March 31, 2016 to ₹761.63 crore as on March 31, 2017.

The equity capital remained unchanged over the previous year while the balance under reserves and surplus increased by 17.69% from ₹610.74 crore as on March 31, 2016 to ₹718.80 crore as on March 31, 2017 owing to the ploughing of operational surplus into the business. As a result, the book value per share increased from ₹49 as on March 31, 2016 to ₹57.47 as on March 31, 2017.

Long-term borrowings declined from ₹41.64 crore as on March 31, 2016 to ₹25.93 crore as on March 31, 2017. Short-term borrowings increased marginally from ₹24.16 crore as on March 31, 2016 to ₹30.49 crore as on March 31, 2017 to meet increased working capital requirements. Trade payables ware largely at previous year levels – ₹37.94 crore on March 31, 2017 against ₹35.60 crore on March 31, 2016.

The fixed tangible assets balance remained at previous year levels – ₹304.47 crore as on March 31, 2017 against ₹305.06 crore as on March 31, 2016. The investments balance jumped significantly – from ₹23.05 crore as on March 31, 2016 to ₹65.08 crore as on March 31, 2017 increased its investment in its US subsidiary Suven Inc.

Current assets increased marginally from ₹427.03 crore as on March 31, 2016 to ₹487.17 crore as on March 31, 2017. This increase was largely on account of an increase in the Investments balance as the Company parked business surplus in liquid funds. Trade receivables balance declined from ₹53.56 crore as on March 31, 2016 to ₹45.83 crore even as revenue from operations registered a heartening growth. The working capital cycle stood at 216 days in 2016-17 against 194 days in 2015-16

ALLAYING SHAREHOLDER **APPREHENSIONS**

Risk is the face of business uncertainty, affecting corporate performance and prospects. As a disciplined enterprise, Suven has a system-based approach to business risk management. Its risk mitigation framework comprises a study of emerging business trends, framing policies and strategies, structured reporting and control. The disciplined approach coupled with timely execution of proactive counter-measures strengthens the Company's viability across verticals, products, geographies and market cycles.

How will the Company grow business?

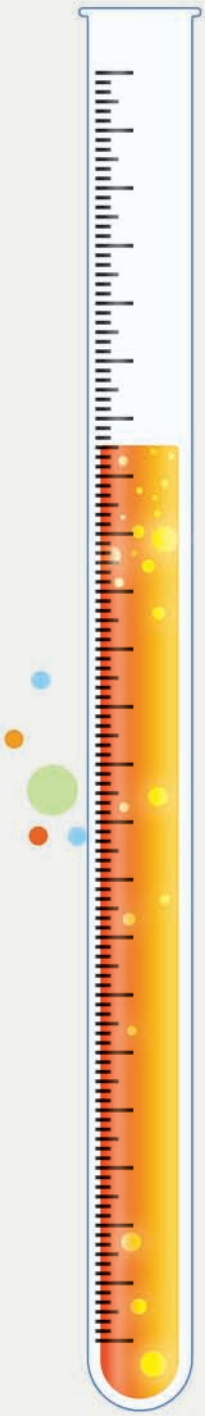
Over the years, the Company has created many growth levers which will facilitate in sustaining business growth despite adversities in any one revenue vertical. In 2016-17 for instance, despite a subdued performance in the base CRAMS segment, other revenue verticals within that segment cushioned the decline in business revenue. To further strengthen the organisation's growth momentum the Company is strengthening its existing verticals with new products and strategising to enter new high-growth, high-return spaces – CRAMS in the formulations space is one such initiative.

Will the CRAMS space continue to sustain the Company's growth momentum?

In recent times, the ailment profile across the world has changed significantly which has made it absolutely necessary for the global pharmaceutical majors to develop niche solutions that address this transformation – with speed. But, aliment complexity and inflationary pressures have made new molecule development costs prohibitive mandating global innovators to partner with dedicated research houses that offer a unique combination of knowledge, expertise and ethical operations. Hence, research outsourcing is only expected to increase over the coming years. Having delivered more than 780 projects to global innovators, Suven is perfectly positioned to capitalize on this business reality.

Can the Company sustain the development journey for its NCE assets to its logical conclusion considering the sizeable requirement of funds?

Suven has prudently paced its molecule development in a manner that its cash-flows match its research requirement for these innovation assets. Moreover, the Company



PASSION PAYS

has strategically cherry-picked four out of its 13 molecules for clinical trials as these address the highly complex CNS space (the last new molecule launched in the CNS space was in 2003).

Moreover, the Company enjoys a strong financial position reflected in a ₹300+ crore cash balance (including liquid investments) as on March 31, 2017 showcases the Company's liquidity which can be used to address the increasing cash requirement for its NCE business.

What steps is the Company taking to improve business profitability?

Suven has adopted a two-pronged approach to strengthen business profitability – increase value and optimise costs.

From a value perspective, the commencement of commercial supplies for two of the three commercialised molecules is expected to drive profitability. Further, the focus on growing recently created formulation's supply vertical is also expected to catalyse business profitability

From a cost perspective, the Company continues to focus on eliminating wastages and improve man-machine productivity. The outcome of these initiatives is heartening: in 2016-17, EBIDTA and Net margins improved by 470 bps and 275 bps respectively over the previous year.

BOARD'S REPORT

To the Members of
Suven Life Sciences Limited

Your Company's Board of Directors has pleasure in presenting this 28th Annual Report together with Ind AS compliant Audited Financial Statements of the Company for the financial year ended 31st March, 2017.

FINANCIAL PERFORMANCE

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	54,447.78	50,028.18	54,447.78	50,028.18
Operating expenditure	37,913.45	37,039.08	41,540.33	39,861.79
Depreciation and amortization	2,141.31	1,749.71	2,141.31	1,749.71
Operating profit	14,393.02	11,239.39	10,766.14	8,416.68
Finance cost	566.58	587.21	568.34	587.63
Other income	2,109.25	1,929.36	2,109.25	1,929.36
Profit before Tax	15,935.69	12,581.54	12,307.05	9,758.41
Tax expenses	3,588.32	2,573.55	3,588.32	2,573.55
Profit for the year	**12,347.37**	**10,007.99**	**8,718.73**	**7,184.86**
Other Comprehensive Income Items that will not be reclassified to profit or loss	(14.90)	(69.16)	(14.90)	(69.16)
Income tax relating to items that will not be reclassified to profit or loss	5.15	23.93	5.15	23.93
Total Other Comprehensive Income	(9.75)	(45.23)	(9.75)	(45.23)
Total Comprehensive Income	12,337.62	9,962.76	8,708.99	7,139.64
Retained earnings - opening balance	29,926.11	25,046.49	27,102.99	25,046.49
Add:				
Profit for the year	12,337.62	9,962.76	8,708.99	7,139.64
Less:				
Dividend including dividend tax	(1531.94)	(3983.14)	(1531.94)	(3983.14)
Transfer to General Reserve	(1200.00)	(1100.00)	(1200.00)	(1100.00)
Retained earnings - closing balance	39,531.79	29,926.11	33,080.03	27,102.99

REVIEW OF OPERATIONS

Your Company has performed well during the year under review and registered a standalone revenue from operations of ₹54,448 lakhs as against ₹50,028 lakhs in the previous year. Profit after Tax (PAT) of the Company has gone up by 24% to ₹12338 lakhs from ₹9,963 lakhs in the previous financial year. The Earnings per Share (EPS) of your Company has improved to ₹9.69 in fiscal 2016-17 per share from the previous year EPS of ₹7.83 in fiscal 2015-16 per share.

Your Company's consolidated revenue from operations for the year 2016-2017 remained the same as that of standalone revenue. The consolidated profit after tax decreased to ₹8709 lakhs due to clinical development expenditure incurred by Suven, Inc., on SUVN-502.

EXPORTS

The exports of the Company continue to be a major chunk of revenue accounting for a volume of ₹49,963 lakhs, representing 92% of the total revenue of ₹54,448 lakhs during the year under review.

DIVIDEND

Your Directors have declared an interim dividend of ₹1.00 per equity share during February, 2017. The total cash outflow on account of dividends including dividend tax paid is ₹1532 lakhs. The Company has paid the interim dividend to the shareholders who are on the Register of Members of the Company as on the Record Date 09th February 2017 notified to the stock exchanges in terms of SEBI (LODR) Regulations, 2015. Keeping the funding requirements for the expansion plans in view, the Board recommends that interim dividend already paid may please be treated as the final dividend for the year 2016-2017.

TRANSFER TO RESERVES

The Company transferred ₹1200 lakhs to the general reserve during the current financial year.

RESEARCH AND DEVELOPMENT

During the year your company has spent ₹6973 lakhs on innovative R&D in CNS therapies accounting for 13% on sales. Your Company's focus remained on discovering, developing and commercializing novel pharmaceutical products, which are first in class or best in class CNS therapies through the use of GPCR targets. Suven has 4 clinical stage compounds, a Phase 2 undergoing SUVN-502, Phase 2 ready SUVN-G3031, Phase 1 completed SUVN-D4010 and Phase 1 commenced SUVN-911.

In addition to these clinical compounds the Company has nine (9) internally-discovered therapeutic drug candidates currently in various stages of pre-clinical development targeting conditions such as ADHD, dementia, depression, Huntington's disease, Parkinson's disease and pain.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 was ₹1,272.83 lakhs. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options or sweat equity shares.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2017 forms part of this report as "Annexure – A".

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review four Board Meetings were convened and held and four Audit Committee Meetings were convened and held. The details of Board meetings and Audit Committee meetings are presented in the Corporate Governance report, which forms a part of this Annual Report.

The Audit Committee composed of all independent directors. Shri D G Prasad is the Chairman of the Audit Committee and Dr M R Naidu, Dr K.V.Raghavan and Shri M Gopalakrishna are members of the Audit Committee. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors state that:

i) The applicable accounting standards have been followed in the preparation of the Annual Accounts.

ii) Such Accounting policies have been selected and applied consistently and judgments and estimates made when required that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) The Directors have prepared the Annual Accounts on a going concern basis.

v) Proper internal financial controls were in place to be followed by the Company and that the financial controls were adequate and were operating effectively.

vi) Proper systems devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

DIVIDEND POLICY

The Board has adopted a suitable Policy for Dividend Distribution as per the requirements of SEBI Guidelines. The policy is stated in the Annual Report and has been uploaded on the Company's website and can be accessed at http://suven.com/POLICY%20FOR%20DIVIDEND%20DISTRIBUTION.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has invested a sum of Rs 6501 lakhs in Suven, Inc., a wholly owned subsidiary as at 31st March 2017 for its business purpose. Apart from the investment, the Company did not give any Loans, or provided Guarantees or any security during the year under the provisions of Section 186 of the Companies Act, 2013.

SUBSIDIARY

The Company has one international wholly owned subsidiary company by name Suven, Inc., in USA. The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, form part of the annual report.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary in Form AOC 1 forms part of Board's Report as "Annexure B". The separate audited financial statements in respect of the subsidiary company shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of the subsidiary company is also available on the website of your Company at http://www.suven.com/AnnualReports.htm

RELATED PARTY TRANSACTIONS

The Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed Form AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, forms part of this report as "Annexure – C".

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2017 and the date of the Directors' report i.e. 13th May, 2017.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, forms part of this report as "Annexure – D".

RISK MANAGEMENT POLICY

The Board formulated a suitable risk policy to take care of unique business models of your Company: Contract Technical Services (CTS) and CRAMS. Suven is an IP creating and protecting company, strictly adheres to and harmonize with the global patent regime. To ensure the security and confidentiality of client data access to client data, is restricted to the senior most team leader working on the respective project and observes strict standards of confidentiality by entering into an internal CDA. We believe that strict compliances to the non disclosure requirements insulate our company against risks relating to IPR infringement claims of our clients. In addition to these practices, your company regularly conducts safety and preventive audits in all plants and ensures that necessary safeguards are in place to protect the work force and assets against all perils with appropriate insurance policies.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee composed of Shri M. Gopalakrishna as Chairperson, Shri Venkateswarlu Jasti and Smt. Sudharani Jasti as members. The committee is responsible for formulating and monitoring the CSR policy of the Company. Annual Report on CSR Activities forms part of this Report as "Annexure – E".

PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and as per the SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

APPOINTMENTS/ RESIGNATIONS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL

The Company did not appoint any directors or Key Managerial Personnel during the year. All Independent Directors have given declarations confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. None of the Directors or Key Managerial Personnel has resigned during the year under review.

DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of the Companies Act, 2013, Prof Seyed E Hasnain, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief profile(s) of the director(s) seeking appointment/ re-appointment at the ensuing Annual General Meeting are presented in the Annual Report.

PUBLIC DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has laid down set of standards which enables to implement internal financial control across the organization and ensure that the same are adequate and operating effectively (1) to provide reasonable assurances that: transactions are executed in conformity with generally accepted accounting principles/standards or any other criteria applicable to such statements, (2) to maintain accountability for assets; access to assets is permitted only in accordance with management's general or specific authorization and the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that could have a material effect on the financial statements.

VIGIL MECHANISM

The Company has put in place Whistle Blower Policy a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company

PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as "Annexure – F".

INVESTOR SERVICE

Your Company's share registry operations (physical as well as electronic form of holdings) will continue with Karvy Computershare Private Limited, Registrars and Transfer Agents. They can be contacted at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Phone No. 040-6716 1565 Fax No. 040 -2300 1153 for any query relating to Shares.

The shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance prepared in substantial compliance with the provisions of SEBI (LODR) Regulations, 2015 with the Stock Exchanges together with the Auditors' Certificate regarding the compliance of conditions of corporate governance, forms part of Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

AUDITORS

STATUTORY AUDITORS

M/s. Karvy& Co., Chartered Accountants (Firm Registration No. 001757S) were appointed as first auditors of the Company at the 1st AGM of the Company held on 07th September,1990 and would be rotated with new statutory auditors upon the conclusion of the 28th AGM in accordance with the provisions of the Companies Act, 2013.

Accordingly, as per the said requirements of the Act, M/s. TUKARAM & CO, Chartered Accountants (Firm Registration No. 004436S) are proposed to be appointed as auditorsfor a period of 5 years commencing from the conclusion of 28th AGM till the conclusion of the 33rd AGM, subject to ratification by shareholders every year, as may be applicable, in place of M/s. Karvy& Co., Chartered Accountants.

The Audit Committee and the Board of Directors recommend the appointment of M/s. TUKARAM & CO, Chartered Accountants, as statutory auditors of the Company from the conclusion of the 28th AGM till the conclusion of 33rd AGM, to the shareholders for approval.

COST AUDITORS

In terms of Cost (Records and Audit) Amendment Rules, 2014 dated 31st December 2014 issued by the Central Government, the requirement for Cost Audit is not applicable to the Company based on the export turnover criteria. However the Cost Auditors M/s DZR & Co., Cost Accountants are continuing in their office to carry out cost audit of company's cost records on voluntary basis.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. dvmgopal & associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report forms part of this report as "Annexure – G".The Secretarial Audit Report does not contain any qualifications.

BUSINESS RESPONSIBILITY REPORT

A detailed Business Responsibility Report (BRR) is prepared. As a green initiative the BRR is placed on website of your company and can be accessed at weblink at http://www.suven.com/AnnualReports.htm

EMPLOYEES STOCK OPTION SCHEMES

The applicable disclosures as stipulated under SEBI guidelines with regard to 'Suven Employees Stock Option Scheme, 2004', as on 31 March 2017 annexed to this report.

GENERAL

During the FY2017, there is no change in the nature of business of the companyor of its wholly owned subsidiary (WOS) Suven, Inc., in USA. There are no companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENTS

Your Directors wish to place on record their gratitude to Shareholders for the confidence reposed by them and thank all the shareholders, customers, dealers, suppliers and other business associates for their contribution to your Company's growth. The Directors also wish to place on record their appreciation of the valuable services rendered by the executives, staff and workers of the Company.

Your Directors also thank the Central Government and State Government, the Financial Institutions and Banks for their support during the year and we look forward to its continuance.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 13 May 2017

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

(i)	CIN	L24110TG1989PLC009713
(ii)	Registration Date	09-03-1989
(iii)	Name of the Company	SUVEN LIFE SCIENCES LIMITED
(iv)	Category / Sub-Category of the Company	Company limited by shares / Public company
(v)	Address of the Registered office and contact details	# 8-2-334, SDE Serene Chambers 6th Floor, Avenue 7, Road No. 5 Banjara Hills, Hyderabad – 500 034 Telangana, India Tel: 91-40-2354 1142/ 3311
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd. Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Ph: 91-40-6716 1559 Contact Persons: **Ms. C Shobha Anand**

II. Principal business activities of the company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Bulk Drugs and Intermediates	24231	94%

III. Particulars of holding, subsidiary and associate companies

Sl. No.	Name and address of the Company	CIN/GLN	holding/ subsidiary/ associate	% of shares held	Applicable Section
1	Jasti Property and Equity Holdings Private Limited * Plot No. 396, Road No. 22B Jubilee Hills, Hyderabad – 500 033 Telangana, India	U74900TG2015PTC097580	holding	60%	2(46)
2	Suven Inc., 1100 Cornwall Road, Monmouth Junction, NJ08852, USA	NA	subsidiary	100%	2(87)

* In its capacity as sole trustee of the Jasti Family Trust.

IV. SHARE HOLDING PATTERN *(Equity Share Capital Breakup as percentage of Total Equity)*

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	PROMOTER AND PROMOTER GROUP									
(1)	Indian									
(a)	Individual/HUF	5000	0	5000	0.00	5000	0	5000	0.00	0.00
(b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corp.	76365000	0	76365000	60.00	76365000	0	76365000	60.00	0.00
(e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(1)	76370000	0	76370000	60.00	76370000	0	76370000	60.00	0.00
(2)	**Foreign**									
(a)	NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other -Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total(A)(2):	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A)= (A)(1)+ (A)(2)	76370000	0	76370000	60.00	76370000	0	76370000	60.00	0.00
B.	PUBLIC SHAREHOLDING									
(1)	Institutions									
(a)	Mutual Funds	6230818	18000	6248818	4.91	5842187	18000	5860187	4.60	-0.31
(b)	Banks / FI	160446	0	160446	0.13	199436	0	199436	0.16	0.03
(c)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	561667	0	561667	0.44	652755	0	652755	0.51	0.07
(g)	FIIs	2886831	0	2886831	2.27	2505578	0	2505578	1.97	-0.30
(h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total(B)(1):	**9839762**	**18000**	**9857762**	**7.74**	**9199956**	**18000**	**9217956**	**7.24**	**-0.50**

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	**Non-Institutions**									
(a)	Bodies Corp.									
	(i) Indian	3679572	9000	3688572	2.90	3450416	9000	3459416	2.72	-0.18
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals									
	(i)Individual shareholders holding nominal share capital upto ₹1 lakh	27501286	876165	28377451	22.29	29109873	935985	30045858	23.61	1.31
	(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	3227264	120000	3347264	2.63	2885744	0	2885744	2.27	-0.36
(c)	Others (specify)									
i)	Non Resident Indians	5321927	112200	5434127	4.27	4605582	112200	4717782	3.70	-0.57
ii)	NRI Non-Repatriation	0	0	0	0.00	376252	0	376252	0.30	0.30
iii)	Clearing Members	172712	0	172712	0.14	169375	0	169375	0.13	0.00
iv)	NBFC	34590	0	34590	0.03	40095	0	40095	0.03	0.00
	Sub-total (B)(2):	**39937351**	**1117365**	**41054716**	**32.25**	**40637337**	**1057185**	**41694522**	**32.76**	**0.50**
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	**49777113**	**1135365**	**50912478**	**40.00**	**49837293**	**1075185**	**50912478**	**40.00**	**0.00**
C.	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	**126147113**	**1135365**	**127282478**	**100.00**	**126207293**	**1075185**	**127282478**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company		
1.	Jasti Property and Equity Holdings Private Limited *	76365000	60.00	0.00	76365000	60.00	0.00	0.00
2.	Venkateswarlu Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
3.	Sudha Rani Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
4.	Sirisha Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
5.	Madhavi Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
6.	Kalyani Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
	Total	**76370000**	**60.00**	**0.00**	**76370000**	**60.00**	**0.00**	**0.00**

** In its capacity as sole trustee of the Jasti Family Trust.*

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	76370000	60.00	76370000	60.00
2.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the End of the year			76370000	60.00

(iv). Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Shareholder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Shareholding at the beginning/end of the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	IDFC PREMIER EQUITY FUND	5239040	4.12	01/04/2016			5239040	4.12
				02/12/2016	(839040)	Transfer	4400000	3.46
		4400000	3.46	31/03/2017			4400000	3.46
2	RAMBABU CHIRUMAMILLA	3184188	2.50	01/04/2015			3184188	2.50
		3184188	2.50	31/03/2016			3184188	2.50

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
3	USAA ASSET MANAGEMENT COMPANY A/C USAA MUTUAL FUND	785320	0.62	01/04/2016			785320	0.62
				08/04/2016	(149137)	Transfer	636183	0.50
				06/05/2016	(12070)	Transfer	624113	0.49
				05/08/2016	(12486)	Transfer	611627	0.48
				02/09/2016	(6015)	Transfer	605612	0.48
				04/11/2016	(27165)	Transfer	578447	0.45
				27/01/2017	(21080)	Transfer	557367	0.44
				03/03/2017	(62760)	Transfer	494607	0.39
				10/03/2017	(48391)	Transfer	446216	0.35
				17/03/2017	(8034)	Transfer	438182	0.34
		438182	0.34	31/03/2017			438182	0.34
4	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C	0	0.00	01/04/2016			0	0.00
				02/12/2016	580000	Transfer	580000	0.46
				09/12/2016	342400	Transfer	922400	0.72
				06/01/2017	40000	Transfer	962400	0.76
				31/03/2017	(193000)	Transfer	769400	0.60
		769400	0.60	31/03/2017			769400	0.60
5	VENKATA VAJRAMMA U	708044	0.56	01/04/2016			708044	0.56
				30/09/2016	(14000)	Transfer	694044	0.55
		694044	0.55	31/03/2017			694044	0.55
6	SHIVANI TEJAS TRIVEDI	581102	0.46	01/04/2016	31949	Transfer	613051	0.48
				15/04/2016	89620	Transfer	702671	0.55
				15/04/2016	(89620)	Transfer	613051	0.48
				31/03/2017			613051	0.48
7	SBI LIFE INSURANCE CO. LTD	561667	0.44	01/04/2016			561667	0.44
				03/06/2016	100192	Transfer	661859	0.52
				01/07/2016	35551	Transfer	697410	0.55
				08/07/2016	(7640)	Transfer	689770	0.54
				15/07/2016	(23102)	Transfer	666668	0.52
				22/07/2016	4024	Transfer	670692	0.53
				29/07/2016	(1562)	Transfer	669130	0.53
				05/08/2016	774	Transfer	669904	0.53
				19/08/2016	327	Transfer	670231	0.53
				26/08/2016	2380	Transfer	672611	0.53
				02/09/2016	3460	Transfer	676071	0.53
				09/09/2016	5990	Transfer	682061	0.54
				16/09/2016	(2822)	Transfer	679239	0.53
				23/09/2016	(61)	Transfer	679178	0.53
				30/09/2016	2140	Transfer	681318	0.54
				07/10/2016	(7574)	Transfer	673744	0.53
				28/10/2016	3437	Transfer	677181	0.53
				04/11/2016	2540	Transfer	679721	0.53
				11/11/2016	2546	Transfer	682267	0.54

Sl. No.	Name of the Shareholder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				25/11/2016	(192)	Transfer	682075	0.54
				02/12/2016	(2225)	Transfer	679850	0.53
				16/12/2016	2611	Transfer	682461	0.54
				30/12/2016	5722	Transfer	688183	0.54
				13/01/2017	(7350)	Transfer	680833	0.53
				10/02/2017	3454	Transfer	684287	0.54
				03/03/2017	(2598)	Transfer	681689	0.54
				17/03/2017	(28934)	Transfer	652755	0.51
		652755	0.51	31/03/2017			652755	0.51
8	SUNDARAM MUTUAL FUND A/C SUNDARAM SMILE FUND	470418	0.37	01/04/2016			470418	0.37
				03/06/2016	50537	Transfer	520955	0.41
				09/09/2016	(44100)	Transfer	476855	0.37
				16/09/2016	(106168)	Transfer	370687	0.29
				23/09/2016	(170687)	Transfer	200000	0.16
				07/10/2016	(50000)	Transfer	150000	0.12
				21/10/2016	(100000)	Transfer	50000	0.04
				28/10/2016	(50000)	Transfer	0	0.00
				31/03/2017			0	0.00
9	MV SCIF MAURITIUS	427074	0.34	01/04/2016			427074	0.34
				22/04/2016	43065	Transfer	470139	0.37
				29/04/2016	16146	Transfer	486285	0.38
				24/06/2016	16959	Transfer	503244	0.40
				19/08/2016	(5558)	Transfer	497686	0.39
				23/09/2016	2755	Transfer	500441	0.39
				23/12/2016	(24908)	Transfer	475533	0.37
				06/01/2017	(5321)	Transfer	470212	0.37
				03/02/2017	(1709)	Transfer	468503	0.37
				03/03/2017	(6871)	Transfer	461632	0.36
				24/03/2017	8578	Transfer	470210	0.37
		470210	0.37	31/03/2017			470210	0.37
10	TAIYO GREATER INDIA FUND LTD	0	0.00	01/04/2016			0	0.00
				17/06/2016	37000	Transfer	37000	0.03
				08/07/2016	28500	Transfer	65500	0.05
				15/07/2016	28000	Transfer	93500	0.07
				29/07/2016	5000	Transfer	98500	0.08
				05/08/2016	21300	Transfer	119800	0.09
				26/08/2016	(35000)	Transfer	84800	0.07
				02/09/2016	(49000)	Transfer	35800	0.03
				13/01/2017	40000	Transfer	75800	0.06
				20/01/2017	10000	Transfer	85800	0.07
				31/03/2017	278500	Transfer	364300	0.29
		364300	0.29	31/03/2017			364300	0.29

(v). Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**SHRI VENKATESWARLU JASTI**				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	1000	0.00
2	**SMT SUDHARANI JASTI**				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	1000	0.00
3	**DR. M R NAIDU**				
	At the beginning of the year	5800	0.00	5800	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	5800	0.00
4	**DR. K V RAGHAVAN**				
	At the beginning of the year	2000	0.00	2000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	2000	0.00
5	**SHRI. D G PRASAD**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	0	0.00	0	0.00
6	**PROF. SEYED E HASNAIN**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	0	0.00	0	0.00
7	**SHRI M GOPALAKRISHNA**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	0	0.00	0	0.00

Sl. No.	Name of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. K HANUMANTHA RAO				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year	0	0.00	0	0.00
2.	Mr. P SUBBA RAO				
	At the beginning of the year	56,000	0.04	56,000	0.04
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year	-	-	56,000	0.04

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	7799.40	456.24	0	8255.65
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	19.29	0	19.29
Total (i+ii+iii)	7799.40	475.53	0	8274.93
Change in Indebtedness during the financial year				
• Addition	0.00	71.80	0	71.80
• Reduction	1049.75	127.59	0	1177.34
Net Change	(1049.75)	(-55.79)	0	(1105.54)
Indebtedness at the end of the financial year				
(i). Principal Amount	6749.65	328.65	0	7078.31
(ii). Interest due but not paid	0	0	0	0
(iii). Interest accrued but not due	0	71.80	0	71.80
Total (i+ii+iii)	6749.65	400.45	0	7150.10

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD & CEO Venkateswarlu Jasti	Name of WTD Sudharani Jasti	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	219.94	109.97	329.91
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.37	7.19	21.56
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	- as % of profit	127.10	63.55	190.65
	- Others, specify...	0	0	0
5.	Others, please specify – PF	26.39	13.20	39.59
	Total (A)	387.80	193.91	581.71
	Ceiling as per the Act		'Refer Note'	

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to MD & CEO and WTD shall not exceed 10% of the net profit of the Company. The remuneration paid to MD & CEO and WTD is well within the said limit.

B. Remuneration to other directors:

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dr. M R Naidu	Dr. K V Raghavan	Shri D G Prasad	Shri M Gopala krishna	
1.	Independent Directors					
	• Fee for attending board / committee meetings	0.90	1.20	1.25	1.20	4.55
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	0.90	1.20	1.25	1.20	4.55
2.	Other Non-Executive Directors					
		Prof. Seyed E Hasnain				
	• Fee for attending board / committee meetings	0.60	-	-	-	0.60
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	0.60	-	-	-	0.60
	Total (B)=(1+2)	1.50	1.20	1.25	1.20	5.15
	Total Managerial Remuneration				**Total (A+B)**	**586.86**
	Overall Ceiling as per the Act					'Refer Note'

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Non-executive and Independent Directors shall not exceed 1% of the net profit of the Company. The Company is paying only sitting fee to all Non-executive and Independent Directors for attending Board/Committee meetings.

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	Chief Financial Officer	Total Amount
1.	**Gross Salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.90	23.35	42.25
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.06	1.67	2.73
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission			
	- as % of profit	0.00	0.00	0.00
	- Others, specify...	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	**19.96**	**25.02**	**44.98**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NA	NA	NA	NA
Punishment	NIL	NA	NA	NA	NA
Compounding	NIL	NA	NA	NA	NA
B. DIRECTORS					
PenaltyNIL	NA	NA	NA	NA	
Punishment	NIL	NA	NA	NA	NA
Compounding	NIL	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
PenaltyNIL	NA	NA	NA	NA	
Punishment	NIL	NA	NA	NA	NA
Compounding	NIL	NA	NA	NA	NA

For and on behalf of the Board of Directors

Place: Hyderabad,
Date: 13 May, 2017

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Annexure –B to the Board's Report

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Name of the Subsidiary	Suven Inc.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Uniform reporting period
Reporting currency	USD
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	₹64.84
Share capital	9680000
Reserves & surplus	(9606547)
Total assets	701197
Total Liabilities	627744
Investments	NIL
Turnover	NIL
Profit before taxation	(5392936)
Provision for taxation	NIL
Profit after taxation	(5392936)
Proposed Dividend	NIL
% of shareholding	100.00

1. Names of subsidiaries which are yet to commence operations : NIL
2. Names of subsidiaries which have been liquidated or sold during the year : NIL

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 13 May, 2017

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts/arrangements/transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.

2. The following are the contracts/arrangements/transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Ms Kalyani Jasti – daughter of Shri Venkateswarlu Jasti, Chairman and CEO and Smt Sudharani Jasti, Whole-time Director	Serving the company as President (US Operations)	5 Years	Looks after US Operations, co-ordination with international customers and review of technical contracts of the Company.	22nd Sept, 2014	Monthly salary of USD19,838 being paid in terms of approval given by the members in EGM held on 21st October 2014 and with the approval ofthe Audit Committee.
Ms. Sirisha Jasti - daughter of Shri Venkateswarlu Jasti, Chairman and CEO and Smt Sudharani Jasti, Whole-time Director	Worked for the Company as GM (HR & ADMN) till 30th June 2016	4 Years	Looks after HR and Administration activities of the Company.	26th May 2015	Monthly Salary of ₹2,16,667/- paid within the threshold limits prescribed under the Companies Act, 2013. With the approval of the Audit Committee.

For and on behalf of the Board of Directors

Place: Hyderabad,
Date: 13 May, 2017

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy;
Elimination of Chiller primary circulation pumps by Conversion of Open Loop to Closed Loop system and to utilize Chilled water return head to Secondary circulation pump by connecting pump in line

Propose to use high efficiency agitators thereby reduce power consumption,
Propose to use high efficiency chiller there by reduction in power
Use of LED Light fixtures
Use of energy efficient Motors
The power savings estimated is 3.5 lakh units/ annum

(ii) the steps taken by the company for utilising alternate sources of energy;
Proposed to utilize Roof top area of app 3000 sq. mtr to install Solar panels and there by generating app 260Kw power at Pashamylaram

(iii) the capital investment on energy conservation equipment's;
Included in the replacement capex

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards technology absorption;
Building a new block which meets the requirement of Occupational Exposure Level (OEL) 4 with automation in production equipment.

(ii) Benefits derived like product improvement, cost reduction, product development, import substitution;
Automation improves the productivity and consistency and the OEL level 4 eliminates the employee exposure to new drug/intermediate products.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year).

a)	Technology imported	NIL
b)	Year of import	NA
c)	Whether the technology been fully absorbed	NA
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	NA

(iv) Expenditure incurred in the R&D centers and innovation centers of Suven during financial year 2016-17 are given below

(₹ in lakhs)

	Expenditure on R&D and Innovation	Year ended 31st March, 2017	Year ended 31st March, 2016
(a)	Capital	478.83	800.76
(b)	Recurring	6,494.09	6,217.41
(c)	Total R&D expenditure	6,972.92	7,018.17
(d)	Total R&D and innovation expenditure as a percentage of total turnover	13%	14%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

		Year ended 31st March, 2017	Year ended 31st March, 2016
(a)	Foreign Exchange earned	49,962.67	46,864.27
(b)	Foreign Exchange outgo	9,590.14	9,351.02

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 13 May, 2017

Annexure –E to the Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	CSR Policy is stated herein below: Weblink:http://suven.com/Pdf/CSR%20policy.pdf
2.	Composition of the CSR Committee	Shri M Gopalakrishna – Chairman of CSR committee (Independent Director) Shri Venkateswarlu Jasti (Chairman & CEO) Smt. Sudharani Jasti (Whole-time Director)
3.	Average net profit of the Company for last three financial years	**₹16530.71 lakhs**
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	**₹330.61 lakhs**
5.	Details of CSR spend for the financial year a) Total amount spent for the financial year: b) Amount unspent, if any:	 **₹176.03 lakhs** **₹154.58 lakhs** (Funds are earmarked for the identified Projects which are under implementation)

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ in lakhs)

Sr. No.	Projects / Activities	Sector	Projects or Programmes District and State	Amount Outlay (Budget) Project or Programs Wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount Spent: Direct/ through implementing agency.
1.	Educational Scholarship, Tuition Support/sports and Promotion of Road Safety awareness	Education	Sanga Reddy, Suryapet, Hyderabad and Vizag	45.00	43.21	177.75	Direct & JVM Rural Development Trust.
2.	Providing safe drinking water to community, installing RO Plant, Maintenance and water supply	Safe Drinking Water	Suryapet District (Telangana)	12.00	11.85	33.59	Direct
3.	Rural Development Project & environmental sustainability	Rural Development & environmental sustainability	Suryapet District (Telangana)	5.00	4.50	104.97	Direct & Through implementing agency
4.	Mid-Day Meal programme	Poverty and malnutrition	Guntur Dist, AP	3.00	2.50	2.50	Direct
5.	Supplementing of state govt schemes for drinking water, health and education etc.	covers drinking water, health & education sectors	Sanga Reddy, Suryapet, Hyderabad and Vizag	115.00	113.97	2.50	Through govt. schemes.
	Total				176.03	435.28	

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

M. Gopalakrishna
Chairman – CSR Committee
DIN: 00088454

Place: Hyderabad,
Date: 13 May, 2017

Brief contents of the CSR policy as approved by the Board

Our Company recognizes that business enterprises are economic organs of society and part of society and draw on societal resources for their growth. We have a duty towards society and the communities and neighborhoods in whose vicinity we operate

The Company undertake the following CSR Projects/ Programs in any of the following areas:

a) Promoting preventive health care and sanitation and making available safe drinking water to the communities where SUVEN operates;

b) Promoting education, including special education and employment enhancing vocational skills among children, literacy and digital literacy among women, elderly, and the differently abled and enhance livelihood opportunities through projects.

c) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources, promotion of art, culture and heritage sites and maintaining quality of soil, air and water.

Annexure –F to the Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Shri Venkateswarlu Jasti – Chairman & CEO	16.81 :1
2.	Smt Sudharani Jasti – Whole-time Director	8.40 :1

Dr M R Naidu, Dr K V Raghavan, Shri D G Prasad, Shri M Gopalakrishna, Independent Directors and Prof Seyed E Hasnain, Non-executive Director were paid only sitting fees for attending the Board / Committee Meetings.

(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sl. No.	Particulars	percentage increase in remuneration
1.	Chairman & CEO	20.53%
2.	Whole-time Director	20.53%
3.	Chief Financial Officer	11.32%
4.	Company Secretary	12.20%

- Dr M R Naidu, Dr K V Raghavan, Shri D G Prasad, Shri M Gopalakrishna, Independent Directors and Prof Seyed E Hasnain, Non-executive
- Director were paid only sitting fees for attending the Board/ Committee Meetings.

(iii) the percentage increase in the median remuneration of employees in the financial year;
13.41%

(iv) the number of permanent employees on the rolls of company;

There were 1016 permanent employees as on 31st March 2017

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 13.41. Whereas the remuneration of managerial personnel was increased by 20.53% for the same financial year.

vi) Affirmation that the remuneration is as per the remuneration policy of the company. Yes

Statement of particulars of employees pursuant to the provision of Sec 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. List of top ten employees in terms of remuneration drawn will be provided upon request by any Member of the Company interested in obtaining the same.

Name of the employee	The age of employee	Designation of the employee	Gross remuneration received (₹ in lakhs)	Nature of employment, whether contractual or otherwise	Qualifications of the employee	Experience of the employee	Date of commencement of employment	The last employment held by such employee before joining the company
Shri Venkateswarlu Jasti	68 years	Chairman & CEO	387.80	Regular	M. Pharma; M.S. (Indus. Pharmacy)	43 years	09-03-1989	Business in USA
Smt Sudharani Jasti	63 years	Whole-time Director	193.91	Regular	B. Sc	36 years	09-03-1989	Business in USA
Dr. NVS Ramakrishna	55 years	Vice President (Discovery Research)	164.85	Regular	M. Sc., Ph. D	28 years	04-03-2002	ZydusCadila

None of the employee is related to the Directors except Shri Venkateswarlu Jasti who is spouse of Smt. Sudharani Jasti.

For and on behalf of the Board of Directors

Place: Hyderabad,
Date: 13 May, 2017

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Secretarial Audit Report

For the financial year ended 31stMarch, 2017

Form No. MR-3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
M/s. Suven Life Sciences Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Suven Life SciencesLimited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st March 2017complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2017 ("Audit Period") and we report that during the period under review the Company has complied with the provisions of the following Act, Rules, Regulations, Guidelines and Standards:

1.1. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made thereunder;

1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

1.5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

1.5.4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

1.5.5. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.

2. The Company is engaged in the business of manufacture and sale of bulk drugs and intermediaries. Accordingly, the following Industry Specific Acts sare applicable under the purview of our audit, in consultation with the Management and on the basis of the Guidance Note issued by the ICSI. Based on our verification and also reliance on the Compliance Certificates givenby the respective Department Heads, the company has complied with following Industry Specific Laws in line with amendments from time to time:

   (i) Drugs and Cosmetics Act, 1940 read with the Drugs and Cosmetics Rules, 1945;
   (ii) Narcotic Drugs and Psychotropic Substances Act, 1985 read with the Narcotic Drugs and Psychotropic Substances Rules, 1985;
   (iii) Petroleum act, 1934;
   (iv) Inflammable substances act, 1952;
   (v) Explosives act, 1884 read with Explosives Rules, 1983;
   (vi) Poisons act, 1919;
   (vii) Indian boilers act, 1923.

3. We further report that:

   3.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There wereno changes in the composition of the Board of Directors during the period under review.

   3.2. Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors electronically to schedule the Board Meetings.

   3.3. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

   3.4. As informed, the company has appropriately provided the information as sought for by the SEBI under PIT Regulations.

   3.5. Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.

   3.6 It is to be noted that for the Audit Period the following acts are not applicable:

   i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
   ii. SEBI (Delisting of Equity Shares) Regulations, 2009.
   iii. SEBI (Buyback of Securities) Regulations, 1998.
   iv. SEBI (Issue of capital and disclosure requirements) Regulations, 2009

   3.7. There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For dvmgopal & associates
Company Secretaries

DVM Gopal
Proprietor
M No: F 6280, CP No: 6798

Place: Hyderabad,
Date: 13 May, 2017

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

ANNEXURE

To
The Members,
M/s. Suven Life Sciences Limited
Hyderabad.

Our Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts ofthe Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws,rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards isthe responsibility of the Management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **dvmgopal & associates**
Company Secretaries

DVM Gopal
Proprietor
M No: F 6280,CP No: 6798

Place: Hyderabad
Date: 13 May 2017

DIVIDEND DISTRIBUTION POLICY

POLICY:

The company may pay dividends only out of its profits in the year in which the dividend is declared or out of the undistributed profits or free reserves of prior fiscal years or out of both upon recommendation by its board of directors and approval by the requisite majority of its shareholders at the annual general meeting in accordance with the applicable provisions of Companies Act, SEBI Regulations and standards. Shareholders may decrease, but shall not increase the amount of dividend recommended by the Board. In addition, as is permitted by the Articles of Association of our Company the Board may declare and pay interim/special dividends at its discretion during the fiscal year and may recommend the interim/special dividends paid as final dividends.

(a) The circumstances under which the shareholders of the company may or may not expect dividend

Suven is an R&D Company with a consistent dividend paying track record and endeavors for its continuance unless constrained to declare dividend due to any exigency beyond its control.

The form, frequency and amount of future dividends will depend on performance of Company's high-risk; high-return business verticals where revenues and cash flows reported in a year cannot represent a base for the next year. Hence amounts paid as dividends in the past are not reflective of any future dividends and the Company may propose lower dividend after analysis of various financial parameters.

(b) The financial parameters that shall be considered while declaring dividend

The Company considers finance costs, net profits available for distribution, total dividend outgo including dividend distribution tax, dividend payout ratio and EPS while declaring dividend for the year under consideration.

(c) Internal and external factors that shall be considered for declaration of dividend

Dividend payments are subject to recommendations of the Board based on the growth prospects and profitability of the Company which are dependent on the internal and external factors listed below:

Internal

- Past dividend track record
- Cash balance position
- Funding needs for capital expenditure & NCE programs

External

- Challenging business environment.
- R&D budgets of global innovator companies.
- Changes in government policies
- Implications of fiscal laws on dividend distribution
- Shareholders aspirations for the dividends
- Our lending arrangements governing our indebtedness with the lenders contain certain restrictive covenant that restricts declaration of dividends without the consent of the lenders

(d) How the retained earnings shall be utilized

The company may plough back its profits available for distribution looking to its working capital needs, capital expenditure plans towards R&D, expansion, modernization and upgrading of plant facilities and/or to pay debt.

(e) Parameters that shall be adopted with regard to various classes of shares

The Company has at present only one class of shares i.e., fully paid up Equity Shares with voting rights ranking pari passu in all respects. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

Annexure to the Board's Report

Statement as on 31st March, 2017, pursuant to Clause 12 (Disclosure in the Director's Report) of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of Options granted under the Company's Employee Stock Option Schemes.

Sr. No	Description	2004 Plan
(a)	Options granted	48,00,000
(b)	The pricing formula	At Market price; as per SEBI pricing formula
(c)	Options vested	48,00,000
(d)	Options exercised	17,45,538
(e)	The total number of shares arising as a result of exercise of option	17,45,538
(f)	Options lapsed	25,99,462
(g)	Variation of terms of options	NIL
(h)	Money realized by exercise of options	₹3,74,50,470
(i)	Total number of options in force	4,55,000
(j)	i) Employee wise details of options granted to senior managerial personnel during the year.	NIL
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	NIL
	iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	NIL
k)	Diluted Earnings Per Share (EPS) pursuant to issue of shares on Exercise of option calculated in accordance with [Indian Accounting Standard (IndAS) 33 'Earnings Per Share'].	₹9.69
(l)	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee Compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on Profits and on EPS of the company shall also be disclosed.	The company has used the intrinsic value method to compute the employee compensation cost on account of ESOP in the financial year 2016-17. Had the company used the fair value method, the ESOP cost in the financial year would have been Rs 26150167.00 and net profit would have reduced by this amount. The EPS (in ₹) would have been 9.49
(m)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Number of outstanding options as on March 31, 2017 were–4,55,000. The weighted average exercise price of the outstanding options as on March 31, 2017 was ₹25.28 and the weighted average fair value of the outstanding options as on March 31, 2017 was ₹29.66

(n)	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	The company has opted to use the Intrinsic value method for accounting of compensation cost arising out of ESOP. However for disclosures in Para (l) above the following assumptions have been made	
	i) risk-free interest rate,	6.5%	
	ii) expected life,	48 months	
	iii) expected volatility,	50%	
	iv) expected dividends, and	1.33%	
	v) The price of the underlying share in market at the time of option grant.	Date of Grant	Market Price (₹)
		18-09-2004	74.85
		30-07-2005	88.65
		29-04-2006	82.45
		30-09-2006	101.15
		03-05-2007	41.00
		28-01-2008	36.40
		12-07-2010	29.75
		30-05-2011	22.30

Report on
Corporate Governance

I. Statement on Company's Philosophy on Code of Governance

Your Company firmly believes that good corporate governance practices are ingredients for the balanced development of an organization which would not only maximize the shareholder's value but also contributed to sustained and long lasting development of the organization. The Board of Directors believes in ethical values and high moral standards in achieving the highest standards of corporate governance. All the SUVEN activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices.

Simultaneously, in keeping with best practices, your Company committed to provide full spectrum of quality services and products in Contract Technical Services (CTS) and Contract Research and Manufacturing Services (CRAMS) by fulfilling customer's satisfaction.

II. Board of Directors
Composition of Board

The Board represents an optimum mix of professionalism, knowledge and experience. As on March 31, 2017, we had a total strength of seven (7) Directors on the Board, comprising of: two (2) Executive Directors, one (1) Non-executive Director (i.e. 40%) and four (4) Independent Directors (i.e. 60%). The Company immensely benefits from the professional expertise of the Independent Directors. The Board has an adequate combination of Executive Directors, Non-Executive and Independent Directors.

None of the Directors on the Board is Member of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Directors.

Key information pertaining to Directors as on 31st March, 2017

Name of the Director	Category	No. of Board Meetings		Attendance at the last AGM held on August 10, 2016	Directorship in other Public Companies	No. of Committee positions held in all companies	
		held	attended			Chairman	Member
Shri Venkateswarlu Jasti	Chairman & CEO Promoter	4	4	Yes	-	-	-
Smt Sudharani Jasti	Whole-time Director Promoter	4	1	Yes	-	-	1
Dr M R Naidu	Independent Non-Executive Director	4	2	No	-	-	2
Dr K V Raghavan	Independent Non-Executive Director	4	3	Yes	1	1	1
Shri D G Prasad	Independent Non-Executive Director	4	4	Yes	4	2	1
Prof Seyed E Hasnain	Non-Executive Director	4	3	Yes	1	-	1
Shri M Gopalakrishna	Independent Non-Executive Director	4	4	Yes	8	1	6

Board Meetings
The Board met four times in the Financial Year 2016–17, on 27th May 2016, 10th August 2016, 24th November 2016 and 01st February 2017.

The time gap between any two meetings did not exceed one hundred and twenty days as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the required information was suitably placed before the board meetings. The details relating to financial and commercial transactions where directors may have a potential interest, if any, were provided to the Board and interested directors abstained from the proceedings.

Disclosure of relationships between directors inter-se
None of the Directors is related to other Directors, except Shri Venkateswarlu Jasti who is spouse of Smt. Sudharani Jasti

No. of shares held by Non-Executive Directors

Sl. No.	Name of Director	No. of equity shares held as on 31st March 2017
1	Dr M R Naidu	5,800
2	Dr K V Raghavan	2,000
3	Shri D G Prasad	NIL
4	Prof Seyed E Hasnain	NIL
5	Shri M Gopalakrishna	NIL

Board Committees
The Board has constituted various committees of directors to take informed decisions in the best interest of the Company. These committees monitor the activities within their terms of reference.

III. AUDIT COMMITTEE

Composition and terms of reference

The present Audit Committee comprises of all Independent Directors. All of whom possess accounting and financial management expertise / exposure.

The terms of reference to the Audit committee given by the Board are as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Committee reviews the following information:

- Management discussion and analysis of financial condition and results of operations,
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management,
- Management letters / letters of internal control weaknesses issued by the statutory auditors,
- Internal audit reports relating to internal control weaknesses and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The composition of the Audit Committee is as follows

Name of Director & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri D G Prasad – Chairman	Independent & Non-Executive Director	4	4
Dr M R Naidu – Member	Independent & Non-Executive Director	4	2
Dr K V Raghavan – Member	Independent & Non-Executive Director	4	3
Shri M Gopalakrishna – Member	Independent & Non-Executive Director	4	4

In addition to the members of the audit committee, these meetings are attended by the Heads of Accounts & Finance, Internal Auditors and Statutory Auditors of the Company and the Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee Shri D G Prasad attended the annual general meeting (AGM) held on 10th August 2016.

Meetings held during the year
During the year Audit Committee met four times on 27th May 2016, 10th August 2016, 24th November 2016 and 01st February 2017. The attendance of the Committee Members was presented in the above table.

IV. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Independent Non-executive and Executive Directors. The terms of reference of the Committee cover evaluation of compensation and benefits payable to executive directors under the provisions of the Companies Act, 2013 and to recommend the same to the Board.

The composition of the Nomination and Remuneration Committee is as follows

Name of Directors & Designation	Category of Director	No. of Meetings	
		Held	Attended
Dr K V Raghavan – Chairman	Independent & Non-executive Director	1	1
Dr M R Naidu – Member	Independent & Non-executive Director	1	1
Shri D G Prasad – Member	Independent & Non-executive Director	1	1
Shri Venkateswarlu Jasti - Member	Executive Director	1	1

During the year Nomination and Remuneration Committee met 1 time on 24th November, 2016. The attendance of the Committee Members was presented in the above table.

The Chairman of the Nomination and Remuneration Committee Dr K V Raghavan attended the annual general meeting (AGM) held on 10th August 2016.

Remuneration Policy for selection and appointment of directors / senior management and their remuneration

The Nomination and Remuneration (N&R) Committee has adopted a policy which, inter alia, deals with the manner of selection of all Directors and Senior management personnel and their remuneration as under: Policy enables the management to engage HR consultants whenever external advise needed in this behalf.

Criteria of selection of all categories of Directors and Senior Management Personnel

- The incumbent must be a graduate or above with ability to understand the Board procedures and having rudimentary knowledge over financial statements.
- Must possess reasonable experience at the Board/senior management level.
- Must have ethical behavior and willingness to comply with all applicable statutory requirements like declaring their interests in the companies/ entities, following the requirements of Board procedures, attending Board/ Committee meetings and active participation in all matters placed before the Board.
- Must be able to exercise independent judgment over the matters reported to the Board.
- As a matter of general practice the Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. The Nomination and Remuneration Committee will review and establish the level of remuneration for non-executive directors. Director remuneration is to be set at a level commensurate with comparable companies and to attract the best candidates for the board.
- Where necessary recommend to the Board for an increase in the remuneration of non-executive directors subject to provisions of Companies Act, 2013.
- The Committee may review and give a guidance note on all salary increases and bonus payments for all direct reports to the CEO in line with the industry standards. The Committee may review and give a general guidance note on the quantum of salary increases and bonus payments for all other staff in line with the industry standards

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and of the independent directors on parameters such as level of engagement, contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its Committees, information needs of the Board, execution and performance of specific duties, obligations and governance.

Remuneration paid to the Executive Directors and sitting fees paid to Non-Executive Directors during 2016-2017 is as under:

Executive Directors *(Rs. In Lakhs)*

Name of the Director	Salary & Allowances	Commission	Contribution to Provident Fund	Perquisites	Total
Shri. Venkateswarlu Jasti Chairman & CEO	219.94	127.10	26.39	14.37	387.80
Smt. Sudharani Jasti Whole-time Director	109.97	63.55	13.20	7.19	193.91

Non-Executive Directors

Name of the Director	Sitting fee* (₹)
Dr M R Naidu	90000.00
Dr K V Raghavan	120000.00
Shri D G Prasad	125000.00
Prof Seyed E Hasnain	60000.00
Shri M Gopalakrishna	120000.00

*Net of taxes

V. I. Stakeholders' Relationship Committee

Stakeholders' Relationship Committee of Directors reviews the following:

Expeditious redressal of investor's grievances, Transfer of shares, Dematerialization/ Re-materialization, Non receipt of Annual Reports and declared dividend, all other matters related to shares.

The Constitution of Stakeholders' Relationship Committee is as follows:

Name of the Director	Category of Director	No. of Meetings	
		Held	Attended
Dr. K V Raghavan – Chairman	Independent & Non-executive Director	2	2
Dr. M R Naidu – Member	Independent & Non-executive Director	2	2
Smt. Sudharani Jasti – Member	Executive Director	2	-

Name and Address of Compliance Officer
CS K. HANUMANTHA RAO
Company Secretary & Compliance Officer
Suven Life Sciences Limited
SDE Serene Chambers, 6th Floor, Road No. 5
Avenue 7, Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713
Tel: +91 40-2354 1142/ 3311, Fax: +91 40-2354 1152

Details of complaints/requests received and redressed

During the year 2016-2017, 250 complaints were received pertaining to the dividends, annual reports, change of bank/ address details and split shares etc. from shareholders and the complaints have been resolved to the satisfaction of the Complainants. As on 31/03/2017 there were three complaints pending to be resolved.

V. II. Share Transfers Committee

To ensure quicker investor services and expeditious disposal of the share transfer approvals, this Committee has been constituted with the following members of the Board.

Shri Venkateswarlu Jasti, Chairman & CEO is heading the Committee and
Smt. Sudharani Jasti, Whole-time Director is a member

The Committee meets as and when the memorandum of transfers date is intimated by the Karvy Computershare Pvt. Ltd. (Registrars and Transfer Agents) and accords its approvals accordingly.

VI. Corporate Social Responsibility (CSR) Committee

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress

The composition of the Corporate Social Responsibility Committee and the details of Members' participation at the Meeting of the Committee held on 29th April, 2016 are as under:

Name of the Director	Category of Director	No. of Meetings	
		Held	Attended
Shri M Gopalakrishna – Chairman	Independent & Non-executive Director	1	1
Shri Venkateswarlu Jasti – Member	Executive Director	1	1
Smt. Sudharani Jasti – Member	Executive Director	1	-

VII. ESOP Compensation Committee

The Committee has been authorized to frame suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India including, The Securities and Exchange Board of India (Insider Trading) Regulations 1992/2015; and perform such functions required to be performed by the Compensation Committee under the SEBI Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999.

ESOP Compensation Committee composed of Dr. M R Naidu as Chairman, Dr. K V Raghavan as Member and Shri Venkateswarlu Jasti as Member of the Committee.

VIII. Meeting of Independent Directors

During the year under review, the Independent Directors met on 1st February, 2017, carried out inter alia, the following process:

Evaluation of performance of Non Independent Directors and the Board of Directors as a whole; evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors and evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

The present independent directors were re-appointed on the Board w.e.f. 1st April 2014 for one term of 5 years. The Company has organized familiarization programmes with respect to their duties, roles, responsibilities, business models and operations of the Company and new SEBI Regulations on Listing Obligations and Disclosure Requirements. The Company will organize necessary familiarization programmes as and when required. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. The information on the familiarization programmes can be accessed from our Company's website at Web link:
http://suven.com/Familiarization_program_for_independent_%20directors.pdf

IX. General Body Meetings

Annual General Meeting: Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:

Year	Venue	Date and Time	No. of Special Resolutions passed
2015-16	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce & Industry [FAPCCI], 11-6-841, Red Hills, Hyderabad –500 004	10/08/2016 10:30 AM	NIL
2014-15	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce & Industry [FAPCCI], 11-6-841, Red Hills, Hyderabad –500 004	14/08/2015 3:00 PM	NIL
2013-14	Forum Hall, Hotel Daspalla, Road No. 37, Jubilee Hills, Hyderabad – 500 033	12/08/2014 12:00 Noon	Two

Postal Ballot:
No item of business relating to matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the provisions contained in section 110 of the Companies Act 2013, requiring voting by postal ballot is included in the Notice Convening the 28th Annual General Meeting of the Company.

X. Means of Communication

Quarterly Results, Press Releases, Presentations and Publications:

The quarterly results are generally published in widely circulated national newspapers the Business Standard and in one vernacular Language newspaper Andhra Prabha (Telugu Daily). And also the half yearly and Annual Audited Financial Results are published in the same manner.

The Financial Results are also displayed on the Company's website www.suven.com official news releases; presentations made to the institutional investors/ analysts/ media are also displayed on the Company's website.

Management Discussion and Analysis detailed report is forming part of this Annual Report

The Company is filing/ submitting its Shareholding Pattern, Financial Results, Report on Corporate Governance on quarterly/ half-yearly /yearly basis and are posted on the website of the Company as well as on the website of BSE/NSE in accordance with the SEBI Regulations which may be accessed by the shareholders.

XI. General Information For Shareholders

(i) Annual General Meeting:

Financial Year	:	2016 – 2017
Day and Date	:	Monday, 14th day of August, 2017
Time	:	11:30 a.m.
Venue	:	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004

(ii) Financial Calendar (tentative)

Financial Year April 1, 2017 to March 31, 2018

Quarter Ending	Release of Results
June 30, 2017	latest by August 14, 2017
September 30, 2017	latest by November 14, 2017
December 31, 2017	latest by February 14, 2018
March 31, 2018	May 15, 2018*

**instead of publishing quarterly un-audited results, the Company may opt to publish Audited Annual within 60 days from the end of the financial year as per SEBI Regulations.*

(iii) Dates of Book Closure: from 11th August, 2017 to 14th August, 2017 (both days inclusive)

(iv) Dividend Disclosure: The Board of Directors declared and paid an interim dividend of ₹1.00 per equity share face value of ₹1.00 each for the financial year 2016-2017 to the shareholders whose names appeared on 9th February 2017 being the Record Date notified to the Stock Exchanges. Your Directors recommend that the interim dividend paid will be treated as final dividend for the year 2016-2017.

Mode of Dividend payment and date

Dividend remitted through National Electronic Clearing Service (NECS) at approved locations, wherever NECS details are available with the Company; and in all other cases, through warrants payable at par. These warrants shall be valid for a period of 90 days. Post expiry of validity period, these may be sent to the Company's Office at # 8-2-334, SDE Serene Chambers, 6th Floor, Avenue 7, Road No. 5, Banjara Hills, Hyderabad – 500 034 for issue of demand drafts in lieu of expired dividend warrants.

(v) Listing on Stock Exchanges

The shares of the Company are listed on
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
The Company confirms that it has paid annual listing fees due to the stock exchanges for the financial year 2017-2018.

(vi) Stock Code

Stock Exchanges	Scrip Code	Scrip ID
BSE Limited	530239	SUVEN
National Stock Exchange of India Limited	SUVEN-EQ	SUVEN

Depository for Equity Shares : NSDL and CDSL
Demat ISIN Number : INE495B01038

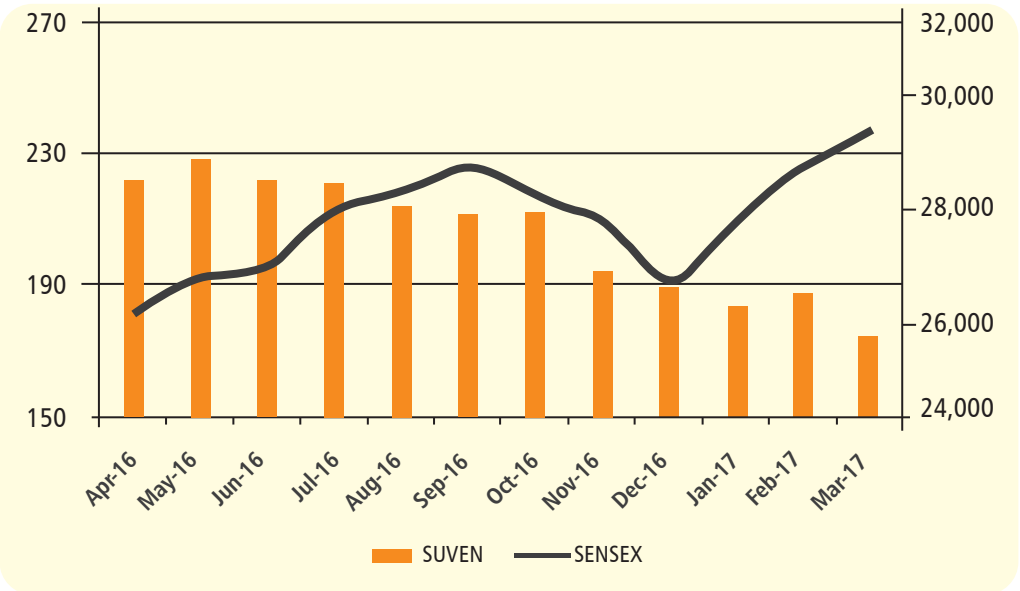
(vii)Stock Market Price Data BSE- SENSEX

Month		BSE			BSE SENSEX	
		HIGH (₹)	LOW (₹)	Volume (No.)	HIGH (₹)	LOW (₹)
2016	April	221.45	186.30	1330048	26100.54	24523.20
	May	228.50	201.90	1092942	26837.20	25057.93
	June	221.60	182.10	1108801	27105.41	25911.33
	July	221.00	196.00	1414022	28240.20	27034.14
	August	213.90	192.00	1197706	28532.25	27627.97
	September	211.90	187.00	1909221	29077.28	27716.78
	October	213.10	185.00	1489052	28477.65	27488.30
	November	194.60	151.10	1584614	28029.80	25717.93
	December	189.90	159.00	940887	26803.76	25753.74
2017	January	184.00	169.50	1149863	27980.39	26447.06
	February	187.80	170.20	690936	29065.31	27590.10
	March	175.00	164.00	867217	29824.62	28716.21

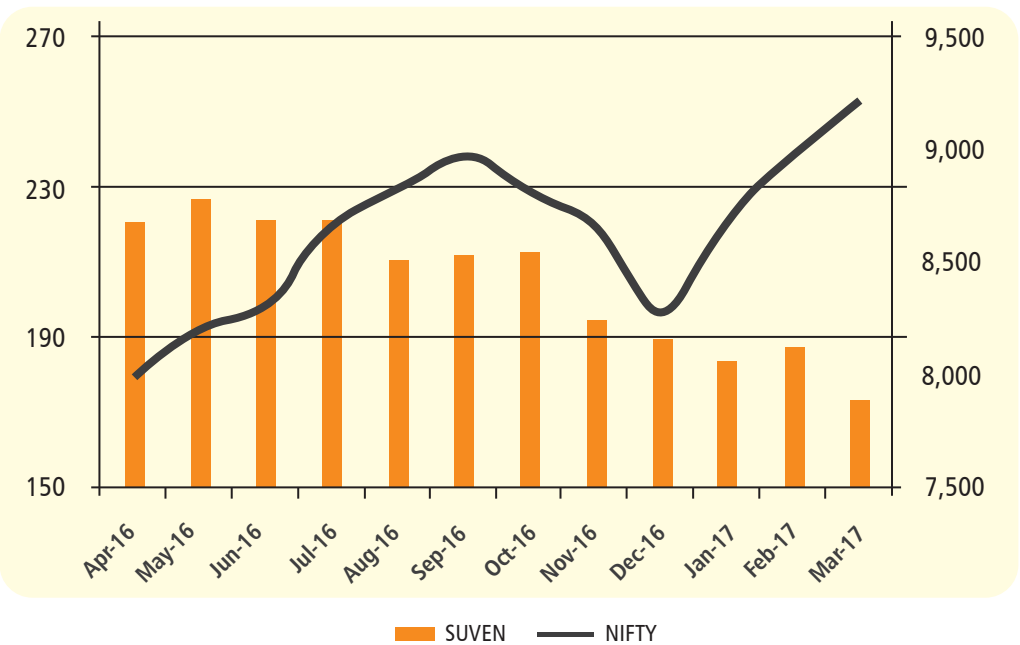
(viii) Stock Price Performance in comparison with NSE- NIFTY

Month		BSE			NSE NIFTY	
		HIGH (₹)	LOW (₹)	Volume (No.)	HIGH (₹)	LOW (₹)
2016	April	221.35	186.20	7,637,043	7,992.00	7,516.85
	May	227.00	201.60	5,869,021	8,213.60	7,678.35
	June	221.90	183.05	5,948,205	8,308.15	7,927.05
	July	221.00	196.25	5,670,868	8,674.70	8,287.55
	August	211.20	191.60	5,741,675	8,819.20	8,518.15
	September	212.00	184.00	10,008,449	8,968.70	8,555.20
	October	212.95	188.80	7,195,744	8,806.95	8,506.15
	November	194.75	149.00	6,435,733	8,669.60	7,916.40
	December	189.60	158.90	4,645,060	8,274.95	7,893.80
2017	January	184.00	170.30	3,936,143	8,672.70	8,133.80
	February	187.90	170.10	3,489,276	8,982.15	8,537.50
	March	174.00	164.10	4,289,584	9,218.40	8,860.10

STOCK PRICE PERFORMANCE IN COMPARISON WITH BSE SENSEX



STOCK PRICE PERFORMANCE IN COMPARISON WITH NSE NIFTY



(ix) **Registrar and Transfer Agents : (RTA)**
Karvy Computershare Private Limited
Unit: Suven Life Sciences Ltd
Karvy Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Ph: 91-40-6716 1565, Fax No 91-40 2300 1153
Email: einward.ris@karvy.com

(x) Share Transfer System

Karvy Computershare Pvt. Ltd, (RTA) has been authorized to process all the valid transfer requisitions on a weekly basis and a memorandum of transfers, if any, will be submitted to the Company. The share certificates duly transferred will be dispatched to the transferees. For this purpose the Company has authorized the Company Secretary of the Company to monitor the Memorandum of Share Transfers (MOT) as and when reported by RTA and he will report to Share transfer Committee for its approval.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from Company secretary in practice for due Compliance with the share transfer formalities as required under regulation 40(9)&(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xi) Distribution Shareholding Pattern as on 31st March 2017

Category (Amount)	Shareholders		Share Amount	
	Number	% to total	Amount	% to total
1 – 5000	66631	98.58	20908024	16.43
5001 – 10000	519	0.77	3895413	3.06
10001 – 20000	235	0.35	3483159	2.74
20001 – 30000	81	0.12	1969100	1.55
30001 – 40000	32	0.05	1165383	0.92
40001 – 50000	20	0.03	923030	0.73
50001 – 100000	43	0.06	3035775	2.39
100001 – and above	33	0.05	91902594	72.20
TOTAL	**67594**	**100.00**	**127282478**	**100.00**

(xii) Categories of shareholders as on 31st March 2017

Sl. No	Category	Cases	Holding	%To Equity
1	Promoters	6	76370000	60.00
2	Resident Individuals	63664	31810929	24.99
3	Mutual Funds	14	5860187	4.60
4	Non Resident Indians	1455	5094034	4.00
5	Corporate Bodies	794	4112171	3.23
6	Foreign Institutional Investors	42	2505578	1.97
7	Others	1619	1529579	1.20
TOTAL		**67594**	**127282478**	**100.00**

(xiii) Dematerialization of shares and liquidity

As on 31st March 2017, 99.16% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

Members are encouraged to opt for dematerialization of shares to eliminate bad deliveries, forgery, fake transfers etc., in the market.

(xiv) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible instruments in the past and hence as on March 31, 2017, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

(xv) Commodity price risk or foreign exchange risk and hedging activities

Our Company is following the natural hedging only as our receipts are more than the payments and also some of the exports are covered under forward cover as such there are no foreign exchange risk.

(xvi) Plant Locations

Unit 1 – Dasaigudem Village, Suryapet Mandal, Suryapet Dist. Telangana – 508 213	**Research and Development Centre(s)** **Research Centre – I** Plot No.18, Phase III, IDA Jeedimetla, Hyderabad – 500 055 Telangana
Unit 2 – Plot No. 18, Phase III, IDA, Jeedimetla, Hyderabad Telangana –500 055	**Research Centre – II** **Bio-Pharmaceutical Lab** Plot No(s). 267- 268, IDA Pashamylaram, Sanga Reddy Dist. Telangana – 502 307
Unit 3 – Plot No(s). 262 - 264 & 269 - 271, IDA, Pashamylaram, Sanga Reddy Dist. Telangana – 502 307	**Research Centre – III** **Formulation Development Centre** Plot No(s). 265 to 268, IDA Pashamylaram, Sanga Reddy Dist, Telangana – 502 307
Unit 4 – Plot No(s). 65 – 67, JN Pharmacity Parwada, Visakhapatnam, Andhra Pradesh – 531 019	

(xvii) Address for Correspondence

Regd. Office: 8-2-334, SDE Serene Chambers,
6th Floor, Road No. 5, Avenue 7,
Banjara Hills, Hyderabad – 500 034 Telangana
CIN: L24110TG1989PLC009713
Tel: +91 40-2354 3311 / 2354 1142, Fax: +91 40-2354 1152
E-mail: info@suven.com, investorservices@suven.com
Website: www.suven.com

(xviii) Unpaid / Unclaimed Dividend

Pursuant to the provisions of Section 123 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013.

Shareholders of the Company who have either not received or have not en-cashed their dividend warrants, for the financial years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 are requested to claim the unpaid/ unclaimed dividend from the Company before transfer to the fund.

(xix) Reconciliation of Share Capital Audit Report

A qualified practicing Company Secretary carried out a quarterly share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

XII. DISCLOSURES

(i) Related party transactions

All related party transactions with related parties during the financial year were done in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No materially significant transactions with related parties were entered during the financial year which was in conflict with the interest of the Company. None of the Non-Executive Directors has any pecuniary material relationship or material transactions with the Company for the year ended March 31, 2017. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at Web link http://suven.com/Policy%20on%20Related%20Party%20Transactions.pdf

(ii) Legal Compliance

There were no instances of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

(iii) **Whistle Blower Policy**

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, anyone can approach directly Chairman of the Audit Committee or through Company Secretary to report any suspected or confirmed incident of fraud / misconduct it is affirmed that no personnel has been denied access to the audit committee and can be accessed at Web link http://suven.com/WBP_SUVEN.pdf

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is being reviewed from time to time.

Non-mandatory requirements

1. The Board:

Office for non-executive Chairman at Company's expense: Not Applicable

2. Shareholder Rights:

Half-yearly declaration of financial performance to each household of shareholders: Not complied

3. Audit qualifications: Complied as there are no audit qualifications

4. Separate posts of Chairman & CEO: Not Applicable

5. Reporting of Internal Auditor: The Internal auditors report directly to Audit Committee: Complied

(v) web link policy for determining 'material' subsidiaries

The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the Company's website and it can be accessed at Web link: http://suven.com/POLICY_ON_DETERMINING_MATERIA%20EVENT_OR_INFORMATION.pdf

(vi) disclosure of commodity price risks and commodity hedging activities :

The Company did not undertake any commodity hedging activities during the year hence there were no commodity price risks involved.

Non-compliance of any requirement of corporate governance report

Our company has complied with all requirements of corporate governance report for the year 2016-2017.

The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report

Our Company has complied with all the provisions of the above said Regulations of SEBI for the year 2016-2017

Declaration Regarding Compliance by Board Members and Senior Management

Personnel with the Company's Code of Conduct

To
The Members of
Suven Life Sciences Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2017.

For **Suven Life Sciences Limited**

Venkateswarlu Jasti
Chairman &CEO
DIN: 00278028

Place: Hyderabad
Date: 13th May, 2017

Independent Auditors Certificate on

Corporate Governance

To The Members of
SUVEN LIFE SCIENCES LIMITED

1. We, M/s.KARVY & Co., Chartered Accountants, the Statutory Auditors of SUVEN LIFE SCIENCES LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2017.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **KARVY & CO.,**
Chartered Accountants
(Firm Registration No. 001757S)

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

Place: Hyderabad
Date: 13th May, 2017

INDEPENDENT AUDITORS` REPORT

To the Members of
Suven Life Sciences Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements

Opinion

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

Others Matters

We did not audit the financial statements of Suven USA branch included in the standalone Ind AS financial statements of the company whose financial statements of the Company reflect total assets of ₹95.07 lakhs as at 31st March ,2017 and total revenue of ₹ Nil/ for the year ended on that date.

The financial statements of this branch have been audited by the branch auditor, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;

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

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

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 35 to the financial statements.

   ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iii. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 30 to the standalone Ind AS financial statements.

For **KARVY & CO.,.**
Chartered Accountants
ICAI Firm Regn. No.001757S

(SANJEEV KUMAR SREEPATHI)
Partner
Membership No.209145

Place: Hyderabad
Date : 13/05/2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2017, we report that:

Re: Suven Life Sciences Limited ('the Company')

i. In respect of its fixed assets:

   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   (b) As explained to us, the management has physically verified a substantial portion of the fixed assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of fixed assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.

   (c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the company except 21.18 acres of freehold land acquired and taken possession and yet to be registered for Vishakhapatnam Plant amounting to ₹513.22 lakhs.

ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the books of account were not material and have been properly dealt with in the books of accounts.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.

vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act in respect of production and processing activities of the Company and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory dues:

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise , value added tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues outstanding of income-tax on account of dispute as follows:

Nature of the Statute	Nature of the Dues	Amount ₹ in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax	7.64	A.Y 2011-12	Income Tax Appellate Tribunal -Hyderabad
Income Tax Act,1961	Income Tax	20.94	A.Y2012-13	Income Tax Appellate Tribunal -Hyderabad

viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks, governments and financial institutions. The Company did not have any debentures outstanding as at the year end.

ix. Based on the information and explanations given to us by the management, the company has raised moneys by way of QIP offer amounting to ₹200.00 crores in F.Y 2014-2015 of which ₹122.19 crores was utilized for the purposes it was raised and balance amounting to ₹77.81 crores yet to be utilized. No term loans were taken during the year by the Company.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud, by the Company or on the Company by its officers or employees, has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **KARVY & CO.,**.
Chartered Accountants
ICAI Firm Regn. No.001757S

(SANJEEV KUMAR SREEPATHI)
Partner
Membership No. 209145

Place: Hyderabad
Date : 13/05/2017

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Suven Life Sciences Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KARVY & CO.,.**
Chartered Accountants
ICAI Firm Regn.No.001757S

(SANJEEV KUMAR SREEPATHI)
Partner
Membership No. 209145

Place: Hyderabad
Date : 13/05/2017

STANDALONE BALANCE SHEET AS AT MARCH 31, 2017

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

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Non-current assets				
Property, plant and equipment	3	30,447.57	30,505.64	17,175.31
Capital work-in-progress	3	971.64	719.73	10,701.33
Other intangible assets	4	124.83	29.70	19.61
Financial assets				
(i) Investments	5(a)(i)	6,507.72	2,305.15	-
(ii) Loans	5(c)	3.35	1.92	2.04
(iii) Other financial assets	5(e)	583.93	501.06	410.59
Deferred tax assets (net)	6	189.54	497.63	467.19
Other non-current assets	7	71.62	113.45	843.39
Total Non-current assets		**38,900.20**	**34,674.28**	**29,619.46**
Current assets				
Inventories	8	9,251.14	8,346.44	8,180.55
Financial assets				
(i) Investments	5(a)(ii)	30,088.91	5.31	5.89
(ii) Trade receivables	5(b)	4,583.32	5,356.49	4,016.92
(iii) Cash and cash equivalents	5(d)(i)	414.16	23,984.93	27,974.74
(iv) Bank balances other than (iii) above	5(d)(ii)	48.21	85.02	32.72
(v) Loans	5(c)	7.57	11.52	16.45
(vi) Other financial assets	5(e)	0.71	2.55	8.10
Current tax asset(net)	9	642.41	446.03	355.63
Other current assets	10	3,680.32	4,464.88	4,348.67
Total Current assets		**48,716.75**	**42,703.17**	**44,939.67**
TOTAL ASSETS		**87,616.95**	**77,377.45**	**74,559.13**
Equity and Liabilities				
Equity				
Equity share capital	11(a)	1,272.82	1,272.82	1,272.82
Other equity				
Reserves and Surplus	11(b)	71,880.10	61,074.41	55,094.79
Total Equity		**73,152.92**	**62,347.23**	**56,367.61**
Liabilities				—
Non-current liabilities				
Financial liabilities				
Borrowings	12(a)	2,593.22	4,163.85	5,940.26
Provision for employee benefits	13	283.50	239.49	227.48
Government grants	14	133.82	148.21	175.28
Total Non-current liabilities		**3,010.54**	**4,551.55**	**6,343.02**
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	3,048.52	2,416.37	2,823.51
(ii) Trade payables	12(c)	3,793.97	3,560.49	4,389.08
(iii) Other financial liabilities	12(d)	3,257.02	3,588.95	3,832.92
Provision for employee benefits	13	403.85	274.50	362.25
Government grants	14	29.06	29.06	29.06
Other current liabilities	15	921.07	609.30	411.68
Total current liabilities		**11,453.49**	**10,478.67**	**11,848.50**
TOTAL LIABILITIES		**14,464.03**	**15,030.21**	**18,191.52**
TOTAL EQUITY AND LIABILITIES		**87,616.95**	**77,377.45**	**74,559.13**

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

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

Place : Hyderabad
Date : 13th May 2017

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

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

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue			
Revenue from operations	16	54,447.78	50,028.18
Other income	17(a)	102.81	334.25
Other gains/losses-net	17(b)	2,006.44	1,595.11
Total Revenue		**56,557.03**	**51,957.54**
Expenses			
Cost of materials consumed	18	15,480.66	17,845.37
Changes in inventories of work-in-progress and finished goods	19	(295.94)	(1,205.21)
Manufacturing expenses	20	8,062.76	7,446.06
Excise duty		94.61	75.95
Employee benefits expense	21	5,064.46	4,094.43
Research & Development Expenses	22	6,494.09	6,217.41
Finance costs	23	566.58	587.21
Depreciation and amortization expense	24	2,141.31	1,749.71
Other expenses	25	3,012.81	2,565.07
Total Expenses		**40,621.34**	**39,376.00**
Profit before tax		**15,935.69**	**12,581.54**
Tax expense			
Current tax	26	3,275.07	2,580.06
Deferred tax	26	313.25	(6.51)
Profit after tax for the period		**12,347.37**	**10,007.99**
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
-Remeasurements of post-employment benefit obligations		14.90	69.16
Total Other Comprehensive Income before Tax		**14.90**	**69.16**
Related tax			
Deferred tax on OCI		(5.15)	(23.93)
Other Comprehensive Income after tax for the period		**9.75**	**45.23**
Total Comprehensive Income for the period		12,337.62	9,962.76
Earnings per Equity share (Par value of ₹1 each)			
Basic and Diluted	38	9.69	7.83

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

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

Place : Hyderabad
Date : 13th May 2017

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

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

A. EQUITY SHARE CAPITAL

Particulars	Equity share capital
As at April 01, 2015	1,272.82
Changes in equity share capital during the year	-
As at March 31, 2016	**1,272.82**
Changes in equity share capital during the year	-
As at March 31, 2017	**1,272.82**

B. OTHER EQUITY

Particulars	Note	Reserves & surplus			Total Equity
		Securities Premium	General reserve	Retained earnings	
Balance at April 1, 2015		**23,311.69**	**6,736.61**	**25,046.49**	**55,094.79**
Profit for the year	11(b)	-	-	10,007.99	10,007.99
Other comprehensive income for the year, net of income tax	11(b)	-	-	(45.22)	(45.22)
Total comprehensive income for the year		**-**	**-**	**9,962.76**	**9,962.76**
Transfer to General Reserve	11(b)	-	1,100.00	(1,100.00)	-
Transaction with owners in their capacity as owners:					
Payment of dividends(including tax)	11(b)	-	-	(3,983.14)	(3,983.14)
Balance at March 31, 2016		**23,311.69**	**7,836.61**	**29,926.11**	**61,074.42**
Balance at April 1, 2016		**23,311.69**	**7,836.61**	**29,926.11**	**61,074.42**
Profit for the year	11(b)	-	-	12,347.37	12,347.37
Other comprehensive income for the year, net of income tax	11(b)	-	-	(9.75)	(9.75)
Transfer to General Reserve	11(b)	-	1,200.00	(1,200.00)	-
Total comprehensive income for the year		**-**	**-**	**11,137.61**	**12,337.61**
Payment of dividends(including tax)	11(b)	-	-	(1,531.94)	(1,531.94)
Balance at March 31, 2017		**23,311.69**	**9,036.61**	**39,531.78**	**71,884.09**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 13th May 2017

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

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

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Cash flow from operating activities		
Profit before income tax	15,935.69	12,581.54
Adjustments for:		
Depreciation and amortisation expense	2,764.62	2,395.29
Interest Income	(68.87)	(247.91)
Changes in fair valuation of investments through profit or loss	(33.62)	(9.45)
Dividend and interest income classified as investing cash flows	-	(50.34)
Gain on sale of investments	(1,971.81)	(1,617.81)
Provision for doubtful debts	-	8.25
Finance costs	566.58	587.21
(Profit)/Loss due to discarded asset	(1.00)	32.15
	17,191.59	**13,678.94**
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	773.16	(1,347.82)
(Increase) Decrease in inventories	(904.70)	(165.88)
Increase/(Decrease) in trade payables	233.48	(828.60)
(Increase) Decrease in other non current financial assets	(84.30)	(90.35)
(Increase) Decrease in other non current asset	41.83	729.94
(Increase) Decrease in other current financial assets	5.80	10.48
(Increase) Decrease in other current asset	784.56	(116.21)
Increase/(decrease) in long term employee benefit obligation	44.01	12.01
Increase/(decrease) in Government grant	(14.39)	(27.07)
Increase/(decrease) in short term employee benefit obligation	114.45	(156.90)
Increase/(Decrease) in other financial liabilities	(331.92)	(243.97)
Increase/(Decrease) in other current liabilities	311.77	197.62
Cash generated from operations	**18,165.31**	**11,652.20**
Income taxes paid	3,471.45	2,670.45
Net cash inflow from operating activities	**14,693.86**	**8,981.74**
Cash flows from investing activities		
Purchase for property, plant and equipment	(3,053.58)	(5,786.27)
Purchase of investment	(34,286.16)	(2,295.13)
Proceeds from sale of property, plant and equipment	1.00	-
Gain on Sale of investments	2,005.44	1,617.81
Dividend received	-	50.34
Interest received	68.87	247.91
Net cash outflow from investing activities	**(35,264.45)**	**(6,165.33)**
Cash flows from financing activities		
Proceeds from issues of shares		
Repayment of long term borrowings	(1,570.63)	(1,776.42)
(Repayment)/Proceeds from short term borrowings	632.15	(407.15)
Interest paid	(566.58)	(587.21)
Changes in Bank balances	36.81	(52.31)
Dividends paid to company's shareholders	(1,531.94)	(3,983.14)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

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

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Net cash inflow (outflow) from financing activities	**(3,000.18)**	**(6,806.22)**
Net increase (decrease) in cash and cash equivalents	**(23,570.76)**	**(3,989.81)**
Cash and cash equivalents at the beginning of the financial year	23,984.93	27,974.74
Cash and cash equivalents at end of the year	**414.16**	**23,984.93**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	414.16	23,984.93
Bank overdrafts	-	-
Balances per statement of cash flows	**414.16**	**23,984.93**

As per our report of even date

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 13th May 2017

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1. COMPANY OVERVIEW

Suven Life Sciences Limited (Suven) is a bio-pharmaceutical company, began operations in 1989 as specialty chemicals provider about 27 years ago and went on to create a NCE based CRAMS (Contract Research And Manufacturing Services) business model in 1995, providing building blocks (bulk actives, drug intermediates and specialty chemicals) for global life science companies. Suven has made in-roads into drug discovery in the year 2005 with a specialisation on CNS (Central Nervous System) based programs targeting unmet medical need and 4 of the molecules in pipeline are into clinical phase of development. The Company is targeting CNS indications where there is a high unmet medical need, patient populations are identifiable, clinical endpoints can be well-defined and with possible commercialisation options. Suven, Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of Suven, is a clinical-stage biopharmaceutical company commenced activities in October 2015, focused on the acquisition, development and commercialisation of novel therapeutics for the treatment of neurodegenerative disorders. The near-term focus for Suven, Inc., is to develop Suven product candidate, which we refer to as SUVN-502, for the treatment of Alzheimer's disease and other forms of dementia.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards(Ind AS) notified under section 133 of the Companies Act, 2013(the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the relevant accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS, refer note 41 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

(ii) Historical cost convention

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

- Certain financial assets and liabilities that is measured at fair value;
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments"

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 being the Chief Operating Decision Maker. Refer note 32 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.

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets 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

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement.

1. Sale of goods:
   Timing of recognition- Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the inco-terms.

   Measurement of revenue- The products are often sold with volume discounts and customer's having a right to return faulty products. Revenue from sales is based on the price specified in the sales contracts, net of estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit term of 30 days, which is consistent with market prices.

2. Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges
   Timing of recognition: Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided(percentage of completion method).

   Measurement of revenue- Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

3. Income from Investments
   (a) The Company recognises Interest on investments on accrual basis.
   (b) Dividend income on investments is accounted for when the right to receive the payment is established.

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.

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.

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 indiviual 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.

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.
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 28 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.

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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets 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 profit or loss within other gains/ (losses).

Estimated useful life :	
- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- ETP	8 - 20 years
- Vehicles	8 - 10 years
- Furniture ,fittings and equipment	3 - 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

The Company amortizes intangible assets on written down value basis over their estimated useful life not exceeding 10 years.

(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 5 - 10 years

(iii) Transition to Ind AS On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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 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 benefit 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 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.

(v) Share-based payments

Shared-based compensation benefits are provided to employees via the Suven Employee Stock Option Scheme -2004
Employee Options:
The fair value of options granted under the Suven Employee Stock Option Scheme -2004 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.
- including any market performance conditions (eg. the entity's share price)

-excluding the impact of any service and non market performance vesting conditions(eg. profitability, sales growth targets and remaining an employee of the entity for a specified time period and;'
- including the impact of any non-vesting conditions (eg. the requirement for employees to save or holding shares for a specific time period)
The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

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.

Derecognition

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

The company has accounted for its investment in subsidiaries at cost.

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 intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses

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 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Free Hold	Buildings - Office at Factory	Buildings - Factory (including roads)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Laboratory Equipments	ETP Works	EDP Equipment	R&D Equipment	Total	Capital work-in-progress
Year ended 31 March 2016													
Gross carrying amount													
Deemed cost as at 1 April 2015	536.38	31.20	3,776.48	9,053.43	171.99	109.33	8.09	1,023.35	433.53	26.47	2,005.08	17,175.31	10,701.33
Exchange differences	-	-	-	406.24	-	-	-	-	-	-	-	406.24	-
Additions	532.59	-	5,380.21	7,869.69	170.42	-	97.65	379.22	42.05	76.26	800.76	15,348.85	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(9,981.60)
Disposals	-	-	-	(397.19)	-	-	-	(29.89)	-	-	(20.50)	(447.58)	-
Closing gross carrying amount	1,068.98	31.20	9,156.69	16,932.17	342.40	109.33	105.74	1,372.67	475.58	102.73	2,785.33	32,482.82	719.73
Accumulated depreciation													
Depreciation charge during the year	-	0.75	319.46	957.78	58.67	18.59	18.43	273.26	64.13	35.95	645.58	2,392.60	-
Disposals	-	-	-	(365.64)	-	-	-	(29.66)	-	-	(20.13)	(415.43)	-
Exhange difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	0.75	319.46	592.14	58.67	18.59	18.43	243.60	64.13	35.95	625.46	1,977.17	-
Net carrying amount as at March 31, 2016	1,068.98	30.44	8,837.23	16,340.03	283.74	90.74	87.31	1,129.07	411.45	66.78	2,159.88	30,505.64	719.73
Year ended 31 March 2017													
Gross carrying amount													
Opening Gross carrying amount	1,068.98	31.20	9,156.69	16,932.17	342.40	109.33	105.74	1,372.67	475.58	102.73	2,785.33	32,482.82	719.73
Exchange difference				(74.75)								(74.75)	
Additions	29.26	-	600.53	1,166.29	51.22	14.03	46.89	15.60	281.92	89.82	478.83	2,774.37	251.91
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Closing gross carrying amount	1,098.23	31.20	9,757.21	17,638.96	393.62	116.03	152.63	1,388.27	757.49	159.25	3,264.16	34,757.06	971.64
Accumulated depreciation and impairment													
Opening accumulated depreciation	-	0.75	319.46	592.14	58.67	18.59	18.43	243.60	64.13	35.95	625.46	1,977.17	-
Depreciation charge during the year	-	0.75	382.25	1,402.41	39.07	19.31	24.97	168.46	49.18	48.00	623.31	2,757.70	-
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Closing accumulated depreciation and impairment as at March 31, 2017	-	1.51	701.71	1,609.80	97.74	30.57	43.40	412.07	113.31	50.64	1,248.76	4,309.49	-
Net carrying amount as at March 31, 2017	1,098.23	29.69	9,055.51	16,029.16	295.88	85.46	109.23	976.20	644.19	108.60	2,015.40	30,447.57	971.64

Note

(i) Property, plant and equipment pledged as security

Refer Note 40 for information on property, plant and equipment pledged as security by the group

(ii) Contractual obligation

Refer Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment

(iii) Capital Work in progress

Capital-work-in-progress mainly comprises of Plant& Machinery, Factory Building and Software

NOTE 4: OTHER INTANGIBLE ASSETS

	Software	Total
Year ended 31 March 2016		
Gross carrying amount		
Deemed cost as at 1 April 2015	19.61	19.61
Additions	12.78	12.78
Disposals	-	-
Closing gross carrying amount as at March 31, 2016	32.39	32.39
Accumulated amortisation		
Amortisation charge during the year	2.69	2.69
Disposals	-	-
Closing accumulated amortisation as at March 31, 2016	2.69	2.69
Closing net carrying amount as at March 31, 2016	29.70	29.70
Year ended 31 March 2017		
Gross carrying amount		
Opening Gross carrying amount as at April 01, 2016	32.39	32.39
Additions	102.05	102.05
Closing gross carrying amount as at March 31, 2017	134.43	134.43
Accumulated amortisation and impairment		
Opening accumulated amortisation as at April 01, 2016	2.69	2.69
Amortisation charge during the year	6.91	6.91
Closing accumulated amortisation and impairment as at March 31, 2017	9.60	9.60
Closing net carrying amount as at March 31, 2017	124.83	124.83

*Software consists of microsoft licenses and server software, pdf converter, GMPPro software etc.

NOTE 5: FINANCIAL ASSETS

5 (a) (i) Non-current investments

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Shares	Amount	Shares	Amount	Shares	Amount
Investment in equity instruments of subsidiary companies (fully paid up) unquoted						
Equity shares of Suven Inc. At par value USD 0.0001	10,00,000	0.07	10,00,000	0.07	-	-
Additional paid-in capital in Suven Inc.	-	6,500.60	-	2,298.04	-	-
Investment in other equity instruments (fully paid up) unquoted						
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 (equity instrument in subsidairies and others)	**10,00,000**	**6,507.72**	**10,00,000**	**2,305.15**	-	-
Total Non-Current investments		6,507.72		2,305.15		-
Aggregate amount of quoted investments and market value there of	-		-		-	
Aggregate amount of unquoted investments		6,507.72		2,305.15		

5 (a) (ii) Current investments

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Units	Amount	Units	Amount	Units	Amount
Investment in Mutual Funds- Quoted						
SBI Infrastructure Fund	50,000	6.82	50,000	5.31	50,000	5.89
HDFC Liquid Fund	3,00,82,443	5,411.23	-	-	-	-
Reliance Liquid Fund	1,58,54,574	6,005.71	-	-	-	-
IDFC Mutual Fund	4,45,63,533	10,262.58	-	-	-	-
SBI Premier Liquid Fund	3,95,031	8,402.57	-	-	-	-
Total (mutual funds)	**9,09,45,580**	**30,088.91**	**50,000**	**5.31**	**50,000**	**5.89**
Total Current investments		30,088.91		5.31		5.89
Aggregate amount of quoted investments and market value there of		30,088.91		5.31		5.89
Aggregate amount of unquoted investments		-		-		-

5(b) Trade receivables

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Trade receivables	4,583.32	5,356.49	4,016.92
Total receivables	**4,583.32**	**5,356.49**	**4,016.92**
Current portion	4,583.32	5,356.49	4,016.92
Non-current portion	-	-	-

Break-up of security details

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Secured, considered good	-	-	-
Unsecured, considered good	4,583.32	5,356.49	4,016.92
Doubtful	-	-	-
Total	**4,583.32**	**5,356.49**	**4,016.92**
Allowance for doubtful debts	-	-	-
Total trade receivables	**4,583.32**	**5,356.49**	**4,016.92**

5(c) Loans

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured, considered good						
Loan to employees	7.57	3.35	11.52	1.92	16.45	2.04
Total loans	**7.57**	**3.35**	**11.52**	**1.92**	**16.45**	**2.04**

5(d) (i) Cash and cash equivalents

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Balances with banks			
-in current accounts	85.95	662.96	358.28
-in EEFC account	319.17	304.89	47.93
Cash on hand	9.03	10.91	10.79
Deposits with maturity of less than three months	-	23,006.16	27,557.75
Total cash and cash equivalents	**414.16**	**23,984.93**	**27,974.74**

5(d) (ii) Bank balances other than cash and cash equivalents

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Earmarked balances with banks	48.21	85.02	32.72
Total	**48.21**	**85.02**	**32.72**

5(e) Other financial assets

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Others						
Security Deposits	0.71	414.92	2.55	331.80	-	255.36
Deposits -LC & BG	-	169.01	-	169.26	-	155.23
MTM Gain on forward contracts	-	-	-	-	8.10	-
Total Other Financial assets	**0.71**	**583.93**	**2.55**	**501.06**	**8.10**	**410.59**

NOTE 6: DEFERRED TAX ASSETS(NET)

The balances comprises temporary differences attributable to :

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Tax losses	-	136.13	136.13
Defined benefit obligations	237.88	177.88	138.12
Other items			
QIP Expenses	83.87	125.80	-
Others-MAT credit	4,711.39	3,940.44	2,738.52
Total Deferred tax assets	**5,033.14**	**4,380.25**	**3,012.77**
Set-off of deferred tax liabilities pursuant to set-off provisions	4,843.60	3,882.62	2,545.58
Total deferred tax assets (net)	**189.54**	**497.63**	**467.19**

Significant estimates:

During the previous years, the Company has recognised deferred tax assets on carried forward tax losses recoverable using estimated future taxable income based on approved business plans and budgets. In the current year, the deferred tax assets created on those carried forward tax losses have been charged to the statement of profit and loss on expiry of a period of 8 years from the year in which those tax losses arise.

Movement in Deferred tax assets

Particulars	Tax Losses	Defined benefit obligations	Other items	Total	DFL on Deprectiation and others	Deferred Tax Asset (DTA) Net
As at April 01, 2015	136.13	138.12	2,738.52	3,012.77	2,545.58	467.19
(Charged)/credited:						
-to profit or loss	-	15.83	1,327.72	1,343.55	1,337.04	6.51
-to other comprehensive income	-	23.93	-	23.93		23.93
As at March 31, 2016	**136.13**	**177.88**	**4,066.24**	**4,380.25**	**3,882.62**	**497.63**
(Charged)/credited:						
-to profit or loss	(136.13)	54.85	729.02	647.74	960.98	(313.24)
-to other comprehensive income		5.15		5.15		5.15
As at March 31, 2017	**-**	**237.88**	**4,795.26**	**5,033.14**	**4,843.60**	**189.54**

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Capital advances	71.62	113.45	843.39
Total other non-current assets	**71.62**	**113.45**	**843.39**

NOTE 8: INVENTORIES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Raw materials	2,066.24	1,906.17	2,996.25
Packing materials	255.37	167.00	224.95
Work-in-progress	3,716.28	2,284.76	1,857.20
Finished goods	2,291.67	3,427.25	2,649.60
Stores and spares	921.59	561.26	452.56
Total inventories	**9,251.14**	**8,346.44**	**8,180.55**

NOTE 9: CURRENT TAX ASSET (NET)

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Advance tax balance	9,587.35	10,439.04	8,435.85
Less: Provision for income tax	8,944.94	9,993.01	8,080.22
Total Current tax asset net	**642.41**	**446.03**	**355.63**

	31 March, 2017	31 March, 2016
Opening advance tax(net of provision for tax)	(446.03)	(355.63)
Add: Current tax payable for the year	3,283.70	2,577.07
Less: Taxes paid	3,480.08	2,667.46
Closing Balance	**(642.41)**	**(446.03)**

NOTE 10: OTHER CURRENT ASSETS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Prepayments	303.48	300.77	212.80
VAT credit receivable	924.26	895.56	872.97
CENVAT credit receivable	1,338.91	2,405.00	2,579.33
Service tax credit receivable	700.62	401.35	388.48
Advances for purchases	130.01	112.48	11.89
Advances for expenses	261.50	330.78	269.06
Others	21.54	18.94	14.12
Total other current assets	**3,680.32**	**4,464.88**	**4,348.67**

NOTE 11: EQUITY SHARE CAPITAL AND OTHER EQUITY

11(a) Equity share capital

Authorised equity share capital

Particulars	Number of shares	Amount
As at 1st April 2015	40,00,00,000	4,000.00
Movement during the year	-	-
As at 31st March 2016	**40,00,00,000**	**4,000.00**
Movement during the year	-	-
As at 31st March 2017	**40,00,00,000**	**4,000.00**

(i) Movements in equity share capital

Paid up Equity Share capital	Number of shares	Amount
As at 1st April 2015	12,72,82,478	1,272.82
Movement during the year	-	-
As at 31st March 2016	**12,72,82,478**	**1,272.82**
Movement during the year	-	-
As at 31st March 2017	**12,72,82,478**	**1,272.82**

Terms and 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.

Shares reserved for issue under options

Information relating to employee stock Option Plan of the Company, set out in note 38.

(ii) Shares of the company held by ultimate holding company

Particulars	31 March, 2017	31 March, 2016	1 April 2015
M/s. Jasti Property and Equity Holdings Private Limited	7,63,65,000	7,63,65,000	7,56,52,576

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

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
M/s. Jasti Property and Equity Holdings Private Limited	7,63,65,000	60.00%	7,63,65,000	60.00%	7,56,52,576	59.44%

11(b) Reserves and surplus

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Securities premium reserve	23,311.69	23,311.69	23,311.69
General reserve	9,036.61	7,836.61	6,736.61
Retained earnings	39,531.80	29,926.12	25,046.49
Total reserves and surplus	**71,880.10**	**61,074.42**	**55,094.79**

(i) Securities premium reserve

Particulars	31 March, 2017	31 March, 2016
Opening balance	23,311.69	23,311.69
Adjustments	-	-
Closing Balance	**23,311.69**	**23,311.69**

(ii) General Reserve

Particulars	31 March, 2017	31 March, 2016
Opening balance	7,836.61	6,736.61
Adjustments	1,200.00	1,100.00
Closing Balance	**9,036.61**	**7,836.61**

(iii) Retained earning

Particulars	31 March, 2017	31 March, 2016
Opening balance	29,926.12	25,046.49
Net profit for the period	12,347.37	10,007.99
Transferred to General reserve	(1,200.00)	(1,100.00)
Dividends including tax thereon	(1,531.94)	(3,983.14)
Items of other comprehensive income recognised directly in retained earning		
- Remeasurements of post employment benefit obligation, net of tax	(9.75)	(45.22)
Closing balance	**39,531.80**	**29,926.12**

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 the act

General Reserve:

General reseve is used for strengthening the financial position and meeting future contingencies and losses.

Note 12: Financial liabilities
12(a) Non-current borrowings

Secured Loans	Maturity Date	Coupon/ Interest rate	31 March 2017	31 March 2016	1 April 2015
Foreign currency term loan from State Bank of India	March 2021	LIBOR + 4%	3,214.85	3,888.37	4,304.13
Terms of repayment: The term loan is repayable in 20 quarterly installments after roll over commencing from March'2016.					
Foreign currency corporate loan from Bank of Bahrain & Kuwait	September 2017	LIBOR + 3.50%	486.29	1,494.68	2,346.00
Terms of repayment: The term loan is repayable in 16 quarterly installments of USD 0.375 Million. Commencing from December 2013					
Corporate Loan From Bank of India	The term loan is fully paid and closed by 31st March 2016.	-	-		647.57
Unsecured Loans					
Loan from Department of Science & Technology, Government of India-I Terms of repayment: 10 Annual installments of ₹50 Lakhs each commencing from October 2013	September 2022	3.00%	189.63	274.15	299.30
Loan from Department of Science & Technology, Government of India-II Terms of repayment: 10 Annual installments of ₹44.40 Lakhs each commencing from February 2013	March 2021	3.00%	139.03	182.10	226.50
Total non-current borrowings			**4,029.80**	**5,839.30**	**7,823.50**
Less: Current maturities of long-term debt					
(included in note 11(c)			1,436.58	1,675.45	1,883.24
Non-current borrowings (as per balance sheet)			**2,593.22**	**4,163.85**	**5,940.26**

12(b) Current borrowings

	Maturity Date	Terms of repayment	Coupon /Interest rate	31 March 2017	31 March 2016	1 April 2015
Secured						
Working Capital Loans from State						
Bank of India	Payable on demand	Payable on demand	Libor+1.50%	2,461.20	1,825.71	2,327.20
Working Capital Loans from Bank						
of Bahrain & Kuwait	Payable on demand	Payable on demand	Libor+2.25%	587.31	590.66	496.31
Total Current Borrowings				**3,048.52**	**2,416.37**	**2,823.51**

Secured borrowings and assets pledged as security

Non-current borrowings are secured by first and pari-passu charge on Land, Buildings, Plant & Machinery and Second charge on stocks, receivables and other current assets

Current borrowings are secured by pari-passu first charge on inventories, receivables and other current assets of the company and pari-passu second charge on movable and immovable fixed assets of the company and equitable mortgage of the properties belonging to the company, both present and future.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 40.

12(c) Trade payables

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Current			
Trade payables	3,793.97	3,560.49	4,389.08
Total trade payables	**3,793.97**	**3,560.49**	**4,389.08**

12(d) Other Financial liabilities

	31 March, 2017	31 March, 2016	1 April 2015
Current			
Current maturities of long-term debt	1,436.58	1,675.45	1,883.24
Interest accrued but not due	71.80	19.29	42.03
Liabilities for expenses	1,519.37	1,361.63	947.61
Capital creditors	181.07	447.58	927.38
Unpaid dividend	48.21	84.99	32.66
Total other current financial liabilities	**3,257.02**	**3,588.95**	**3,832.92**

Note 13: Provision for Employee Benefits

Particulars	31 March, 2017			31 March, 2016			1 April 2015		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Leave obligations	203.69	194.81	398.50	79.25	160.03	239.27	148.52	163.05	311.57
Gratuity	200.16	88.69	288.86	195.26	79.47	274.72	213.73	64.43	278.17
	403.85	**283.50**	**687.35**	**274.50**	**239.49**	**514.00**	**362.25**	**227.48**	**589.73**

(i) Post-employement obligations

a) Gratuity- Defined benefit plan

The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(ii) Defined Contribution plans

Particulars	31 March, 2017	31 March, 2016
Provident Fund	199.46	172.09
State Defined Contribution Plans		
I Employees State Insurance	20.70	19.07
ii Employees Pension Scheme,1995	111.32	97.90

Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-15	**591.21**	**313.04**	**278.17**
Current service cost	34.37	-	34.37
Interest expense/(income)	47.30	-	47.30
Total amount recognized in profit or loss	**672.88**	**313.04**	**359.84**
Remeasurements			
Return on plant assets, excluding amounts included in			
interest expense/(income)	-	29.06	(29.06)
Experience (gains)/loss	30.18	-	30.18
Total amount recognized in other comprehensive income	**703.06**	**342.10**	**360.96**
Employer contributions		57.79	(57.79)
Benefit payments	(29.71)	(1.27)	(28.44)
31-Mar-16	**673.35**	**398.62**	**274.72**

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-16	**673.35**	**398.62**	**274.72**
Current service cost	41.65	-	41.65
Interest expense/(income)	53.87	-	53.87
Total amount recognized in profit or loss	**768.87**	**398.62**	**370.24**
Remeasurements			
Return on plant assets, excluding amounts included			
in interest expense/(income)		32.94	(32.94)
Experience (gains)/loss	14.90		14.90
Total amount recognized in other comprehensive income	**783.77**	**431.57**	**352.20**
Employer contributions		70.80	(70.80)
Benefit payments	(0.04)	(7.50)	7.46
31-Mar-17	**783.73**	**494.87**	**288.86**

(iii) Post-employement benefits (pension and grautity)

Significant estimates: Acturial assumptions and sensitivity

The significant acturial assumptions were as follows:

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Discount rate	8.00%	8.00%	8.00%
Salary growth rate	9.00%	9.00%	9.00%
Attrition rate	6.50%	6.50%	6.50%

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on Defined benefit obligation								
	Change in assumption			Increase in assumption			Decrease in assumption		
	31 March 2017	31 March 2016	1 Apr 2015	31 March 2017	31 March 2016	1 Apr 2015	31 March 2017	31 March 2016	1 Apr 2015
Discount rate	1%	1%	1%	712.18	608.91	533.14	867.28	748.76	659.32
Salary growth rate	1%	1%	1%	784.53	674.06	294.96	782.90	672.64	590.45
Attrition rate	1%	1%	1%	712.18	608.91	533.14	867.28	748.76	659.32

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant acturial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balancesheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the investment mix in the continuing years.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationery increases result in higher sensitivity to changes in life expectancy.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitores how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

A large portion of assets in 2017 consists of government and corporate bonds, although the company also invests in equities, cash and mutual funds. The company believes that equities offer the best returns over the long term with an acceptable level of risk. The majority of equities are in a globally diversified portfolio of international blue chip entities, with a target of 60% equities held in India. The plan asset mix is in compliance with the requirments of the respective local regulations.

(vi) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the next nine years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rate set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The weighted average duration of the defined benefit obligation is 23.78 years (2016-24.31 years, 2015-24.67 years). The expected maturity analysis of undiscounted pension and gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31-Mar-17					
Defined benefit obligation(grautity)	96.56	109.09	501.13	123.78	830.56
31-Mar-16					
Defined benefit obligation(grautity)	89.89	99.39	428.95	116.72	734.94
01-Apr-15					
Defined benefit obligation(grautity)	63.65	90.03	352.88	105.07	611.63

NOTE 14: GOVERNMENT GRANTS

Particulars	31 March, 2017	31 March, 2016
Opening Balance	177.28	204.34
Grants during the year	-	-
Less: Credited to profit or loss	14.39	27.07
Closing Balance	**162.88**	**177.28**

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Current portion	29.06	29.06	29.06
Non-current portion	133.82	148.21	175.28

NOTE 15:OTHER CURRENT LIABILITIES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Payroll taxes	21.28	7.61	5.74
Advance from customers	764.79	483.33	303.03
Statutory dues payable	134.99	118.37	102.90
Total other current liabilities	921.07	609.30	411.68

NOTE 16: REVENUE FROM OPERATIONS

Particulars	31 March, 2017	31 March, 2016
Sale of products (including excise duty)	51,139.03	46,786.81
Sale of Services	2,777.71	3,241.37
Other Operating Revenue	531.04	-
Total revenue from operations	**54,447.78**	**50,028.18**

NOTE 17: OTHER INCOME AND OTHER GAINS/ (LOSSES)

17(a) Other income

Particulars	31 March, 2017	31 March, 2016
Interest income from financial assets at amortized cost	68.87	247.91
Dividend income from investments mandatorily measured at fair value through profit or loss	-	50.34
Government Grants	14.39	27.07
Miscellaneous Income	19.55	8.94
Total other income	**102.81**	**334.25**

17(B) OTHER GAINS/(LOSSES)

Particulars	31 March, 2017	31 March, 2016
Net gain on financial assets mandatorily measured at fair value through profit or loss	33.62	9.45
Net gain on sale of investments	1,971.81	1,617.81
Profit/(Loss) due to sale of asset	1.00	(32.15)
Total other gains/(losses)	**2,006.44**	**1,595.11**

NOTE 18: COST OF MATERIALS CONSUMED

Particulars	31 March, 2017	31 March, 2016
Raw material & Packing material:		
Stock at the beginning of the year	2,073.17	3,221.20
Add: Purchases	15,729.10	16,697.35
Less: Stock at the end of the year	2,321.61	2,073.17
Total Cost of materials consumed	**15,480.66**	**17,845.37**

NOTE 19: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

Particulars	31 March, 2017	31 March, 2016
Opening Balance:		
Work-in-progress	2,284.76	1,857.20
Finished goods	3,427.25	2,649.60
Total opening balance	**5,712.01**	**4,506.80**
Closing Balance:		
Work-in-progress	3,716.28	2,284.76
Finished goods	2,291.67	3,427.25
Total closing balance	**6,007.95**	**5,712.01**
Total changes in inventories of work-in-progress and finished goods	**(295.94)**	**(1,205.21)**

NOTE 20: MANUFACTURING EXPENSES

Particulars	31 March, 2017	31 March, 2016
Power & Fuel	3,150.46	2,932.44
Consumable Stores	70.06	70.56
Factory Upkeep Expenses	1,733.65	1,576.46
Environment Management Expenses	533.73	415.24
Safety Expenses	161.77	96.64
Quality Control Expenses	540.67	648.07
Repairs & Maintenance:		
Buildings	228.12	194.83
Plant & Machinery	1,644.31	1,511.82
Total manufacturing expenses	**8,062.76**	**7,446.06**

NOTE 21: EMPLOYEE BENEFIT EXPENSE

Particulars	31 March, 2017	31 March, 2016
Salaries, wages and bonus	4,290.71	3,390.92
Contribution to provident fund & other funds	331.48	289.06
Gratuity	87.64	55.31
Staff welfare expenses	354.63	359.14
Total employee benefit expense	**5,064.46**	**4,094.43**

NOTE 22: RESEARCH & DEVELOPMENT

Particulars	31 March, 2017	31 March, 2016
R & D Salaries	1,548.59	1,368.78
R & D Materials	470.85	695.84
Patent Related Expenses	759.97	742.00
Lab Maintenance	1,040.40	1,016.85
R & D Other Expenses	2,050.98	1,748.35
Depreciation	623.31	645.58
Total Research & Development	**6,494.09**	**6,217.41**

NOTE 23: FINANCE COSTS

Particulars	31 March, 2017	31 March, 2016
Interest and finance charges on financial liabilities not at fair value through profit & loss	376.38	406.52
Bank Charges	190.20	180.69
Total Finance costs	**566.58**	**587.21**

NOTE 24: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March, 2017	31 March, 2016
Depreciation of property, plant and equipment	2,134.40	1,747.02
Amortisation of intangible assets	6.91	2.69
Total depreciation and amortisation expense	**2,141.31**	**1,749.71**

NOTE 25: OTHER EXPENSES

Particulars	31 March, 2017	31 March, 2016
Rent	74.33	73.62
Rates & Taxes	84.59	31.91
Service Tax	30.39	24.67
Insurance	245.73	180.26
Communication Charges	102.02	100.33
Travelling & Conveyance	566.32	513.69
Printing & Stationery	109.43	108.99
Vehicle Maintenance	27.84	23.57
Professional Charges	287.92	287.50
Payments to Auditors (Refer note 25(a)below)	15.59	15.75
Security Charges	184.57	165.77
Donations	3.53	2.32
Repairs & Maintenance	52.79	46.73
Loss on Foreign Exchange Fluctuations	115.37	12.60
Bad Debts Written off	-	8.25
Corporate Social Responsibility(Refer note 25(b)below)	176.03	133.01
Sales Promotion	318.45	241.06
Clearing & Forwarding	270.02	276.46
Commission on Sales	157.99	155.31
General Expenses	189.93	163.27
Total other expenses	**3,012.81**	**2,565.07**

NOTE 25(A): DETAILS OF PAYMENTS TO AUDITORS

Particulars	31 March, 2017	31 March, 2016
Payment to auditors		
As auditor:		
Audit fee	12.00	12.00
Tax audit fee	2.50	2.50
In other capacities		
Taxation matters	1.00	1.00
Re-imbursement of expenses	0.09	0.25
Total payments to auditors	**15.59**	**15.75**

NOTE 25(B): CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	31 March, 2017	31 March, 2016
Amount required to be spent as per section 135 of the Act	330.61	266.78
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	176.03	133.01
	154.58	133.76

NOTE 26: 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.

Particulars	31 March, 2017	31 March, 2016
(a) Income tax expense		
Current tax		
Current tax on profits for the year	3,283.70	2,577.07
Adjustments for current tax of prior periods	(8.63)	2.99
Total current tax expense	**3,275.07**	**2,580.06**
Deferred tax		
Decrease(increase) in deferred tax assets	-	(6.51)
Increase(decrease) in deferred tax liabilities	313.25	-
Total Deferred tax expense/(benefit)	**313.25**	**(6.51)**
Income tax expense	**3,588.32**	**2,573.55**
Income tax expense is attributable to:		
Profit from operations	3,588.32	2,573.55

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

Particulars	31 March, 2017	31 March, 2016
Profit from operations before income tax expenses	15,935.69	12,581.54
Tax at the Indian tax rate of 34.608% (2015-16 -34.608%)	**5,515.02**	**4,354.22**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	(1,271.03)	(1,468.44)
weighted deduction on Investment	-	(393.33)
Corporate social responsibility expenditure	60.92	46.03
Income tax paid at special rate	(325.87)	-
Dividend Income	-	(17.42)
Donations	1.22	0.80
Other Items including foreign exchange fluctuations	(391.95)	51.69
Income tax expenses	**3,588.32**	**2,573.55**

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

NOTE 27: FAIR VALUE MEASUREMENTS

Particulars	31 March, 2017			31 March, 2016			1 April 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets									
Investments									
-Equity Investment	7.05	-	-	7.05	-	-	-	-	-
-Mutual funds	30,088.91	-	-	5.31	-	-	5.89	-	-
Trade Receivables	-	-	4,583.32	-	-	5,356.49	-	-	4,016.92
Loans	-	-	10.92	-	-	13.44	-	-	18.49
Security deposits	-	-	415.63	-	-	334.35	-	-	255.36
Cash and Cash equivalents	-	-	414.16	-	-	23,984.93	-	-	27,974.74
Bank Balances	-	-	48.21	-	-	85.02	-	-	32.72
Fixed Deposits with Banks and Interest thereon	-	-	169.01	-	-	169.26	-	-	155.23
Other financial assets (Derivative assets)	-								8.10
Total Financial Assets	**30,095.96**	**-**	**5,641.25**	**12.36**	**-**	**29,943.49**	**5.89**	**-**	**32,461.56**
Financial Liabilities									
Borrowings	-	-	5,641.72	-	-	6,580.20	-	-	8,763.76
Current maturities of long-term debt	-	-	1,436.58	-	-	1,675.45	-	-	1,883.24
Interest accrued but not due	-	-	71.80	-	-	19.29	-	-	42.03
Unpaid dividends	-	-	48.21	-	-	84.99	-	-	32.66
Trade Payables	-	-	3,793.97	-	-	3,560.49	-	-	4,389.08
Capital creditors	-	-	181.07	-	-	447.58	-	-	927.38
Total Financial Liabilities	**-**	**-**	**11,173.35**	**-**	**-**	**12,368.00**	**-**	**-**	**16,038.15**

(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 and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial assets					
Equity Investment				7.05	7.05
Investment in mutual funds	5(a)(i)	30,088.91	-	-	30,088.91
Trade Receivables				4,583.32	4,583.32
Loans				10.92	10.92
Security deposits				415.63	415.63
Fixed Deposits with Banks and Interest thereon				169.01	169.01
Total Financial Assets		**30,088.91**	**-**	**5,185.93**	**35,274.84**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial Liabilities					
Borrowings		-	-	5,641.72	5,641.72
Current maturities of long-term debt				1,436.58	1,436.58
Interest accrued but not due				71.80	71.80
Unpaid dividends				48.21	48.21
Trade Payables				3,793.97	3,793.97
Capital creditors				181.07	181.07
Total Financial Liabilities		**-**	**-**	**11,173.35**	**11,173.35**

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2016					
Financial assets					
Equity Investment				7.05	7.05
Investment in mutual funds		5.31	-	-	5.31
Trade Receivables				5,356.49	5,356.49
Loans				13.44	13.44
Security deposits				334.35	334.35
Fixed Deposits with Banks and Interest thereon				169.26	169.26
Total Financial Assets		**5.31**	**-**	**5,880.58**	**5,885.90**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2016					
Financial Liabilities					
Borrowings		-	-	6,580.20	6,580.20
Current maturities of long-term debt				1,675.45	1,675.45
Interest accrued but not due				19.29	19.29
Unpaid dividends				84.99	84.99
Trade Payables				3,560.49	3,560.49
Capital creditors				447.58	447.58
Total Financial Liabilities		-	-	12,368.00	12,368.00

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at April 01, 2015					
Financial assets					
Investment in mutual funds		5.89	-	-	5.89
Trade Receivables				4,016.92	4,016.92
Loans				18.49	18.49
Security deposits				255.36	255.36
Fixed Deposits with Banks and Interest thereon				155.23	155.23
Total Financial Assets		**5.89**	**-**	**4,446.00**	**4,451.89**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at April 01, 2015					
Financial Liabilities					
Borrowings		-	-	8,763.76	8,763.76
Current maturities of long-term debt				1,883.24	1,883.24
Interest accrued but not due				42.03	42.03
Unpaid dividends				32.66	32.66
Trade Payables				4,389.08	4,389.08
Capital creditors				927.38	927.38
Total Financial Liabilities		**-**	**-**	**16,038.15**	**16,038.15**

Level 1: Level 1 hierarrchy includes Mutual funds are valued using the closing NAV.
Level 3: Inputs are not based on observable market data(unobservable inputs).

(ii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Equity Investment	7.05	7.05	7.05	7.05	-	-
Trade Receivables	4,583.32	4,583.32	5,356.49	5,356.49	4,016.92	4,016.92
Loans	10.92	10.92	13.44	13.44	18.49	18.49
Security deposits	415.63	415.63	334.35	334.35	255.36	255.36
Cash and Cash equivalents	414.16	414.16	23,984.93	23,984.93	27,974.74	27,974.74
Other Bank Balances	48.21	48.21	85.02	85.02	32.72	32.72
Other financials assets	169.01	169.01	169.26	169.26	163.33	163.33
Total Financial assets	**5,648.29**	**5,648.29**	**29,950.54**	**29,950.54**	**32,461.56**	**32,461.56**
Financial Liabilities						
Unpaid dividends	48.21	48.21	84.99	84.99	32.66	32.66
Capital creditors	181.07	181.07	447.58	447.58	927.38	927.38
Trade Payables	3,793.97	3,793.97	3,560.49	3,560.49	4,389.08	4,389.08
Total Financial liabilities	**4,023.25**	**4,023.25**	**4,093.06**	**4,093.06**	**5,349.12**	**5,349.12**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.
The fair values of non-current borrowings are based on discounted cash-flows using a current borrowing rate. They are classified as level 3 fair values in the fair value heirarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NOTE 28: 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 are 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
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Aging analysis	Diversification of bank deposits and credit limits
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 forecastingSensitivity analysis	Forward foreign exchange contracts
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus 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, use of derivative financial instruments and non derivative financial instruments 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) majorily 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 31 March 2017

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	Morethan 120 days	Total
Gross carrying amount	3773.98	322.43	314.38	153.56	18.98	4583.32
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables						
(net of impairment)	**3773.98**	**322.43**	**314.38**	**153.56**	**18.98**	**4583.32**

Year ended 31 March 2016

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	Morethan 120 days	Total
Gross carrying amount	4287.00	586.09	251.90	166.85	64.65	5356.49
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables						
(net of impairment)	**4287.00**	**586.09**	**251.90**	**166.85**	**64.65**	**5356.49**

As at 1 April 2015:

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	Morethan 120 days	Total
Gross carrying amount	2448.19	496.32	885.12	120.86	66.41	4016.92
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables						
(net of impairment)	**2448.19**	**496.32**	**885.12**	**120.86**	**66.41**	**4016.92**

(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.

Year ended March 31, 2017	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	3,048.52	1,508.38	2,593.21	7,150.10
(ii) Trade payables	-	3,793.97	-	3,793.97
(iii) Other financial liabilities	48.21	181.07	-	229.28
	3,096.73	5,483.42	2,593.21	11,173.35

Year ended March 31, 2016	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	2,416.36	1,694.74	4,163.83	8,274.93
(ii) Trade payables	-	3,560.49	-	3,560.49
(iii) Other financial liabilities	84.99	447.58	-	532.57
	2,501.36	5,702.81	4,163.83	12,368.00

Year ended April 01, 2015	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	2,823.51	1,925.27	5,940.25	10,689.03
(ii) Trade payables	-	4,389.08	-	4,389.08
(iii) Other financial liabilities	32.66	927.38	-	960.04
	2,856.17	7,241.73	5,940.25	16,038.15

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 tresury 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 March 31, 2017			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	386.74	-	-	-
Other bank balances	-	-	-	-
Trade receivables	4,070.12	-	-	-
Derivative assets (Foreign exchange forward contracts)	-	-	-	-
Financial Liabilities				
Borrowings	7,060.30			
Trade payables	743.20	0.08	2.07	-
Other financial liabilities	-	-	-	-

Particulars	As at March 31, 2016			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	958.79	-	-	-
Other bank balances	-	-	-	-
Trade receivables	4,942.21	-	-	-
Derivative assets (Foreign exchange forward contracts)	-	-	-	-
Financial Liabilities				
Borrowings	8,397.73			
Trade payables	451.03	0.88	11.92	-
Other financial liabilities	14.66	21.34	-	-

Particulars	As at April 01, 2015			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	86.05	-	-	-
Other bank balances	-	-	-	-
Trade receivables	4,891.43	-	-	-
Derivative assets (Foreign exchange forward contracts)	8.10	-	-	-
Financial Liabilities				
Borrowings	10,154.37			
Trade payables	740.07	46.85	3.36	-
Other financial liabilities	18.14	5.14	-	-

D) Market risk - interest risk

(i) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cashflow interest rate risk.

(a) Interest rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Variable rate borrowings	7,060.30	8,397.73	10,154.37
Fixed rate borrowings			
Total borrowings	**7,060.30**	**8,397.73**	**10,154.37**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of increase/decrease in the fair value of cash flow hedges related to the borrowings if any

Particulars	Impact on Profit after tax		Impact on Other components of equity	
	31 March, 2017	31 March, 2016	31 March, 2017	31 March, 2016
Interest rates-increase by 100 basis points	257.56	307.50	0	0
Interest rates-decrease by 100 basis points	155.60	179.30	0	0

NOTE 29: 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 and 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 balancesheet)

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 balancesheet)

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Net debt	7,150.10	8,274.93	10,689.03
Total Equity	73,152.92	62,347.24	56,367.62
Net debt to equity ratio	10%	13%	19%

Loan covenants:
During the tenor of the facility with the bank , the following financial covenant should be complied with:

Current Ratio	Minimum of 1.33 times
TOL/TNW	Maximum of 1.75 times
Interest Coverage Ratio	Minimum of 2.00 times
Debt Service Coverage Ratio	Minimum of 1.50 times

Borrower to maintain the above financial indicators at the stipulated levels during the currency of the facility. In case of non-compliance of any covenant or other terms and conditions of sanction, penal interest @ 2% per annum above the applicable rate on the utilized facilities shall be charged. Such Interest shall be charged for the period of default/ noncompliance on the amount outstanding under the facility. Such interest shall also be payable/ compounded on monthly basis

(b) Dividends (on equity instruments)

Particulars	31 March, 2017	31 March, 2016
(i) Equity shares		
Final dividend for the year ended March 31, 2016 of ₹763.69 Lakhs (March 31, 2016 - ₹2920.72Lakhs) per fully paid share	-	763.69
Interim dividend for the year ended March 31, 2017 of ₹1 (March 31, 2016 - ₹2) per fully paid share	1,272.82	2545.65
(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 13/05/2017	-	-

NOTE 30 : DISCLOSURE ON SPECIFIED BANK NOTES

During the year, the company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification , G.S.R. 308(E), dated March 31,2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination -wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8,2016	6.42	10.58	17.00
Add: Permitted Receipts	-	16.59	16.59
Less: Permitted Payments	(3.36)	(20.34)	(23.69)
Less: Amount deposited in Banks	(3.06)	-	(3.06)
Closing cash in hand as on December 30,2016	**-**	**6.84**	**6.84**

NOTE 31: UTILIZATION OF FUND RAISED THROUGH QIP

During the year ended 31st March 2015 the company has raised ₹20,000 lacs primarily for clinical development expenses, capital expenditure and general corporate purposes and any other purposes as may be permissible under applicable law.

Utilisation of QIP Funds:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Investment in wholly owned subsidiary - Suven Inc.,	6,500.67	2,298.10
Investment in Capex	5,718.13	3,145.72
	12,218.80	5,443.82

NOTE 32: SEGMENT INFORMATION

(a) Description of segments and principal activities

The Chief Executive Officer has been identified as being the chief operating decision maker (CODM). The CODM examines the Company's performance both from a product and a geographic perspective and has identified two reportable segments:

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:

(a) Manufacturing (CRAMS)
(b) Services (DDDSS)
(c)Research and Development

I. Manufacturing (CRAMS) - Bulk Drugs & Intermediates under contract services products are developed and produced on an exclusive basis under contract Manufacturing services
II. Services (DDDSS) - Which consists of Collaborative Research Projects (CRP), Clinical Trials and Testing and Analysis services

Geographical Segment
The Company has identified the following geographical reportable segments:
(a) India-The company sells Bulk Drugs and Intermedites and Fine Chemicals.
(b) USA -The company sells Intermediates
(c) Europe-The company sells Bulk Drugs and Intermedites
(d) Others -The company sells Bulk Drugs and Intermedites

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Unallocated		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Segment Result-Operating profits(EBIT)	21,634.85	17,391.75	1,476.81	1,982.52	(6,494.09)	(6,295.08)	(374.37)	(339.05)	16,243.20	12,740.15
Interest Expense	-	-	-	-	-	-	376.38	406.52	376.38	406.52
Interest Income	-	-	-	-	-	-	68.87	247.91	68.87	247.91
Income Taxes	-	-	-	-	-	-	3,588.32	2,573.55	3,588.32	2,573.55
Net profit	**21,634.85**	**17,391.75**	**1,476.81**	**1,982.52**	**(6,494.09)**	**(6,295.08)**	**(4,270.20)**	**(3,071.21)**	**12,347.37**	**10,007.99**

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Unallocated		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Segment Revenue	51,670.07	46,786.81	2,777.71	3,241.37	-	-	-	-	54,447.78	50,028.18
Segment Result-Operating profits	21,634.85	17,391.75	1,476.81	1,982.52	(6,494.09)	(6,295.08)	(374.37)	(339.05)	16,243.20	12,740.15
Segment Assets	43,886.93	43,091.01	2,828.60	3,631.42	2,609.60	2,880.35	38,291.82	27,774.68	87,616.95	77,377.45
Segment Liabilities	8,547.86	7,820.33	370.23	338.72	1,848.18	1,690.88	687.23	628.73	11,453.50	10,478.67
Capital Expenditure	2,801.67	15,767.87	-	-	-	-	-	-	2,801.67	15,767.87
Depreciation	2,002.30	1,614.63	69.51	67.54	623.31	645.58	69.51	67.54	2,764.62	2,395.29

Particulars	Revenue		Location of Asset		Additions to Fixed Assets	
	31 March, 2017	31 March, 2016	31 March, 2017	31 March, 2016	31 March, 2017	31 March, 2016
INDIA	4,485.11	3,163.91	34,835.63	32,461.31	2,799.70	15,766.40
U S A	5,616.02	9,129.30	55.87	53.89	1.98	1.47
EUROPE	40,627.89	34,470.85	-	-	-	-
OTHERS	3,718.76	3,264.13	-	-	-	-
	54,447.78	**50,028.18**	**34,891.50**	**32,515.21**	**2,801.67**	**15,767.87**

NOTE 33: INTEREST IN OTHER ENTITIES

The Company's subsidiaries as at March 31, 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company

Name of the entity	Ownership interest held by the Company				Ownership interest held by Non-Controlling interests			
	Place of Business/ Country of incorporation	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	Principal activity
Suven Inc	USA	100%	100%	0%	0%	0%	0%	Development of API

NOTE 34: RELATED PARTY TRANSACTIONS

(a) Holding Company : M/s. Jasti Property and Equity Holdings Private Limited
(In its capacity as sole trustee of the Jasti Family Trust)

(b) Subsidairies: : M/s. Suven Inc.

(c) Key Management personnel(KMP) : Mr. Venkateswarlu Jasti (Chairman & CEO)
Mrs. Sudharani Jasti (Whole-time Director)
Mr. P. Subba Rao (Chief Financial Officer)
Mr. K. Hanumatha Rao (Company Secretary)

(d) Relative of Key Management personnel : Ms. Kalyani Jasti (Daughter of Mr.Venkateswarlu Jasti)
Ms. Sirisha Jasti (Daughter of Mr. Venkateswarlu Jasti)

(e) Jointly controlled entity : Suven Trust

(a) Parent entities

Name	Type	Place of Incorporation	Ownership Interest		
			31 March, 2017	31 March, 2016	1 April 2015
M/s. Jasti Property and Equity Holdings Private Limited	Immediate and Ultimate parent entity	India	60.00%	60.00%	59.44%

(b) Subsidiaries

Particulars	31 March, 2017	31 March, 2016
Opening	2,298.10	-
Investment in subsidiary	4,202.50	2,298.10
Balance outstanding	**6,500.60**	**2,298.10**

(c) Key Management Personnel compensation

Particulars	31 March, 2017	31 March, 2016
Short term employee benefits	684.63	571.17
Post-employement benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**684.63**	**571.17**
Balance outstanding	**248.60**	**190.65**

(d) Relative of Key Management Personnel compensation

Particulars	31 March, 2017	31 March, 2016
Short term employee benefits	156.89	168.92
Post-employement benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**156.89**	**168.92**

(e) Jointly Controlled Entity

Particulars	31 March, 2017	31 March, 2016
Corporate Socical Responsibility	176.03	133.01

NOTE 35: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Claims against the company not acknowledged as debts			
a) Income tax appeal for Asst.year 2011-12	7.64	7.64	7.64
b) Income tax appeal for Asst.year 2012-13	20.94	20.94	20.94
c) Letter of credit for imports	905.44	649.69	1,207.21
	934.01	**678.26**	**1235.79**

NOTE 36: COMMITMENTS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Estimated amount of contracts remaining to be executed on capital account	243.06	125.97	609.07
Forward Foreign Exchange Contracts	-	-	1,133.47
	243.06	**125.97**	**1,742.53**

NOTE 37: MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information available with the Company, there are no suppliers who are registered as micro and small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" to whom the Company has paid interest or any interest payable on balances outstanding as at March 31, 2017 and March 31, 2016.

NOTE 38: SHARE BASED PAYMENTS

(a) Employee option plan

Suven Employee Stock Option Scheme -2004 was approved by shareholders at the 2004 annual general meeting. Each option entitles the holder thereof to apply for and be allotted one equity share of the Company of ₹1.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting in respect of Options granted under the Suven Employee Stock Option Scheme -2004

The vesting period for conversion of Options is as follows:
On completion of 24 months from the date of grant of the Options: 25% vests
On completion of 36 months from the date of grant of the Options: 35% vests
On completion of 48 months from the date of grant of the Options: 40% vests
The Options have been granted at the 'market price' as defined from time to time under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Set out below is a summary of option granted under the plan:

Particulars	31 March, 2017		31 March, 2016	
	Average exercise price per share option(Rs.)	Number of Options	Average exercise price per share option(Rs.)	Number of Options
Opening balance	25.28	6,50,000	25.28	7,00,000
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited/ Expired during the year	25.28	1,95,000	25.28	50,000
Closing balance	**25.28**	**4,55,000**	**25.28**	**6,50,000**
Vested and exercisable		**4,55,000**		**6,50,000**

Share options outstanding at the end of the year having the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price(Rs.)	Share options 31 March 2017	Share options 31 March 2016	Share options 1 April 2015
12-Jul-2010	11-Jul-2017	29.75	80000	150000	200000
30-May-2011	29-May-2018	22.30	375000	500000	500000
Total			**455000**	**650000**	**700000**
Weighted average remaining contractual life of					
options outstanding at the end of the period			**1.00 years**	**1.90 years**	**2.9 years**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2017 was ₹ NIL per option (31 March 2016-₹ NIL). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Expenses arising from share-based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	31 March, 2017	31 March, 2016
Employee option plan	Nil	Nil
Share appreciation rights	Nil	Nil
Total employee share based payment expense	Nil	Nil

NOTE 39: EARNINGS PER SHARE

Particulars	31 March, 2017	31 March, 2016
(a) Basic EPS		
Profit from operations attributable to the equity holders of the Company	9.69	7.83
Total basic earnings per share attributable to the equity holders of the company	9.69	7.83
(b) Diluted EPS		
Profit from operations attributable to the equity holders of the Company	9.69	7.83
Total diluted earnings per share attributable to the equity holders of the company	**9.69**	**7.83**

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	31 March, 2017	31 March, 2016
Basic earnings per share		
Profit attributable to the equity holders of the company used in		
calculating basic earnings per share		
Profit from operations	12,337.62	9,962.76
	12,337.62	**9,962.76**
Diluted earnings per share		
Profit from operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	12,337.62	9,962.76
Add: Interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	12,337.62	9,962.76
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**12,337.62**	**9,962.76**

(d) Weighted average number of shares used as the denominator

Particulars	31 March, 2017	31 March, 2016
Weighted average number of equity shares used as the denominator in		
calculating basic earnings per share	12,72,82,478	12,72,82,478
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Convertible bonds	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**12,72,82,478**	**12,72,82,478**

NOTE 40: ASSETS PLEDGED AS SECURITY

The carrying amounts of Company's assets pledged as security for current and non current borrowings are:

Particulars	31 March, 2017	31 March, 2016	01 April 2015
Non-Current			
First charge of mortage on land & building and			
Plant & Machinery			
Land & building	10,183.43	9,936.65	4,344.06
Plant & Machinery	16,029.16	16,340.03	9,053.43
	26,212.59	26,276.68	13,397.49
Current			
Second charge on stocks, receivables and current assets			
Inventories	9,251.14	8,346.44	8,180.55
Trade receivables	4,583.32	5,356.49	4,016.92
Cash and cash equivalents	414.16	23,984.93	27,974.74
Bank balances	48.21	85.02	32.72
Loans	7.57	11.52	16.45
Other financial assets	0.71	2.55	8.10
Other current assets	3,680.32	4,464.88	4,348.67
	17,985.43	**42,251.83**	**44,578.15**
Total assets pleadge as security	**44,198.02**	**68,528.51**	**57,975.64**

NOTE 41: FIRST-TIME ADOPTION OF IND AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.
The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparitive information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015 (company's date of transition). In preparing its opening Ind AS balancesheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation on how the transition from previous GAAP to Ind AS has effected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A.1. Exemptions and exceptions availed

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

A.1.1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Investment of Subsidiaries

Investment in subsidiaries are carried at Cost.

A.2 Mandatory exceptions

A.2.1 Estimates

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

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in confirmity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
-Investment in Equity instruments carried at FVPL or FVOCI
-Impairment of financial asset based on expected credit loss model.

A.2.2 Classification and measurement of financial asset

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investments in debt instruments) on the basis of the facts and circumstances that exist on the date of transition to Ind AS

B. Reconciliations between previous GAAP and Ind AS (as at March 31, 2016 and April 01, 2015)

(i) Reconciliation of equity as at date of transition (1 April 2015)

Particulars	Note No.	Previous GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	3	17,175.31	-	17,175.31
Capital work-in-progress	3	10,701.33	-	10,701.33
Intangible assets	4	19.61	-	19.61
Financial assets				-
(i) Investments	5(a)(i)	-	-	-
(ii) Loans	5(c)	2.04		2.04
(iii) Other financial assets	5(e)	873.85	(463.25)	410.59
Deferred tax assets (net)	6	(2,271.33)	2,738.52	467.19
Other non-current assets	7	843.39	-	843.39
Total Non-current assets		**27,344.19**	**2,275.27**	**29,619.46**
Current assets				
Inventories	8	8,180.55	-	8,180.55
Financial assets				
(i) Investments	5(a)(ii)	3.64	2.25	5.89
(ii) Trade receivables	5(b)	4,016.92	-	4,016.92
(iii) Cash and cash equivalents	5(d)(i)	27,936.19	38.56	27,974.74
(iv) Bank balances other than (iii) above	5(d)(ii)	32.72	-	32.72
(v) Loans	5(c)	16.45	-	16.45
(vi) Other financial assets	5(e)	8.10	-	8.10
Current tax asset(net)	9	355.63		355.63
Other current assets	10	7,147.69	(2,799.02)	4,348.67
Total Current assets		**47,697.89**	**(2,758.21)**	**44,939.67**
TOTAL ASSETS		**75,042.08**	**(482.95)**	**74,559.13**
EQUITY AND LIABILITIES				
Equity				
Share capital	11(a)	1,272.82	-	1,272.82
Other equity				
(i) Equity component of compund financial instruments				
(ii) Reserves & Surplus	11(b)	54,658.58	436.22	55,094.79
Equity attributable to shareholders		**55,931.40**	**436.22**	**56,367.62**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	12(a)	6,144.59	(204.34)	5,940.25
Employee benefit obligations	13	227.48	-	227.48
Government grants	14	-	175.28	175.28
Total Non-current liabilities		**6,372.07**	**(29.06)**	**6,343.01**
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	2,823.51	-	2,823.51
(ii) Trade payables	12(c)	4,389.08	-	4,389.08
(iii) Other financial liabilities	12(d)	3,832.91	-	3,832.91
Employee benefit obligations	13	1,281.42	(919.17)	362.25
Government grants	14	-	29.06	29.06
Other current liabilities	15	411.68	-	411.68
Total current liabilities		**12,738.60**	**(890.10)**	**11,848.50**
TOTAL LIABILITIES		**19,110.68**	**(919.17)**	**18,191.51**
TOTAL EQUITY AND LIABILITIES		**75,042.08**	**(482.95)**	**74,559.13**

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

(ii) Reconciliation of equity as at March 31, 2016

Particulars	Note No.	Previous GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	3	30,505.64	-	30,505.64
Capital work-in-progress	3	719.73	-	719.73
Intangible assets	4	29.70	-	29.70
Financial assets				-
(i) Investments	5(a)(i)	2,305.15	-	2,305.15
(ii) Loans	5(c)	1.92		1.92
(iii) Other financial assets	5(e)	474.98	26.08	501.06
Deferred tax assets (net)	6	(3,442.81)	3,940.44	497.63
Other non-current assets	7	113.45	-	113.45
Total Non-current assets		**30,707.76**	**3,966.52**	**34,674.28**
Current assets				
Inventories	8	8,346.44	-	8,346.44
Financial assets				
(i) Investments	5(a)(ii)	3.64	1.67	5.31
(ii) Trade receivables	5(b)	5,356.49	-	5,356.49
(iii) Cash and cash equivalents	5(d)(i)	23,978.77	6.16	23,984.93
(iv) Bank balances other than (iii) above	5(d)(ii)	85.02	-	85.02
(v) Loans	5(c)	11.52	-	11.52
(vi) Other financial assets	5(e)	34.79	(32.24)	2.55
Current tax asset(net)	9	446.03	-	446.03
Other current assets	10	8,405.70	(3,940.82)	4,464.88
Total Current assets		**46,668.40**	**(3,965.23)**	**42,703.17**
TOTAL ASSETS		**77,376.16**	**1.29**	**77,377.45**
EQUITY AND LIABILITIES				
Equity				
Share capital	11(a)	1,272.82	-	1,272.82
Other equity				
(i) Equity component of compund financial instruments				
(ii) Reserves & Surplus	11(b)	61,091.58	(17.16)	61,074.42
Equity attributable to shareholders		**62,364.41**	**(17.16)**	**62,347.24**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	12(a)	4,322.66	(158.83)	4,163.83
Employee benefit obligations	13	239.49	-	239.49
Government grants	14	-	148.21	148.21
Total Non-current liabilities		**4,562.15**	**(10.61)**	**4,551.54**
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	2,416.36	-	2,416.36
(ii) Trade payables	12(c)	3,560.49	-	3,560.49
(iii) Other financial liabilities	12(d)	3,588.95	-	3,588.95
Employee benefit obligations	13	274.50	-	274.50
Government grants	14	-	29.06	29.06
Other current liabilities	15	609.30	-	609.30
Total current liabilities		**10,449.60**	**29.06**	**10,478.67**
TOTAL LIABILITIES		**15,011.76**	**18.45**	**15,030.21**
TOTAL EQUITY AND LIABILITIES		**77,376.16**	**1.29**	**77,377.45**

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

(iii) Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Note No.	Previous GAAP	Adjustments	Ind AS
Operations				
Revenue from operations	16	49,952.24	75.95	50,028.18
Other income	17(a)	307.76	26.49	334.25
Other gains/losses-net	17(b)	1,595.11	-	1,595.11
Total Income		**51,855.11**	**102.43**	**51,957.54**
Expenses				
Cost of materials consumed	18	17,845.37	-	17,845.37
Changes in inventories of work-in-progress,				
stock-in-trade				
and finished goods	19	(1,205.21)	-	(1,205.21)
Manufacturing expenses	20	7,446.06		7,446.06
Excise duty		-	75.95	75.95
Employee benefits expense	21	4,163.59	(69.16)	4,094.43
Research & Development Expenses	22	6,217.41		6,217.41
Finance costs	23	541.70	45.51	587.21
Depreciation and amortization expense	24	1,749.71	-	1,749.71
Other expenses	25	3,049.75	(484.68)	2,565.07
Total Expenses		**39,808.38**	**(432.38)**	**39,376.00**
Profit before exeptional items		**12,046.73**	**534.81**	**12,581.54**
Income tax expense				
-Current tax	26	2,577.07	-	2,577.07
-Deferred tax	26	(30.31)	23.80	(6.51)
-Previous year tax		2.99	-	2.99
Total tax expense		2,549.75	23.80	2,573.55
Profit from operations		**9,496.98**	**511.01**	**10,007.99**
Other Comprehensive income		-	45.22	45.22
Total comprehensive income		**9,496.98**	**465.79**	**9,962.76**

(iv) Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	31 March, 2017	31 March, 2016
Total Equity (shareholder's funds) as per previous GAAP	**62,364.41**	**55,931.40**
Adjustments:		
Provision for dividend and dividend distribution tax reversed	-	919.17
Fair valuation of quoted investments in mutual funds	1.67	2.25
QIP expenses adjusted against equity	-	(484.68)
Deferred tax on GAAP adjustments	(0.39)	(0.52)
Borrowings carried at amortized cost	158.83	-
Deferred income recognised in P&L on government grants	(177.28)	-
Total adjustments	**(17.16)**	**436.22**
Total Equity as per Ind AS	**62,347.24**	**56,367.62**

(v) Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	31 March, 2016
Profit after tax as per previous GAAP	9,496.98
Adjustments:	
Deferred income recognised in P&L on government grants	27.07
Borrowings carried at amortized cost	(45.51)
QIP expenses adjusted	484.68
Fair valuation of quoted investments in mutual funds	(0.58)
Remeasurement of post employement benefit	45.22
Tax effect of adjustments	0.13
Total Adjustments	**511.01**
Profit after tax as per Ind AS	**10,007.99**
Other Comprehensive Income	(45.22)
Total comprehensive income as per Ind AS	**9,962.76**

(vi) Impact of Ind AS adoption on the cash flow statements for the year ended March 31, 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	9,219.90	238.16	8,981.74
Net cash flow from investing activities	(6,192.87)	(27.54)	(6,165.33)
Net cash flow from financing activities	(6,984.44)	(178.22)	(6,806.22)
Net increase/(decrease) in cash and cash equivalents	**(3,957.42)**	**32.39**	**(3,989.81)**
Cash and cash equivalents as at 1 April 2015	27,936.19	(38.56)	27,974.74
Cash and cash equivalents as at 31 March 2016	**23,978.77**	**(6.16)**	**23,984.93**

C: NOTES TO FIRST-TIME ADOPTION:

1: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long term investments or current investments based on the intended holding period and realizibility. Long term investments were carried at cost less provision for other than temperory decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) has been recognised in retained earnings as at the date of transition and subsequently in the profit and loss for the year ended March 31, 2016. This increased the retained earnings by ₹1.67 Lakhs as at March 31, 2016 (April 01, 2015-₹2.25 Lakhs).

2: Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accoridngly, the liability for proposed dividend and tax thereon of ₹ Nil as at March 31, 2016 (April 01, 2015- ₹ 919.17 Lakhs) included under provisions have been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

3: Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016 by ₹75.95 Lakhs. There is no impact on the total equity and profit.

4: Remeasurements of post-employement benefit obligations

Under Ind AS, remeasurements i.e. Acturial gains and losses and the return on plan assets , excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by ₹ 45.22 Lakhs. There is no impact on the total equity as at March 31 2016.

5: Retained Earnings
Retained earnings as at April 01, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

6: Other comprehensive income
Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit or loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of 'other comprehensive income' did not exist under previous GAAP.

7: QIP Expenses
QIP expenses incurred towards issue of equity shares has been netted off from the Securities Premium account as these expenses are directly attributable to the issue of shares.

8: Government Grants
Under previous GAAP loan form Government is carried at transition value whereas under IndAS the same is fair valued and the difference between fair value of the loan and transaction value is considered as Government grant and is deferred over the term of loan.

9: Borrowings
Under previous GAAP borrowings are carried at gross value (excluding transition cost) whereas under IndAS borrowings net of transition cost are carried in the books and transaction cost are considered in the computation of effective interest rate on that borrowings

Note 42 : Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

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

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place : Hyderabad
Date : 13th May 2017

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

CONSOLIDATED
FINANCIAL SECTION

INDEPENDENT AUDITORS` REPORT

To the Members of
Suven Life Sciences Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Suven Life Sciences Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Company" or "the group"), which comprise the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Other Matters

We did not audit the financial statements of Suven INC, wholly owned subsidiary included in the consolidated Ind AS financial statements of the company whose financial statements of the Company reflect total assets of ₹454.65 lakhs as at 31st March, 2017 and total revenue of ₹ Nil- for the year ended on that date.
The financial statements of this branch have been audited by the branch auditor, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.

Opinion

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

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

(c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

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

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of Section 164(2) of the Act.

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

i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the group. Refer Note 35 to the consolidated Ind AS financial statements;

ii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India; and

iii. the Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 30 to the consolidated Ind AS financial statements

For **KARVY & CO.,.**
Chartered Accountants
ICAI Firm Regn. No.001757S

(SANJEEV KUMAR SREEPATHI)
Partner
Membership No.209145

Place: Hyderabad
Date : 13/05/2017

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

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

Particulars	Note	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	30,447.57	30,505.64	17,175.31
Capital work-in-progress	3	971.64	719.73	10,701.33
Other intangible assets	4	124.83	29.70	19.61
Financial assets				
(i) Investments	5(a)(i)	7.05	7.05	-
(ii) Loans	5(c)	3.35	1.92	2.04
(iii) Other financial assets	5(e)	583.93	501.06	410.59
Deferred tax assets (net)	6	189.54	497.63	467.19
Other non-current assets	7	71.62	113.45	843.39
Total Non-current assets		**32,399.53**	**32,376.18**	**29,619.46**
Current assets				
Inventories	8	9,251.15	8,346.44	8,180.55
Financial assets				
(i) Investments	5(a)(ii)	30,088.91	5.31	5.89
(ii) Trade receivables	5(b)	4,583.32	5,356.49	4,016.92
(iii) Cash and cash equivalents	5(d)(i)	868.80	24,054.87	27,974.74
(iv) Bank balances other than (iii) above	5(d)(ii)	48.21	85.02	32.72
(v) Loans	5(c)	7.57	11.52	16.45
(vi) Other financial assets	5(e)	0.71	2.55	8.10
Current tax asset(net)	9	642.41	446.03	355.63
Other current assets	10	3,680.32	4,464.88	4,348.67
Total Current assets		**49,171.40**	**42,773.11**	**44,939.67**
TOTAL ASSETS		**81,570.93**	**75,149.29**	**74,559.13**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11(a)	1,272.82	1,272.82	1,272.82
Other equity				
Reserves and Surplus	11(b)	65,427.06	58,255.66	55,094.79
Total Equity		**66,699.88**	**59,528.48**	**56,367.61**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	12(a)	2,593.22	4,163.85	5,940.26
Provision for employee benefits	13	283.50	239.49	227.48
Government grants	14	133.82	148.21	175.28
Total Non-current liabilities		**3,010.54**	**4,551.55**	**6,343.02**
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	3,048.52	2,416.37	2,823.51
(ii) Trade payables	12(c)	3,793.97	3,560.49	4,389.08
(iii) Other financial liabilities	12(d)	3,664.04	4,179.54	3,832.91
Provision for employee benefits	13	403.85	274.50	362.25
Government grants	14	29.06	29.06	29.06
Other current liabilities	15	921.07	609.30	411.68
Total current liabilities		11,860.51	11,069.26	11,848.50
TOTAL LIABILITIES		**14,871.05**	**15,620.81**	**18,191.52**
TOTAL EQUITY AND LIABILITIES		**81,570.93**	**75,149.29**	**74,559.13**

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

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

Place : Hyderabad
Date : 13th May 2017

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

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

Particulars	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue			
Revenue from operations	16	54,447.78	50,028.18
Other income	17(a)	102.81	334.25
Other gains/losses-net	17(b)	2,006.44	1,595.11
Total Revenue		**56,557.03**	**51,957.54**
Expenses			
Cost of materials consumed	18	15,480.66	17,845.37
Changes in inventories of work-in-progress and finished goods	19	(295.94)	(1,205.21)
Manufacturing expenses	20	8,062.76	7,446.06
Excise duty		94.61	75.95
Employee benefits expense	21	5,216.57	4,094.43
Research & Development Expenses	22	9,914.54	9,035.16
Finance costs	23	568.34	587.63
Depreciation and amortization expense	24	2,141.31	1,749.71
Other expenses	25	3,067.13	2,570.03
Total Expenses		**44,249.98**	**42,199.13**
Profit before tax		**12,307.05**	**9,758.41**
Tax expense			
Current tax	26	3,275.07	2,580.06
Deferred tax	26	313.25	(6.51)
Profit after tax for the period		**8,718.73**	**7,184.86**
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
-Remeasurements of post-employment benefit obligations		14.90	69.16
Total Other Comprehensive Income before Tax		**14.90**	**69.16**
Related tax			
Deferred tax on OCI		(5.16)	(23.94)
Other Comprehensive Income after tax for the period		**9.74**	**45.22**
Total Comprehensive Income for the period		**8,708.99**	**7,139.64**
Earnings per Equity share (Par value of ₹1 each)			
Basic and Diluted	**38**	**6.84**	**5.61**

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

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 13th May 2017

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

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

A. EQUITY SHARE CAPITAL

Particulars	Equity share capital
As at April 01, 2015	1,272.82
Changes in equity share capital during the year	-
As at March 31, 2016	**1,272.82**
Changes in equity share capital during the year	-
As at March 31, 2017	**1,272.82**

B. OTHER EQUITY

Particulars	Note	Reserves & surplus				Total Equity
		Securities Premium	General reserve	Retained earnings	Exchange differences on translating the financial statement of a foreign operations	
Balance at April 1, 2015		**23,311.69**	**6,736.61**	**25,046.49**	**-**	**55,094.79**
Profit for the year	11(b)	-	-	7,184.86	-	7,184.86
Other comprehensive income for the year,						
net of income tax	11(b)	-	-	(45.22)	-	(45.22)
Total comprehensive income for the year		**-**	**-**	**7,139.64**	**-**	**7,139.64**
Foreign Exchange Translation Reserve		-	-	-	4.36	4.36
Transfer to General Reserve	11(b)	-	1,100.00	(1,100.00)		-
Transaction with owners in their capacity						
as owners:						
Payment of dividends(including tax)	11(b)	-	-	(3,983.14)		(3,983.14)
Balance at March 31, 2016		**23,311.69**	**7,836.61**	**27,102.99**	**4.36**	**58,255.66**
Balance at April 1, 2016		**23,311.69**	**7,836.61**	**27,102.99**	**4.36**	**58,255.66**
Profit for the year	11(b)	-	-	8,718.73	-	8,718.73
Other comprehensive income for the year,						
net of income tax	11(b)	-	-	(9.74)	-	(9.74)
Transfer to General Reserve	11(b)	-	1,200.00	(1,200.00)	-	-
Total comprehensive income for the year		**-**	**-**	**7,508.99**	**-**	**7,508.99**
Foreign Exchange Translation Reserve					(5.65)	(5.65)
Payment of dividends (including tax)	11(b)	-	-	(1,531.94)	-	(1,531.94)
Balance at March 31, 2017		**23,311.69**	**9,036.61**	**33,080.03**	**(1.28)**	**65,427.06**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 13th May 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

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

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Cash flow from operating activities		
Adjustments for:		
Depreciation and amortisation expense	2,764.62	2,395.29
Interest Income	(68.87)	(247.91)
Changes in fair valuation of investments through profit or loss	(33.62)	(9.45)
Dividend and interest income classified as investing cash flows		-
(50.34)		
Gain on sale of investments	(1,971.81)	(1,617.81)
Provision for doubtful debts	-	8.25
Finance costs	568.34	587.63
(Profit)/Loss due to discarded asset	(1.00)	32.15
	13,564.70	**10,856.23**
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	773.16	(1,347.82)
(Increase) Decrease in inventories	(904.70)	(165.88)
Increase/(Decrease) in trade payables	233.48	(828.60)
(Increase) Decrease in other non current financial assets	(84.30)	(90.35)
(Increase) Decrease in other non current asset	41.83	729.94
(Increase) Decrease in other current financial assets	5.80	10.48
(Increase) Decrease in other current asset	784.56	(116.21)
Increase/(decrease) in long term employee benefit obligation	44.01	12.01
Increase/(decrease) in Government grant	(14.39)	(27.07)
Increase/(decrease) in short term employee benefit obligation	114.45	(156.90)
Increase/(Decrease) in other financial liabilities	(515.50)	346.63
Increase/(Decrease) in other current liabilities	311.77	197.62
Cash generated from operations	14,354.85	9,420.08
Income taxes paid	3,471.45	2,670.45
Net cash inflow from operating activities	**10,883.40**	**6,749.63**
Cash flows from investing activities		
Purchase for property, plant and equipment	(3,053.58)	(5,786.27)
Purchase of investment	(30,083.60)	-
Proceeds from sale of property, plant and equipment	1.00	-
Gain on Sale of investments	2,005.44	1,617.81
Payments for purchase of Investments	-	2.97
Foreign currency translation reserve	(5.65)	4.36
Dividend received	-	50.34
Interest received	68.87	247.91
Net cash outflow from investing activities	(31,067.53)	(3,862.87)
Cash flows from financing activities		
Repayment of long term borrowings	(1,570.63)	(1,776.42)
(Repayment)/Proceeds from short term borrowings	632.15	(407.15)
Interest paid	(568.34)	(587.63)
Changes in Bank balances	36.81	(52.31)
Dividends paid to company's shareholders	(1,531.94)	(3,983.14)
Net cash inflow (outflow) from financing activities	**(3,001.94)**	**(6,806.64)**
Net increase (decrease) in cash and cash equivalents	**(23,186.07)**	**(3,919.87)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

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

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Cash and cash equivalents at the beginning of the financial year	24,054.87	27,974.74
Cash and cash equivalents at end of the year	868.80	24,054.87
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	868.80	24,054.87
Bank overdrafts	-	-
Balances per statement of cash flows	**868.80**	**24,054.87**

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

For **KARVY & CO**
Firm registration number: 001757S

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 13th May 2017

1. BACKGROUND

Suven Life Sciences Limited (Suven) is a bio-pharmaceutical company, began operations in 1989 as specialty chemicals provider about 27 years ago and went on to create a NCE based CRAMS (Contract Research And Manufacturing Services) business model in 1995, providing building blocks (bulk actives, drug intermediates and specialty chemicals) for global life science companies. Suven has made in-roads into drug discovery in the year 2005 with a specialisation on CNS (Central Nervous System) based programs targeting unmet medical need and 4 of the molecules in pipeline are into clinical phase of development. The Company is targeting CNS indications where there is a high unmet medical need, patient populations are identifiable, clinical endpoints can be well-defined and with possible commercialisation options. Suven, Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of Suven, is a clinical-stage biopharmaceutical company commenced activities in October 2015, focused on the acquisition, development and commercialisation of novel therapeutics for the treatment of neurodegenerative disorders. The near-term focus for Suven, Inc., is to develop Suven product candidate, which we refer to as SUVN-502, for the treatment of Alzheimer's disease and other forms of dementia.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

"(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards(Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act."

The financial statements up to year ended 31 March 2016 were prepared in accordance with the relevant accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other provisions of the Act.

These financial statements are the first financial statements of the group under Ind AS, refer note 41 for an explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows.

"(ii) Historical cost conventionThe financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that is measured at fair value;
- Defined benefit plans – plan assets measured at fair value; and
- Share-based payments"

b) Consolidation

(i) Principles of Consolidation:

The consolidated financial statements relatIng to Suven Life Sciences Limited and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

i. The Financial statements of the parent and its subsidiary are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions, except wherever otherwise stated in accordance with Ind AS -110 "Consolidated Financial Statements "notified under the Companies (Accounts) Rules, 2015.

ii. The difference between the costs of investments in the subsidiaries, over the net assets at the time of acquisition of the shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

iii. Non-Controlling Interest in the net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separately from liabilities and equity of group's shareholders.

iv. Non-Controlling Interest in the assets of consolidated subsidiaries consists of: a) The amount of equity attributable to non-controlling at the date on which investment in subsidiaries is made; and b) The non-controlling share of movements in equity since the date parent subsidiary relationship came into existence.

v. The group's accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Profit and Loss Account to the extent such change is attributable to the associates' Profit and Loss account and through its reserves for the balance, based on available information.

v. The group's accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Profit and Loss Account to the extent such change is attributable to the associates' Profit and Loss account and through its reserves for the balance, based on available information.

vi. The difference between the costs of investments in the associates and the share of net assets at the time of acquisition of the shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be

vii. The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar and are presented in the same manner as the Company's separate financial statements.

The Consolidated financial statements include the accounts of Suven Life Sciences Limited and wholly owned subsidiary.

Name of Subsidiary	:	Suven Inc.
Country of Incorporation	:	USA
Company's Interest	:	100%
Financial Year of the Subsidiary Ended on	:	31st March, 2017

c) Current versus non-current classification

The group 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 group's 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 group has identified twelve months as its operating cycle.

d) 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 being the Chief Operating Decision Maker. Refer note 32 for the segment information presented.

e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is value Ind AS limited 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."

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets 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.

f) Fair value measurement

The group 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 group.

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 group 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 group 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 group 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.

g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement.

1. **Sale of goods:**
Timing of recognition- Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the inco-terms.

Measurement of revenue- The products are often sold with volume discounts and customer's having a right to return faulty products. Revenue from sales is based on the price specified in the sales contracts, net of estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit term of 30 days, which is consistent with market prices."

2. **Revenue from Contract Technical Services, Process Development Services and Formulation Development ChargesTiming of recognition:**
Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method).

Measurement of revenue- Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

3. **Income from Investments**
(a) The group recognises Interest on investments on accrual basis.
(b) Dividend income on investments is accounted for when the right to receive the payment is established.

h) 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 group 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."

i) 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 group 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."

j) 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.

k) 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.

l) 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.

m) 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 indiviual 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.

n) Impairment of non-financial assets

The group 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 group 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 group 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 group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group'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 group 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.

o) Provisions, Contingent liabilities, Contingent assets and commitments

Provisions are recognised when the group 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 group 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.

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

p) Investments and other financial assets

i) Classification

The group 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 group 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 group reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the group 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 group'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 group'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 group'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 group 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 28 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group 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 group 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 group, and the amount of the dividend can be measured reliably.

q) 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 group'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 group 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.

r) 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.

s) 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.

t) 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.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets 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 profit or loss within other gains/ (losses)."

Estimated useful life :	
- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- ETP	8 - 20 years
- Furniture, fittings and equipment	3 - 10 years
- Vehicles	8 - 10 years

u) 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 group 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
The Company amortizes intangible assets on written down value basis over their estimated useful life not exceeding 10 years.

(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 5 - 10 years

(iii) Transition to Ind AS:
On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

v) Trade and other payables

These amounts represent liabilities for goods and services provided to the group 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.

w) 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 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 group 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.

x) 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.

y) 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 benefit 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 group 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 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 group pays provident fund contributions to publicly administered funds as per local regulations. The group 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.

(v) Share-based payments
Shared-based compensation benefits are provided to employees via the Suven Employee Stock Option Scheme -2004

Employee Options:
The fair value of options granted under the Suven Employee Stock Option Scheme -2004 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.'

- including any market performance conditions (eg. the entity's share price)'
- excluding the impact of any service and non market performance vesting conditions (eg. profitability, sales growth targets and remaining an employee of the entity for a specified time period) and;'
- including the impact of any non-vesting conditions (eg. the requirement for employees to save or holding shares for a specific time period)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity."

z) 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 group'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.

Derecognition

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

• The rights to receive cash flows from the asset have expired, or
• The group 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 group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the group 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 group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group 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 group 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 group could be required to repay.

Investment in subsidiaries

The group has accounted for its investment in subsidiaries at cost.

aa) 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.

ab) 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.

ac) Earning per share

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the group
- 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.

ad) 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.

ae) 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.

af) 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 group'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 criticcal estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses

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 group and that are believed to be reasonable under the circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Free Hold	Buildings - Office at Factory	Buildings - Factory (including roads)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Laboratory Equipments	ETP Works	EDP Equipment	R&D Equipment	Total	Capital work-in-progress
Year ended 31 March 2016													
Gross carrying amount													
Deemed cost as at 1 April 2015	536.39	31.20	3,776.48	9,053.43	171.99	109.33	8.09	1,023.35	433.53	26.47	2,005.08	17,175.31	10,701.33
Exchange differences	-	-	-	406.24	-	-	-	-	-	-	-	406.24	-
Additions	532.59	-	5,380.21	7,869.69	170.42	-	97.65	379.22	42.05	76.26	800.76	15,348.85	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	(9,981.60)
Disposals	-	-	-	(397.19)	-	-	-	(29.89)	-	-	(20.50)	(447.58)	-
Closing gross carrying amount	**1,068.98**	**31.20**	**9,156.69**	**16,932.17**	**342.40**	**109.33**	**105.74**	**1,372.67**	**475.58**	**102.73**	**2,785.33**	**32,482.82**	**719.73**
Accumulated depreciation													
Depreciation charge during the year	-	0.75	319.46	957.78	58.67	18.59	18.43	273.26	64.13	35.95	645.58	2,392.60	-
Disposals	-	-	-	(365.64)	-	-	-	(29.66)	-	-	(20.13)	(415.43)	-
Closing accumulated depreciation	**-**	**0.75**	**319.46**	**592.14**	**58.67**	**18.59**	**18.43**	**243.60**	**64.13**	**35.95**	**625.46**	**1,977.17**	**-**
Net carrying amount as at March 31, 2016	1,068.98	30.45	8,837.23	16,340.03	283.74	90.74	87.31	1,129.07	411.45	66.78	2,159.88	30,505.64	719.73
Year ended 31 March 2017													
Gross carrying amount													
Opening Gross carrying amount	1,068.98	31.20	9,156.69	16,932.17	342.40	109.33	105.74	1,372.67	475.58	102.73	2,785.33	32,482.82	719.73
Exchange difference				(74.75)								(74.75)	
Additions	29.25	-	600.53	1,166.29	51.22	14.03	46.89	15.60	281.92	89.82	478.83	2,774.37	251.91
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Closing gross carrying amount	**1,098.23**	**31.20**	**9,757.22**	**17,638.96**	**393.62**	**116.03**	**152.63**	**1,388.27**	**757.49**	**159.25**	**3,264.16**	**34,757.06**	**971.64**
Accumulated depreciation and impairment													
Opening accumulated depreciation	-	0.75	319.46	592.14	58.67	18.59	18.43	243.60	64.13	35.95	625.46	1,977.17	-
Depreciation charge during the year	-	0.75	382.25	1,402.41	39.07	19.31	24.97	168.46	49.18	48.00	623.31	2,757.70	-
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Closing accumulated depreciation and impairment as at March 31, 2017	**-**	**1.51**	**701.71**	**1,609.80**	**97.74**	**30.57**	**43.40**	**412.07**	**113.31**	**50.64**	**1,248.76**	**4,309.49**	**-**
Net carrying amount as at March 31, 2017	1,098.23	29.69	9,055.51	16,029.16	295.88	85.46	109.23	976.20	644.19	108.60	2,015.40	30,447.57	971.64

Note

(i) Property, plant and equipment pledged as security

Refer Note 40 for information on property, plant and equipment pledged as security by the group

(ii) Contractual obligation

Refer Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment

(iii) Capital Work in progress

Capital-work-in-progress mainly comprises of Plant& Machinery, Factory Building and Software

NOTE 4: OTHER INTANGIBLE ASSETS

	Software	Total
Year ended 31 March 2016		
Gross carrying amount		
Deemed cost as at 1 April 2015	19.61	19.61
Additions	12.78	12.78
Disposals	-	-
Closing gross carrying amount as at March 31, 2016	32.39	32.39
Accumulated amortisation		
Amortisation charge during the year	2.69	2.69
Disposals	-	-
Closing accumulated amortisation as at March 31, 2016	2.69	2.69
Closing net carrying amount as at March 31, 2016	29.70	29.70
Year ended 31 March 2017		
Gross carrying amount		
Opening Gross carrying amount as at April 01, 2016	32.39	32.39
Additions	102.05	102.05
Closing gross carrying amount as at March 31, 2017	134.43	134.43
Accumulated amortisation and impairment		
Opening accumulated amortisation as at April 01, 2016	2.69	2.69
Amortisation charge during the year	6.91	6.91
Closing accumulated amortisation and impairment as at March 31, 2017	9.60	9.60
Closing net carrying amount as at March 31, 2017	124.83	124.83

*Software consists of microsoft licenses and server software, pdf converter, GMPPro software etc.

NOTE 5: FINANCIAL ASSETS
5 (A) (I) NON-CURRENT INVESTMENTS

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
Investment in other equity instruments fully paid up) unquoted						
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 (equity instruments)		**7.05**		**7.05**	-	-
Total Non-Current investments		**7.05**		**7.05**		-
Aggregate amount of quoted investments and market value there of		-		-		-
Aggregate amount of unquoted investments		7.05		7.05		-

5 (A) (II) CURRENT INVESTMENTS

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Units	Amount	Units	Amount	Units	Amount
Investment in Mutual Funds- Quoted						
SBI Infrastructure Fund	50,000	6.82	50,000	5.31	50,000	5.89
HDFC Liquid Fund	30,082,443	5,411.23	-	-	-	-
Reliance Liquid Fund	15,854,574	6,005.71	-	-	-	-
IDFC Mutual Fund	44,563,533	10,262.58	-	-	-	-
SBI Premier Liquid Fund	395,031	8,402.57	-	-	-	-
Total (mutual funds)	**90,945,580**	**30,088.91**	**50,000**	**5.31**	**50,000**	**5.89**
Total Current investments		30,088.91		5.31		5.89
Aggregate amount of quoted investments and market value there of		30,088.91		5.31		5.89
Aggregate amount of unquoted investments		-		-		-

5 (B) TRADE RECEIVABLES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Trade receivables	4,583.32	5,356.49	4,016.92
Total receivables	**4,583.32**	**5,356.49**	**4,016.92**
Current portion	4,583.32	5,356.49	4,016.92
Non-current portion	-	-	-

BREAK-UP OF SECURITY DETAILS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Secured, considered good	-	-	-
Unsecured, considered good	4,583.32	5,356.49	4,016.92
Doubtful	-	-	-
Total	**4,583.32**	**5,356.49**	**4,016.92**
Allowance for doubtful debts	-	-	-
Total trade receivables	**4,583.32**	**5,356.49**	**4,016.92**

5 (C) LOANS

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured, considered good						
Loan to employees	7.57	3.35	11.52	1.92	16.45	2.04
Total loans	**7.57**	**3.35**	**11.52**	**1.92**	**16.45**	**2.04**

5 (D) (I) CASH AND CASH EQUIVALENTS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Balances with banks			
-in current accounts	540.60	732.90	358.28
-in EEFC account	319.17	304.89	47.93
Cash on hand	9.03	10.91	10.79
Deposits with maturity of less than three months	-	23,006.16	27,557.75
Total cash and cash equivalents	**868.80**	**24,054.87**	**27,974.74**

5 (D) (II) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Earmarked balances with banks	48.21	85.02	32.72
Total	**48.21**	**85.02**	**32.72**

5(E) OTHER FINANCIAL ASSETS

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Others						
Security Deposits	0.71	414.92	2.55	331.80	-	255.36
Deposits -LC & BG	-	169.01	-	169.26	-	155.23
MTM Gain on forward contracts	-	-	-	-	8.10	-
Total Other Financial assets	**0.71**	**583.93**	**2.55**	**501.06**	**8.10**	**410.59**

NOTE 6: DEFERRED TAX ASSETS(NET)

The balances comprises temporary differences attributable to :

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Tax losses	-	136.13	136.13
Defined benefit obligations	237.88	177.88	138.12
Other items			
QIP Expenses	83.87	125.80	-
Others-MAT credit	4,711.39	3,940.44	2,738.52
Total Deferred tax assets	**5,033.14**	**4,380.25**	**3,012.77**
Set-off of deferred tax liabilities pursuant to set-off provisions	4,843.60	3,882.62	2,545.58
Total deferred tax assets (net)	**189.54**	**497.63**	**467.19**

Significant estimates:

During the previous years, the Company has recognised deferred tax assets on carried forward tax losses recoverable using estimated future taxable income based on approved business plans and budgets. In the current year, the deferred tax assets created on those carried forward tax losses have been charged to the statement of profit and loss on expiry of a period of 8 years from the year in which those tax losses arise.

Movement in Deferred tax assets

Particulars	Tax Losses	Defined benefit obligations	Other items	Total	DFL on and others Deprectiation	Deferred Tax
As at April 01, 2015	136.13	138.12	2,738.52	3,012.77	2,545.58	467.19
(Charged)/credited:						
-to profit or loss	-	15.83	1,327.72	1,343.55	1,337.04	6.51
-to other comprehensive income	-	23.93	-	23.93		23.93
As at March 31, 2016	**136.13**	**177.88**	**4,066.24**	**4,380.25**	**3,882.62**	**497.63**
(Charged)/credited:						
-to profit or loss	(136.13)	54.84	729.02	647.73	960.98	(313.25)
-to other comprehensive income		5.16		5.16		5.16
As at March 31, 2017	**-**	**237.88**	**4,795.26**	**5,033.14**	**4,843.60**	**189.54**

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Capital advances	71.62	113.45	843.39
Total other non-current assets	**71.62**	**113.45**	**843.39**

NOTE 8: INVENTORIES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Raw materials	2,066.24	1,906.17	2,996.25
Packing materials	255.37	167.00	224.95
Work-in-progress	3,716.28	2,284.76	1,857.20
Finished goods	2,291.67	3,427.25	2,649.60
Stores and spares	921.59	561.26	452.56
Total inventories	**9,251.15**	**8,346.44**	**8,180.55**

NOTE 9: CURRENT TAX ASSET (NET)

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Advance tax balance	9,587.35	10,439.04	8,435.85
Less: Provision for income tax	8,944.94	9,993.01	8,080.22
Total Current tax asset net	**642.41**	**446.03**	**355.63**

	31 March, 2017	31 March, 2016
Opening advance tax(net of provision for tax)	(446.03)	(355.63)
Add: Current tax payable for the year	3,283.70	2,577.07
Less: Taxes paid	3,480.08	2,667.46
Closing Balance	(642.41)	(446.03)

NOTE 10: OTHER CURRENT ASSETS

	31 March, 2017	31 March, 2016	1 April 2015
Prepayments	303.48	300.77	212.80
VAT credit receivable	924.26	895.56	872.97
CENVAT credit receivable	1,338.91	2,405.00	2,579.33
Service tax credit receivable	700.62	401.35	388.48
Advances for purchases	130.01	112.48	11.89
Advances for expenses	261.50	330.78	269.06
Others	21.54	18.94	14.12
Total other current assets	**3,680.32**	**4,464.88**	**4,348.67**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

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

NOTE 11: EQUITY SHARE CAPITAL AND OTHER EQUITY

11(A) EQUITY SHARE CAPITAL

Authorised equity share capital

Particulars	Number of shares	Amount
As at 1st April 2015	400,000,000	4,000.00
Movement during the year	-	-
As at 31st March 2016	**400,000,000**	**4,000.00**
Movement during the year	-	-
As at 31st March 2017	**400,000,000**	**4,000.00**

(i) Movements in equity share capital

Paid up Equity Share capital		Number of shares	Amount
As at 1st April 2015		127,282,478	1,272.82
Movement during the year		-	-
As at 31st March 2016		127,282,478	1,272.82
Movement during the year		-	-
As at 31st March 2017		127,282,478	1,272.82

Terms and 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.

Shares reserved for issue under options

Information relating to employee stock Option Plan of the Company, set out in note 38.

(ii) Shares of the company held by ultimate holding company

Particulars	31 March, 2017	31 March, 2016	1 April 2015
M/s. Jasti Property and Equity Holdings Private Limited*	76,365,000	76,365,000	75,652,576

*in it's capacity as sold trustee of The Jasti Family Trust

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

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
M/s. Jasti Property and Equity **Holdings Private Limited**	**76,365,000**	**60.00%**	**76,365,000**	**60.00%**	**75,652,576**	**59.44%**

11(B) RESERVES AND SURPLUS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Securities premium reserve	23,311.69	23,311.69	23,311.69
General reserve	9,036.61	7,836.61	6,736.61
Foreign Exchange Translation Reserve	(1.28)	4.36	
Retained earnings	33,080.03	27,102.99	25,046.49
Total reserves and surplus	**65,427.06**	**58,255.66**	**55,094.79**

(i) Securities premium reserve

	31 March, 2017	31 March, 2016
Opening balance	23,311.69	23,311.69
Adjustments	-	-
Closing Balance	**23,311.69**	**23,311.69**

(ii) General Reserve

	31 March, 2017	31 March, 2016
Opening balance	7,836.61	6,736.61
Adjustments	1,200.00	1,100.00
Closing Balance	**9,036.61**	**7,836.61**

(iii) Retained earning

	31 March, 2017	31 March, 2016
Opening balance	27,102.99	25,046.49
Net profit for the period	8,718.73	7,184.86
Transferred to General reserve	(1,200.00)	(1,100.00)
Dividends including tax thereon	(1,531.94)	(3,983.14)
Items of other comprehensive income recognised directly in retained earning		
- Remeasurements of post employment benefit obligation, net of tax	(9.74)	(45.22)
Closing balance	**33,080.03**	**27,102.99**

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 the act

General Reserve:

General reseve is used for strengthening the financial position and meeting future contingencies and losses.

NOTE 12: FINANCIAL LIABILITIES
12(A) NON-CURRENT BORROWINGS

Secured Loans	Maturity Date	Coupon/ Interest rate	31 March 2017	31 March 2016	1 April 2015
Foreign currency term loan from State Bank of India Terms of repayment: The term loan is repayable in 20 quarterly installments after roll over commencing from March'2016.	March 2021	LIBOR + 4%	3,214.85	3,888.37	4,304.13
Foreign currency corporate loan from Bank of Bahrain & Kuwait Terms of repayment: The term loan is repayable in 6 quarterly installments of USD 0.375 Million. Commencing from December 2013	September 2017	LIBOR + 3.50%	486.29	1,494.68	2,346.00
Corporate Loan From Bank of India	The term loan is fully paid and closed by 31st March 2016.	-	-	647.57	
Unsecured					
Loan from Department of Science & Technology, Government of India-I Terms of repayment: 10 Annual installments of ₹50 Lakhs each commencing from October 2013	September 2022	3.00%	189.63	274.15	299.30
Loan from Department of Science & Technology, Government of India-II Terms of repayment: 10 Annual installments of ₹44.40 Lakhs each commencing from February 2013	March 2021	3.00%	139.03	182.10	226.50
Total non-current borrowings			**4,029.80**	**5,839.30**	**7,823.50**
Less: Current maturities of long-term debt (included in note 11(c)			1,436.58	1,675.45	1,883.24
Non-current borrowings (as per balance sheet)			**2,593.22**	**4,163.85**	**5,940.26**

12(B) CURRENT BORROWINGS

	Maturity Date	Terms of repayment	Coupon /Interest rate	31 March 2017	31 March 2016	1 April 2015
Secured						
Working Capital Loans from State Bank of India	Payable on demand	Payable on demand	Libor+1.50%	2,461.20	1,825.71	2,327.20
Working Capital Loans from Bank of Bahrain & Kuwait	Payable on demand	Payable on demand	Libor+2.25%	587.31	590.66	496.31
Total Current Borrowings				**3,048.52**	**2,416.37**	**2,823.51**

Secured borrowings and assets pledged as security

Non-current borrowings are secured by first and pari-passu charge on Land, Buildings, Plant & Machinery and Second charge on stocks, receivables and other current assets

Current borrowings are secured by pari-passu first charge on inventories, receivables and other current assets of the company and pari-passu second charge on movable and immovable fixed assets of the company and equitable mortgage of the properties belonging to the company, both present and future.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 40.

12 (C) TRADE PAYABLES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Current			
Trade payables	3,793.97	3,560.49	4,389.08
Total trade payables	**3,793.97**	**3,560.49**	**4,389.08**

12 (D) OTHER FINANCIAL LIABILITIES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Current			
Current maturities of long-term debt	1,436.58	1,675.45	1,883.24
Interest accrued but not due	71.80	19.29	42.03
Liabilities for expenses	1,926.39	1,952.23	947.61
Capital creditors	181.07	447.58	927.38
Unpaid dividend	48.21	84.99	32.66
Total other current financial liabilities	**3,664.04**	**4,179.54**	**3,832.91**

NOTE 13: PROVISION FOR EMPLOYEE BENEFITS

Particulars	31 March, 2017			31 March, 2016			1 April 2015		
	Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
Leave obligations	203.69	194.81	398.50	79.25	160.03	239.27	148.52	163.05	311.57
Gratuity	200.16	88.69	288.86	195.26	79.47	274.72	213.73	64.43	278.17
	403.85	**283.50**	**687.35**	**274.50**	**239.49**	**514.00**	**362.25**	**227.48**	**589.73**

(i) Post-employement obligations

Gratuity- Defined benefit plan

The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(ii) Defined Contribution plans

Particulars	31 March, 2017	31 March, 2016
Provident Fund	199.46	172.09
State Defined Contribution Plans		
i Employees State Insurance	20.70	19.07
ii Employees Pension Scheme,1995	111.32	97.90

Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-15	591.21	313.04	278.17
Current service cost	34.37	-	34.37
Interest expense/(income)	47.30	-	47.30
Total amount recognized in profit or loss	**672.88**	**313.04**	**359.84**
Remeasurements			
Return on plant assets, excluding amounts included in interest expense/(income)	-	29.06	(29.06)
Experience (gains)/loss	30.18	-	30.18
Total amount recognized in other comprehensive income	**703.06**	**342.10**	**360.96**
Employer contributions		57.79	(57.79)
Benefit payments	(29.71)	(1.27)	(28.44)
31-Mar-16	**673.35**	**398.62**	**274.72**

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-16	673.35	398.62	274.72
Current service cost	41.65	-	41.65
Interest expense/(income)	53.87	-	53.87
Total amount recognized in profit or loss	**768.87**	**398.62**	**370.24**
Remeasurements			
Return on plant assets, excluding amounts included in interest expense/(income)		32.94	(32.94)
Experience (gains)/loss	14.90		14.90
Total amount recognized in other comprehensive income	**783.77**	**431.57**	**352.20**
Employer contributions		70.80	(70.80)
Benefit payments	(0.04)	(7.50)	7.46
31-Mar-17	783.73	494.87	288.86

(iii) Post-employement benefits (pension and grautity)

Significant estimates: Acturial assumptions and sensitivity

The significant acturial assumptions were as follows:

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Discount rate	8.00%	8.00%	8.00%
Salary growth rate	9.00%	9.00%	9.00%
Attrition rate	6.50%	6.50%	6.50%

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on Defined benefit obligation								
	Change in assumption			Increase in assumption			Decrease in assumption		
	31 March 2017	31 March 2016	1 Apr 2015	31 March 2017	31 March 2016	1 Apr 2015	31 March 2017	31 March 2016	1 Apr 2015
Discount rate	1%	1%	1%	712.18	608.91	533.14	867.28	748.76	659.32
Salary growth rate	1%	1%	1%	784.53	674.06	294.96	782.90	672.64	590.45
Attrition rate	1%	1%	1%	712.18	608.91	533.14	867.28	748.76	659.32

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant acturial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balancesheet.The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the investment mix in the continuing years.

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationery increases result in higher sensitivity to changes in life expectancy.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitores how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

A large portion of assets in 2017 consists of government and corporate bonds, although the company also invests in equities, cash and mutual funds. The company believes that equities offer the best returns over the long term with an acceptable level of risk. The majority of equities are in a globally diversified portfolio of international blue chip entities, with a target of 60% equities held in India. The plan asset mix is in compliance with the requirments of the respective local regulations.

(vi) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the next nine years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rate set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The weighted average duration of the defined benefit obligation is 23.78 years (2016-24.31 years, 2015-24.67 years). The expected maturity analysis of undiscounted pension and gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31-Mar-17					
Defined benefit obligation(grautity)	96.56	109.09	501.13	123.78	830.56
31-Mar-16					
Defined benefit obligation(grautity)	89.89	99.39	428.95	116.72	734.94
01-Apr-15					
Defined benefit obligation(grautity)	63.65	90.03	352.88	105.07	611.63

NOTE 14: GOVERNMENT GRANTS

Particulars	31 March, 2017	31 March, 2016
Opening Balance	177.28	204.34
Grants during the year	-	-
Less: Credited to profit or loss	14.39	27.07
Closing Balance	162.88	177.28

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Current portion	29.06	29.06	29.06
Non-current portion	133.82	148.21	175.28

NOTE 15:OTHER CURRENT LIABILITIES

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Payroll taxes	21.28	7.61	5.74
Advance from customers	764.79	483.33	303.03
Statutory dues payable	134.99	118.37	102.90
Total other current liabilities	**921.07**	**609.30**	**411.68**

NOTE 16: REVENUE FROM OPERATIONS

Particulars	31 March, 2017	31 March, 2016
Sale of products (including excise duty)	51,139.03	46,786.81
Sale of Services	2,777.71	3,241.37
Other Operating Revenue	531.04	-
Total revenue from operations	**54,447.78**	**50,028.18**

NOTE 17: OTHER INCOME AND OTHER GAINS/ (LOSSES)
17(A) OTHER INCOME

Particulars	31 March, 2017	31 March, 2016
Interest income from financial assets at amortized cost	68.87	247.91
Dividend income from investments mandatorily measured at fair value through profit or loss	-	50.34
Government Grants	14.39	27.07
Miscellaneous Income	19.55	8.94
Total other income	**102.81**	**334.25**

17(B) OTHER GAINS/(LOSSES)

Particulars	31 March, 2017	31 March, 2016
Net gain on financial assets mandatorily measured at fair value through profit or loss	33.62	9.45
Net gain on sale of investments	1,971.81	1,617.81
Profit/(Loss) due to sale of asset	1.00	(32.15)
Total other gains/(losses)	**2,006.44**	**1,595.11**

NOTE 18: COST OF MATERIALS CONSUMED

Particulars	31 March, 2017	31 March, 2016
Raw material & Packing material:		
Stock at the beginning of the year	2,073.17	3,221.20
Add: Purchases	15,729.10	16,697.35
Less: Stock at the end of the year	2,321.61	2,073.17
Total Cost of materials consumed	**15,480.66**	**17,845.37**

NOTE 19: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

Particulars	31 March, 2017	31 March, 2016
Opening Balance:		
Work-in-progress	2,284.76	1,857.20
Finished goods	3,427.25	2,649.60
Total opening balance	**5,712.01**	**4,506.80**
Closing Balance:		
Work-in-progress	3,716.28	2,284.76
Finished goods	2,291.67	3,427.25
Total closing balance	**6,007.95**	**5,712.01**
Total changes in inventories of work-in-progress and finished goods	**(295.94)**	**(1,205.21)**

NOTE 20: MANUFACTURING EXPENSES

Particulars	31 March, 2017	31 March, 2016
Power & Fuel	3,150.46	2,932.44
Consumable Stores	70.06	70.56
Factory Upkeep Expenses	1,733.65	1,576.46
Environment Management Expenses	533.73	415.24
Safety Expenses	161.77	96.64
Quality Control Expenses	540.67	648.07
Repairs & Maintenance:		
Buildings	228.12	194.83
Plant & Machinery	1,644.31	1,511.82
Total manufacturing expenses	**8,062.76**	**7,446.06**

Note 21: Employee benefit expense

Particulars	31 March, 2017	31 March, 2016
Salaries, wages and bonus	4,442.82	3,390.92
Contribution to provident fund & other funds	331.48	289.06
Gratuity	87.64	55.31
Staff welfare expenses	354.63	359.14
Total employee benefit expense	**5,216.57**	**4,094.43**

NOTE 22: RESEARCH & DEVELOPMENT

Particulars	31 March, 2017	31 March, 2016
R & D Salaries	1,548.59	1,368.78
R & D Materials	470.85	695.84
Patent Related Expenses	759.97	742.00
Lab Maintenance	1,040.40	1,016.85
R & D Other Expenses	5,471.42	4,566.10
Depreciation	623.31	645.58
Total Research & Development	**9,914.54**	**9,035.16**

NOTE 23: FINANCE COSTS

Particulars	31 March, 2017	31 March, 2016
Interest and finance charges on financial liabilities not at fair value through profit & loss	376.38	406.52
Bank Charges	191.96	181.11
Total Finance costs	**568.34**	**587.63**

NOTE 24: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March, 2017	31 March, 2016
Depreciation of property, plant and equipment	2,134.40	1,747.02
Amortisation of intangible assets	6.91	2.69
Total depreciation and amortisation expense	**2,141.31**	**1,749.71**

NOTE 25: OTHER EXPENSES

Particulars	31 March, 2017	31 March, 2016
Rent	98.66	73.62
Rates & Taxes	85.71	31.91
Service Tax	30.39	24.67
Insurance	249.02	180.26
Communication Charges	102.02	100.33
Travelling & Conveyance	568.59	513.69
Printing & Stationery	109.64	108.99
Vehicle Maintenance	27.84	23.57
Professional Charges	306.97	287.50
Payments to Auditors (Refer note 25(a)below)	19.29	15.75
Security Charges	184.57	165.77
Donations	3.53	2.32
Repairs & Maintenance	52.79	46.73
Loss on Foreign Exchange Fluctuations	115.37	12.60
Bad Debts Written off	-	8.25
Corporate Social Responsibility(Refer note 25(b)below)	176.03	133.01
Sales Promotion	318.45	241.06
Clearing & Forwarding	270.02	276.46
Commission on Sales	157.99	155.31
General Expenses	190.27	168.24
Total other expenses	**3,067.13**	**2,570.03**

NOTE 25(A): DETAILS OF PAYMENTS TO AUDITORS

Particulars	31 March, 2017	31 March, 2016
Payment to auditors		
As auditor:		
Audit fee	15.70	12.00
Tax audit fee	2.50	2.50
In other capacities		
Taxation matters	1.00	1.00
Re-imbursement of expenses	0.09	0.25
Total payments to auditors	**19.29**	**15.75**

NOTE 25(B): CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	31 March, 2017	31 March, 2016
Amount required to be spent as per section 135 of the Act	330.61	266.78
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	176.03	133.02
Amount unspent	154.58	133.76

NOTE 26: 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.

Particulars	31 March, 2017	31 March, 2016
(a) Income tax expense		
Current tax		
Current tax on profits for the year	3,283.70	2,577.07
Adjustments for current tax of prior periods	(8.63)	2.99
Total current tax expense	3,275.07	2,580.06
Deferred tax		
Decrease(increase) in deferred tax assets	-	(6.51)
Increase(decrease) in deferred tax liabilities	313.25	-
Total Deferred tax expense/(benefit)	**313.25**	**(6.51)**
Income tax expense	**3,588.32**	**2,573.55**
Income tax expense is attributable to:		
Profit from operations	3,588.32	2,573.55

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

Particulars	31 March, 2017	31 March, 2016
Profit from operations before income tax expenses	15,935.68	12,581.54
Tax at the Indian tax rate of 34.608% (2015-16 -34.608%)	**5,515.02**	**4,354.22**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	(1,271.03)	(1,468.44)
weighted deduction on Investment	-	(393.33)
Corporate social responsibility expenditure	60.92	46.03
Income tax paid at special rate	(325.87)	-
Dividend Income	-	(17.42)
Donations	1.22	0.80
Other Items including foreign exchange fluctuations	(391.95)	51.69
Income tax expenses	**3,588.32**	**2,573.55**

Financial instruments and risk management

NOTE 27: FAIR VALUE MEASUREMENTS

Particulars	31 March, 2017			31 March, 2016			1 April 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets									
Investments									
-Equity Investment	7.05	-	-	7.05	-	-	-	-	-
-Mutual funds	30,088.91	-	-	5.31	-	-	5.89	-	-
Trade Receivables	-	-	4,583.32	-	-	5,356.49	-	-	4,016.92
Loans	-	-	10.92	-	-	13.44	-	-	18.49
Security deposits	-	-	415.63	-	-	334.35	-	-	255.36
Cash and Cash equivalents	-	-	868.80	-	-	24,054.87	-	-	27,974.74
Bank Balances	-	-	48.21	-	-	85.02	-	-	32.72
Fixed Deposits with Banks and									
Interest thereon	-	-	169.01	-	-	169.26	-	-	155.23
Other financial assets (Derivative assets)	-								8.10
Total Financial Assets	**30,095.96**	**-**	**6,095.89**	**12.36**	**-**	**30,013.43**	**5.89**	**-**	**32,461.56**
Financial Liabilities									
Borrowings	-	-	5,641.72	-	-	6,580.20	-	-	8,763.76
Current maturities of long-term debt	-	-	1,436.58	-	-	1,675.45	-	-	1,883.24
Interest accrued but not due	-	-	71.80	-	-	19.29	-	-	42.03
Unpaid dividends	-	-	48.21	-	-	84.99	-	-	32.66
Trade Payables	-	-	3,793.97	-	-	3,560.49	-	-	4,389.08
Capital creditors	-	-	181.07	-	-	447.58	-	-	927.38
Total Financial Liabilities	**-**	**-**	**11,173.35**	**-**	**-**	**12,368.00**	**-**	**-**	**16,038.15**

(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 and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial assets					
Equity Investment				7.05	7.05
Investment in mutual funds	5(a)(i)	30,088.91	-	-	30,088.91
Trade Receivables				4,583.32	4,583.32
Loans				10.92	10.92
Security deposits				415.63	415.63
Fixed Deposits with Banks and Interest thereon				169.01	169.01
Total Financial Assets		**30,088.91**	**-**	**5,185.93**	**35,274.84**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial Liabilities					
Borrowings		-	-	5,641.72	5,641.72
Current maturities of long-term debt				1,436.58	1,436.58
Interest accrued but not due				71.80	71.80
Unpaid dividends				48.21	48.21
Trade Payables				3,793.97	3,793.97
Capital creditors				181.07	181.07
Total Financial Liabilities		**-**	**-**	**11,173.35**	**11,173.35**

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2016					
Financial assets					
Equity Investment				7.05	7.05
Investment in mutual funds		5.31	-	-	5.31
Trade Receivables				5,356.49	5,356.49
Loans				13.44	13.44
Security deposits				334.35	334.35
Fixed Deposits with Banks and Interest thereon				169.26	169.26
Total Financial Assets		**5.31**	**-**	**5,880.58**	**5,885.90**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2016					
Financial Liabilities					
Borrowings		-	-	6,580.20	6,580.20
Current maturities of long-term debt				1,675.45	1,675.45
Interest accrued but not due				19.29	19.29
Unpaid dividends				84.99	84.99
Trade Payables				3,560.49	3,560.49
Capital creditors				447.58	447.58
Total Financial Liabilities		**-**	**-**	**12,368.00**	**12,368.00**

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at April 01, 2015					
Financial assets					
Investment in mutual funds		5.89	-	-	5.89
Trade Receivables				4,016.92	4,016.92
Loans				18.49	18.49
Security deposits				255.36	255.36
Fixed Deposits with Banks and Interest thereon				155.23	155.23
Total Financial Assets		**5.89**	**-**	**4,446.00**	**4,451.89**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at April 01, 2015					
Financial Liabilities					
Borrowings		-	-	8,763.76	8,763.76
Current maturities of long-term debt				1,883.24	1,883.24
Interest accrued but not due				42.03	42.03
Unpaid dividends				32.66	32.66
Trade Payables				4,389.08	4,389.08
Capital creditors				927.38	927.38
Total Financial Liabilities		-	-	**16,038.15**	**16,038.15**

Level 1: Level 1 hierarrchy includes Mutual funds are valued using the closing NAV.

(ii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March, 2017		31 March, 2016		1 April 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Equity Investment	7.05	7.05	7.05	7.05	-	-
Trade Receivables	4,583.32	4,583.32	5,356.49	5,356.49	4,016.92	4,016.92
Loans	10.92	10.92	13.44	13.44	18.49	18.49
Security deposits	415.63	415.63	334.35	334.35	255.36	255.36
Cash and Cash equivalents	868.80	868.80	24,054.87	24,054.87	27,974.74	27,974.74
Other Bank Balances	48.21	48.21	85.02	85.02	32.72	32.72
Other financials assets	169.01	169.01	169.26	169.26	163.33	163.33
Total Financial assets	**6,102.94**	**6,102.94**	**30,020.48**	**30,020.48**	**32,461.56**	**32,461.56**
Financial Liabilities						
Unpaid dividends	48.21	48.21	84.99	84.99	32.66	32.66
Capital creditors	181.07	181.07	447.58	447.58	927.38	927.38
Trade Payables	3,793.97	3,793.97	3,560.49	3,560.49	4,389.08	4,389.08
Total Financial liabilities	**4,023.25**	**4,023.25**	**4,093.06**	**4,093.06**	**5,349.12**	**5,349.12**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

The fair values of non-current borrowings are based on discounted cash-flows using a current borrowing rate. They are classified as level 3 fair values in the fair value heirarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NOTE 28: FINANCIAL RISK MANAGEMENT

The group'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 are 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
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Aging analysis	Diversification of bank deposits and credit limits
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	Forward foreign exchange contracts
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The group's risk management is carried out by the management. group 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, use of derivative financial instruments and non derivative financial instruments 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) majorily 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 group 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 31 March 2017

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	Morethan 120 days
Gross carrying amount	3773.98	322.43	314.38	153.56	18.98
Expected loss rate	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**3773.98**	**322.43**	**314.38**	**153.56**	**18.98**

Year ended 31 March 2016

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	Morethan 120 days
Gross carrying amount	4287.00	586.09	251.90	166.85	64.65
Expected loss rate	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**4287.00**	**586.09**	**251.90**	**166.85**	**64.65**

As at 1 April 2015:

Ageing	0-30 days	31-60 days	61-90 days	91-120 days	Morethan 120 days
Gross carrying amount	2448.19	496.32	885.12	120.86	66.41
Expected loss rate	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	**2448.19**	**496.32**	**885.12**	**120.86**	**66.41**

(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, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the group'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 group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the group '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 group financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2017	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	3,048.52	1,508.38	2,593.21	7,150.10
(ii) Trade payables	-	3,793.97	-	3,793.97
(iii) Other financial liabilities	48.21	181.07	-	229.28
	3,096.73	5,483.42	2,593.21	11,173.35

Year ended March 31, 2016	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	2,416.36	1,694.74	4,163.83	8,274.93
(ii) Trade payables	-	3,560.49	-	3,560.49
(iii) Other financial liabilities	84.99	447.58	-	532.57
	2,501.36	5,702.81	4,163.83	12,368.00

Year ended April 01, 2015	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	2,823.51	1,925.27	5,940.25	10,689.03
(ii) Trade payables	-	4,389.08	-	4,389.08
(iii) Other financial liabilities	32.66	927.38	-	960.04
	2,856.17	7,241.73	5,940.25	16,038.15

C) Market risk - foreign exchange risk

The group 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 group's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

The group'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 tresury management forms . The imports were hedged naturally by payment through EEFC account.

Foreign currency risk exposure:

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

Particulars	As at March 31, 2017			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	386.74	-	-	-
Other bank balances	-	-	-	-
Trade receivables	4,070.12	-	-	-
Derivative assets (Foreign exchange forward contracts)	-	-	-	-
Financial Liabilities				
Borrowings	7,060.30	-	-	-
Trade payables	743.20	0.08	2.07	-
Other financial liabilities	-	-	-	-

Particulars	As at March 31, 2016			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	958.79	-	-	-
Other bank balances	-	-	-	-
Trade receivables	4,942.21	-	-	-
Derivative assets (Foreign exchange forward contracts)	-	-	-	-
Financial Liabilities		-	-	-
Borrowings	8,397.73	-	-	-
Trade payables	451.03	0.88	11.92	-
Other financial liabilities	14.66	21.34	-	-

Particulars	As at April 01, 2015			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	86.05	-	-	-
Other bank balances	-	-	-	-
Trade receivables	4,891.43	-	-	-
Derivative assets (Foreign exchange forward contracts)	8.10	-	-	-
Financial Liabilities				
Borrowings	10,154.37	-	-	-
Trade payables	740.07	46.85	3.36	-
Other financial liabilities	18.14	5.14	-	-

D) Market risk - interest risk

Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cashflow interest rate risk.

(a) Interest rate risk exposure
The exposure of the group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Variable rate borrowings	7,060.30	8,397.73	10,154.37
Fixed rate borrowings			
Total borrowings	7,060.30	8,397.73	10,154.37

(b) Sensitivity
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of increase/decrease in the fair value of cash flow hedges related to the borrowings if any

Particulars	Impact on Profit after tax		Impact on Other components of equity	
	31 March, 2017	31 March, 2016	31 March, 2017	31 March, 2016
Interest rates-increase by 100 basis points	257.56	307.50	0	0
Interest rates-decrease by 100 basis points	155.60	179.30	0	0

NOTE 29: CAPITAL MANAGEMENT

(a) Risk management

The group'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 and 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 balancesheet)

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Net debt	7,150.10	8,274.93	10,689.03
Total Equity	66,699.88	59,528.48	56,367.62
Net debt to equity ratio	11%	14%	19%

(i) Loan covenants:
During the tenor of the facility with the bank , the following financial covenant should be complied with:

Current Ratio	Minimum of 1.33 times
TOL/TNW	Maximum of 1.75 times
Interest Coverage Ratio	Minimum of 2.00 times
Debt Service Coverage Ratio	Minimum of 1.50 times

Borrower to maintain the above financial indicators at the stipulated levels during the currency of the facility. In case of non-compliance of any covenant or other terms and conditions of sanction, penal interest @ 2% per annum above the applicable rate on the utilized facilities shall be charged. Such Interest shall be charged for the period of default/ noncompliance on the amount outstanding under the facility. Such interest shall also be payable/ compounded on monthly basis

(b) Dividends (on equity instruments)

Particulars	31 March, 2017	31 March, 2016
(i) Equity shares		
Final dividend for the year ended March 31, 2016 of ₹763.69 Lakhs (March 31, 2016 - ₹2920.72Lakhs) per fully paid share	-	763.69
Interim dividend for the year ended March 31, 2017 of ₹1 (March 31, 2016 - ₹2) per fully paid share	1,272.82	2,545.65
(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 13/05/2017	-	-

NOTE 30 : DISCLOSURE ON SPECIFIED BANK NOTES

During the year, the company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification , G.S.R. 308(E), dated March 31,2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination -wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8,2016	6.42	10.58	17.00
Add: Permitted Receipts	-	16.59	16.59
Less: Permitted Payments	(3.36)	(20.34)	(23.69)
Less: Amount deposited in Banks	(3.06)	-	(3.06)
Closing cash in hand as on December 30,2016	-	6.84	6.84

NOTE 31: UTILIZATION OF FUND RAISED THROUGH QIP

During the year ended 31st March 2015 the company has raised ₹20,000 lacs primarily for clinical development expenses, capital expenditure and general corporate purposes and any other purposes as may be permissible under applicable law.

Utilisation of QIP Funds:

Particulars	For the year ended March 31, 2017	"For the year ended March 31, 2016"
Investment in wholly owned subsidiary - Suven Inc.,	6,500.67	2,298.10
Investment in Capex	5,718.13	3,145.72
	12,218.80	**5,443.82**

NOTE 32: SEGMENT INFORMATION

(a) Description of segments and principal activities

The Chief Executive Officer has been identified as being the chief operating decision maker (CODM). The CODM examines the Company's performance both from a product and a geographic perspective and has identified two reportable segments:

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

(a) Manufacturing (CRAMS)
(b) Services (DDDSS)
(c) Research and Development

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

II. Services (DDDSS) - Which consists of Collaborative Research Projects (CRP), Clinical Trials and Testing and Analysis services

Geographical Segment

The Company has identified the following geographical reportable segments:
(a) India-The company sells Bulk Drugs and Intermedites and Fine Chemicals.
(b) USA -The company sells Intermediates
(c) Europe-The company sells Bulk Drugs and Intermedites
(d) Others -The company sells Bulk Drugs and Intermedites

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Unallocated		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Segment Result-Operating profits(EBIT)	21,634.85	17,391.75	1,474.14	1,945.31	(10,066.65)	(9,035.16)	(427.78)	(384.87)	12,614.56	9,917.02
Interest Expense	-	-	-	-	-	-	376.38	406.52	376.38	406.52
Interest Income	-	-	-	-	-	-	68.87	247.91	68.87	247.91
Income Taxes	-	-	-	-	-	-	3,588.32	2,573.55	3,588.32	2,573.55
Net profit	**21,634.85**	**17,391.75**	**1,474.14**	**1,945.31**	**(10,066.65)**	**(9,035.16)**	**(4,323.61)**	**(3,117.04)**	**8,718.73**	**7,184.86**

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Unallocated		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Segment Revenue	51,670.07	46,786.81	2,777.71	3,241.37	-	-	-	-	54,447.78	50,028.18
Segment Result-Operating profits	21,634.85	17,391.75	1,474.14	1,945.31	(10,066.65)	(9,035.16)	(427.78)	(384.87)	12,614.56	9,917.02
Segment Assets	43,659.64	42,899.22	2,818.98	3,883.41	2,860.30	2,867.29	32,232.01	25,499.37	81,570.92	75,149.29
Segment Liabilities	8,119.53	7,785.63	352.40	343.28	2,721.35	2,393.07	667.23	547.29	11,860.51	11,069.27
Capital Expenditure	2,801.67	15,767.87	-	-	-	-	-	-	2,801.67	15,767.87
Depreciation	2,002.30	1,614.63	69.51	67.54	623.31	645.58	69.51	67.54	2,764.62	2,395.29

Particulars	Revenue		Location of Asset		Additions to Fixed Assets	
	31 March, 2017	31 March, 2016	31 March, 2017	31 March, 2016	31 March, 2017	31 March, 2016
INDIA	4,485.11	3,163.91	34,835.63	32,461.31	2,799.70	15,766.40
U S A	5,616.02	9,129.30	55.87	53.89	1.98	1.47
EUROPE	40,627.89	34,470.85	-	-	-	-
OTHERS	3,718.76	3,264.13	-	-	-	-
	54,447.78	**50,028.18**	**34,891.50**	**32,515.21**	**2,801.67**	**15,767.87**

NOTE 33: INTEREST IN OTHER ENTITIES

The Company's subsidiaries as at March 31, 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company

Name of the entity	Ownership interest held by the Company				Ownership interest held by Non-Controlling interests			
	Place of Business/ Country of incorporation	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015	Principal Activity
Suven Inc	USA	100%	100%	-	-	-	-	Dvelopment of API

NOTE 34: RELATED PARTY TRANSACTION

(a) Holding Company : M/s. Jasti Property and Equity Holdings Private Limited
(In its capacity as sole trustee of the Jasti Family Trust)

(b) Key Management personnel(KMP) : Mr. Venkateswarlu Jasti (Chairman & CEO)
Mrs. Sudharani Jasti (Whole-time Director)
Mr. P. Subba Rao (Chief Financial Officer)
Mr. K. Hanumatha Rao (Company Secretary)

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

(d) Jointly controlled entity : Suven Trust

(a) Parent entities

Name	Type	Place of Incorporation	Ownership Interest		
			31 March, 2017	31 March, 2016	1 April 2015
M/s. Jasti Property and Equity Holdings Private Limited	Immediate and Ultimate parent entity	India	60%	60%	59%

(b) Key Management Personnel compensation

Particulars	31 March, 2017	31 March, 2016
Short term employee benefits	684.63	571.17
Post-employement benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	684.63	571.17
Balance outstanding	**248.60**	**190.65**

(c) Relative of Key Management Personnel compensation

Particulars	31 March, 2017	31 March, 2016
Short term employee benefits	156.89	168.92
Post-employement benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	156.89	168.92

(d) Jointly Controlled Entity

Particulars	31 March, 2017	31 March, 2016
Corporate Socical Responsibility	176.03	133.01

NOTE 35: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Claims against the company not acknowledged as debts			
a)Income tax appeal for Asst.year 2011-12	7.64	7.64	7.64
b)Income tax appeal for Asst.year 2012-13	20.94	20.94	20.94
c) Letter of credit for imports	905.44	649.69	1,207.21
	934.01	**678.26**	**1,235.79**

NOTE 36: COMMITMENTS

Particulars	31 March, 2017	31 March, 2016	1 April 2015
Estimated amount of contracts remaining to be executed			
on capital account	243.06	125.97	609.07
Forward Foreign Exchange Contracts	-	-	1,133.47
	243.06	**125.97**	**1,742.53**

NOTE 37: MICRO, SMALL AND MEDIUM ENTERPRISES

Based on the information available with the Company, there are no suppliers who are registered as micro and small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" to whom the Company has paid interest or any interest payable on balances outstanding as at March 31, 2017 and March 31, 2016.

NOTE 38: SHARE BASED PAYMENTS

(a) Employee option plan

Suven Employee Stock Option Scheme -2004 was approved by shareholders at the 2004 annual general meeting. Each option entitles the holder thereof to apply for and be allotted one equity share of the Company of ₹1.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting in respect of Options granted under the Suven Employee Stock Option Scheme -2004

The vesting period for conversion of Options is as follows:
On completion of 24 months from the date of grant of the Options: 25% vests
On completion of 36 months from the date of grant of the Options: 35% vests
On completion of 48 months from the date of grant of the Options: 40% vests
The Options have been granted at the 'market price' as defined from time to time under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Set out below is a summary of option granted under the plan:

Particulars	31 March, 2017		31 March, 2016	
	Average exercise price per share option(Rs.)	Number of Options	Average exercise price per share option(Rs.)	Number of Options
Opening balance	25.28	650,000	25.28	700,000
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited/ Expired during the year	25.28	195,000	25.28	50,000
Closing balance	**25.28**	**455,000**	**25.28**	**650,000**
Vested and exercisable		**455,000**		**650,000**

Share options outstanding at the end of the year having the following expiry date and exercise prices:

Particulars	Expiry Date	Exercise price(Rs.)	Share options 31 March 2017	Share options 31 March 2016	Share options 1 April 2015
12-Jul-2010	11-Jul-2017	29.75	80000	150000	200000
30-May-2011	29-May-2018	22.30	375000	500000	500000
Total			**455000**	**650000**	**700000**
Weighted average remaining contractual life of options outstanding at the end of the period			**1.00 years**	**1.90 years**	**2.9 years**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2017 was ₹ NIL per option (March 31, 2016 - ₹ NIL). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Expenses arising from share-based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	31 March, 2017	31 March, 2016
Employee option plan	Nil	Nil
Share appreciation rights	Nil	Nil
Total employee share based payment expense	Nil	Nil

NOTE 39: EARNINGS PER SHARE

Particulars	31 March, 2017	31 March, 2016
(a) Basic EPS		
Profit from operations attributable to the equity holders of the Company	6.84	5.61
Total basic earnings per share attributable to the equity holders of the company	**6.84**	**5.61**
(b) Diluted EPS		
Profit from operations attributable to the equity holders of the Company	6.84	5.61
Total diluted earnings per share attributable to the equity holders of the company	**6.84**	**5.61**

(c) Reconciliation of earnings used in calculating earnings per share

Particulars	31 March, 2017	31 March, 2016
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating		
basic earnings per share		
Profit from operations	8,708.99	7,139.64
	8,708.99	7,139.64
Diluted earnings per share		
Profit from operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	8,708.99	7,139.64
Add: Interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	8,708.99	7,139.64
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	8,708.99	7,139.64

(d) Weighted average number of shares used as the denominator

Particulars	31 March, 2017	31 March, 2016
Weighted average number of equity shares used as the denominator in		
calculating basic earnings per share	127,282,478	127,282,478
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Convertible bonds	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**127,282,478**	**127,282,478**

NOTE 40: ASSETS PLEDGED AS SECURITY

The carrying amounts of Company's assets pledged as security for current and non current borrowings are:

Particulars	31 March, 2017	31 March, 2016	01 April 2015
Non-Current			
First charge of mortage on land & building and Plant & Machinery			
Land & building	10,183.43	9,936.65	4,344.06
Plant & Machinery	16,029.16	16,340.03	9,053.43
	26,212.59	26,276.68	13,397.49
Current			
Second charge on stocks, receivables and current assets			
Inventories	9,251.14	8,346.44	8,180.55
Trade receivables	4,583.32	5,356.49	4,016.92
Cash and cash equivalents	868.80	24,054.87	27,974.74
Bank balances	48.21	85.02	32.72
Loans	7.57	11.52	16.45
Other financial assets	0.71	2.55	8.10
Other current assets	3,680.32	4,464.88	4,348.67
	18,440.08	42,321.77	44,578.15
Total assets pleadge as security	**44,652.67**	**68,598.45**	**57,975.64**

NOTE 41: FIRST-TIME ADOPTION OF IND AS

Transition to Ind AS

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

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparitive information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01, 2015(company's date of transition). In preparing its opening Ind AS balancesheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting standards) Rules, 2006 (as amended) and other relevant provisions of the Act(previous GAAP or Indian GAAP). An explanation on how the transition from previous GAAP to Ind AS has effected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A.1. Exemptions and exceptions availed

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

A.1.1 Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value

A.1.2. Investment of Subsidiaries

Investment in subsidiaries are carried at Cost.

A.2 Mandatory exceptions

A.2.1 Estimates

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

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in confirmity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

Investment in Equity instruments carried at FVPL or FVOCI
Impairment of financial asset based on expected credit loss model.

A.2.2 Classification and measurement of financial asset

Ind AS 101 requires an entity to assess classification and measurement of financial assets(investments in debt instruments) on the basis of the facts and circumstances that exist on the date of transition to Ind AS

B. Reconciliations between previous GAAP and Ind AS (as at March 31, 2016 and April 01, 2015)
(i) Reconciliation of equity as at date of transition (1 April 2015)

Particulars	Notes	Previous GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	3	17,175.31	-	17,175.31
Capital work-in-progress	3	10,701.33	-	10,701.33
Intangible assets	4	19.61	-	19.61
Financial assets				
(i) Investments	5(a)(i)	-	-	-
(ii) Loans	5(c)	2.04		2.04
(iii) Other financial assets	5(e)	873.85	(463.25)	410.59
Deferred tax assets (net)	6	(2,271.33)	2,738.52	467.19
Other non-current assets	7	843.39	-	843.39
Total Non-current assets		**27,344.19**	**2,275.27**	**29,619.46**
Current assets				
Inventories	8	8,180.55	-	8,180.55
Financial assets				
(i) Investments	5(a)(ii)	3.64	2.25	5.89
(ii) Trade receivables	5(b)	4,016.92	-	4,016.92
(iii) Cash and cash equivalents	5(d)(i)	27,936.19	38.56	27,974.74
(iv) Bank balances other than (iii) above	5(d)(ii)	32.72	-	32.72
(v) Loans	5(c)	16.45	-	16.45
(vi) Other financial assets	5(e)	8.10	-	8.10
Current tax asset(net)	9	355.63		355.63
Other current assets	10	7,147.69	(2,799.02)	4,348.67
Total Current assets		**47,697.89**	**(2,758.21)**	**44,939.67**
TOTAL ASSETS		**75,042.08**	**(482.95)**	**74,559.13**
EQUITY AND LIABILITIES				
Equity				
Share capital	11(a)	1,272.82	-	1,272.82
Other equity				
(i) Equity component of compund financial instruments				
(ii) Reserves & Surplus	11(b)	54,658.58	436.22	55,094.79
(iii) Other reserves				
Equity attributable to shareholders		55,931.40	436.22	56,367.62
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	12(a)	6,144.59	(204.34)	5,940.25
Employee benefit obligations	13	227.48	-	227.48
Government grants	14	-	175.28	175.28
Total Non-current liabilities		6,372.07	(29.06)	6,343.01
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	2,823.51	-	2,823.51
(ii) Trade payables	12(c)	4,389.08	-	4,389.08
(iii) Other financial liabilities	12(d)	3,832.91	-	3,832.91
Employee benefit obligations	13	1,281.42	(919.17)	362.25
Government grants	14	-	29.06	29.06
Other current liabilities	15	411.68	-	411.68
Total current liabilities		**12,738.60**	**(890.10)**	**11,848.50**
TOTAL LIABILITIES		**19,110.68**	**(919.17)**	**18,191.51**
TOTAL EQUITY AND LIABILITIES		**75,042.08**	**(482.95)**	**74,559.13**

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

(ii) Reconciliation of equity as at March 31, 2016

Particulars	Note No.	Previous GAAP	Adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment	3	30,505.64	-	30,505.64
Capital work-in-progress	3	717.73	-	717.73
Intangible assets	4	29.70	-	29.70
Financial assets				
(i) Investments	5(a)(i)	7.05	-	7.05
(ii) Loans	5(c)	1.92		1.92
(iii) Other financial assets	5(e)	474.98	26.08	501.06
Deferred tax assets (net)	6	(3,442.81)	3,940.44	497.63
Other non-current assets	7	113.45	-	113.45
Total Non-current assets		28,407.66	3,966.52	32,374.18
Current assets				
Inventories	8	8,346.44	-	8,346.44
Financial assets				
(i) Investments	5(a)(ii)	3.64	1.67	5.31
(ii) Trade receivables	5(b)	5,356.49	-	5,356.49
(iii) Cash and cash equivalents	5(d)(i)	24,048.71	6.16	24,054.87
(iv) Bank balances other than (iii) above	5(d)(ii)	85.02	-	85.02
(v) Loans	5(c)	11.52	-	11.52
(vi) Other financial assets	5(e)	34.79	(32.24)	2.55
Current tax asset(net)	9	446.03	-	446.03
Other current assets	10	8,407.70	(3,940.82)	4,466.88
Total Current assets		**46,740.34**	**(3,965.23)**	**42,775.11**
TOTAL ASSETS		**75,148.00**	**1.29**	**75,149.29**
EQUITY AND LIABILITIES				
Equity				
Share capital	11(a)	1,272.82	-	1,272.82
Other equity				
(i) Equity component of compund financial instruments				
(ii) Reserves & Surplus	11(b)	58,268.46	(17.16)	58,251.29
(iii) Foreign Exchange Translation Reserve	11(b)	4.36		4.36
Equity attributable to shareholders		**59,545.64**	**(17.16)**	**59,528.48**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	12(a)	4,322.66	(158.83)	4,163.83
Employee benefit obligations	13	239.49	-	239.49
Government grants	14	-	148.21	148.21
Total Non-current liabilities		4,562.15	(10.61)	4,551.54
Current liabilities				
Financial liabilities				
(i) Borrowings	12(b)	2,416.36	-	2,416.36
(ii) Trade payables	12(c)	3,560.49	-	3,560.49
(iii) Other financial liabilities	12(d)	4,179.54	-	4,179.54
Employee benefit obligations	13	274.50	-	274.50
Government grants	14	-	29.06	29.06
Other current liabilities	15	609.30	-	609.30
Total current liabilities		**11,040.20**	**29.06**	**11,069.26**
TOTAL LIABILITIES		**15,602.36**	**18.45**	**15,620.80**
TOTAL EQUITY AND LIABILITIES		**75,148.00**	**1.29**	**75,149.29**

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

(iii) Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Note No.	Previous GAAP	Adjustments	Ind AS
Operations				
Revenue from operations	16	49,952.24	75.95	50,028.18
Other income	17(a)	307.76	26.49	334.25
Other gains/losses-net	17(b)	1,595.11	-	1,595.11
Total Income		**51,855.11**	**102.43**	**51,957.54**
Expenses				
Cost of materials consumed	18	17,845.37	-	17,845.37
Changes in inventories of work-in-progress,				
stock-in-trade and finished goods	19	(1,205.21)	-	(1,205.21)
Manufacturing expenses	20	7,446.06	-	7,446.06
Excise duty		-	75.95	75.95
Employee benefits expense	21	4,163.59	(69.16)	4,094.43
Research & Development Expenses	22	9,035.16	-	9,035.16
Finance costs	23	542.11	45.51	587.63
Depreciation and amortization expense	24	1,749.71	-	1,749.71
Other expenses	25	3,054.71	(484.68)	2,570.03
Total Expenses		**42,631.50**	**(432.38)**	**42,199.13**
Profit before exeptional items		**9,223.60**	**534.81**	**9,758.41**
Income tax expense				
-Current tax	26	2,577.07	-	2,577.07
-Deferred tax	26	(30.31)	23.80	(6.51)
-Previous year tax		2.99	-	2.99
Total tax expense		2,549.75	23.80	2,573.55
Profit from operations		**6,673.85**	**511.01**	**7,184.86**
Other Comprehensive income		-	45.22	45.22
Total comprehensive income		**6,673.85**	**465.79**	**7,139.64**

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

(iv) Reconciliation of total equity as at March 31, 2016 and April 01, 2015

Particulars	31 March, 2016	1 April, 2015
Total Equity(shareholder's funds) as per previous GAAP	59,545.64	55,931.40
Adjustments:		
Provision for dividend and dividend distribution tax reversed	-	919.17
Fair valuation of quoted investments in mutual funds	1.67	2.25
QIP expenses adjusted against equity	-	(484.68)
Deferred tax on GAAP adjustments	(0.39)	(0.52)
Borrowings carried at amortized cost	158.83	-
Deferred income recognised in P&L on government grants	(177.28)	-
Total adjustments	(17.16)	436.22
Total Equity as per Ind AS	59,528.48	56,367.62

(v) Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	31 March, 2016
Profit after tax as per previous GAAP	6,673.85
Adjustments:	
Deferred income recognised in P&L on government grants	27.07
Borrowings carried at amortized cost	(45.51)
QIP expenses adjusted	484.68
Fair valuation of quoted investments in mutual funds	(0.58)
Remeasurement of post employement benefit	45.22
Tax effect of adjustments	0.13
Total Adjustments	511.01
Profit after tax as per Ind As	7,184.86
Other Comprehensive Income	(45.22)
Total comprehensive income as per Ind AS	**7,139.64**

(vi) Impact of Ind AS adoption on the cash flow statements for the year ended March 31, 2016

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	9,219.90	2,470.27	6,749.63
Net cash flow from investing activities	(6,192.87)	(2,330.01)	(3,862.87)
Net cash flow from financing activities	(6,984.44)	(177.81)	(6,806.64)
Net increase/(decrease) in cash and cash equivalents	**(3,957.42)**	**(37.54)**	**(3,919.87)**
Cash and cash equivalents as at 1 April 2015	27,936.19	(38.56)	27,974.74
Cash and cash equivalents as at 31 March 2016	**23,978.77**	**(76.10)**	**24,054.87**

C: Notes to first-time adoption:

1: Fair valuation of investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long term investments or current investments based on the intended holding period and realizibility. Long term investments were carried at cost less provision for other than temperory decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) has been recognised in retained earnings as at the date of transition and subsequently in the profit and loss for the year ended March 31, 2016. This increased the retained earnings by ₹1.67 Lakhs as at March 31, 2016 (April 01, 2015 - ₹ 2.25 Lakhs).

2: Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accoridngly, the liability for proposed dividend and tax thereon of ₹ Nil as at March 31, 2016 (April 01, 2015 - ₹ 919.17 Lakhs) included under provisions have been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

3: Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016 by ₹75.95 Lakhs. There is no impact on the total equity and profit.

4: Remeasurements of post-employement benefit obligations

Under Ind AS, remeasurements i.e. Acturial gains and losses and the return on plan assets , excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended March 31, 2016 decreased by ₹45.22 Lakhs. There is no impact on the total equity as at March 31, 2016.

5: Retained Earnings

Retained earnings as at April 01, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

6: Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit or loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of 'other comprehensive income' did not exist under previous GAAP.

7: QIP Expenses

QIP expenses incurred towards issue of equity shares has been netted off from the Securities Premium account as these expenses are directly attributable to the issue of shares.

8: Government Grants

Under previous GAAP loan form Government is carried at transition value whereas under Ind AS the same is fair valued and the difference between fair value of the loan and transaction value is considered as Government grant and is deferred over the term of loan.

9: Borrowings

Under previous GAAP borrowings are carried at gross value (excluding transition cost) whereas under Ind AS borrowings net of transition cost are carried in the books and transaction cost are considered in the computation of effective interest rate on that borrowings.

NOTE 42 : ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/ASSOCIATES

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
31 March 2017								
Parent								
Suven Life Sciences Ltd.	99.93%	66,652.26	141.62%	12,347.37	-100.00%	(9.74)	141.67%	12,337.62
Subsidiaries:								
Suven Inc.	0.07%	47.63	-41.62%	(3,628.64)	0.00%	-	-41.67%	(3,628.64)
TOTAL	100.00%	66,699.88	100.00%	8,718.73	-100.00%	(9.74)	100.00%	8,708.99
31 March 2016								
Parent								
Suven Life Sciences Ltd.	100.87%	60,049.14	139.29%	10,007.99	-100.00%	(45.22)	139.54%	9,962.76
Subsidiaries:								
Suven Inc.	-0.87%	(520.66)	-39.29%	(2,823.12)	0.00%	-	-39.54%	(2,823.12)
TOTAL	**100.00%**	**59,528.48**	**100.00%**	**7,184.86**	**-100.00%**	**(45.22)**	**100.00%**	**7,139.64**

Salient features of financial statements of subsidiary/associates as per the Companies Act, 2013.

Name of the subsidiary : Suven Inc.
Reporting currency : USD
Date of Incorporation : 15th September 2015

Particulars	31 March, 2017	31 March, 2016	01 April 2015
Share capital	96.80	34.30	0.00
Reserves & surplus	(96.07)	(42.14)	0.00
Total assets	7.01	1.05	0.00
Total Current liabilities	6.28	8.89	0.00
Investments	0.00	0.00	0.00
Turnover / Total Income	0.00	0.00	0.00
Profit/(loss) before taxation	(53.93)	(42.14)	0.00
Provision for Taxation	0.00	0.00	0.00
Profit/ (loss) after taxation	(53.93)	(42.14)	0.00
Proposed dividend	0.00	0.00	0.00
% of share holding	100%	100%	0.00

NOTE 43 : Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

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

For **KARVY & CO**
Firm registration number: 001757S

For and on behalf of the Board of
Directors of Suven Life Sciences Limited

Sanjeev Kumar Sreepathi
Partner
Membership No. 209145

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 13th May 2017

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 28th ANNUAL GENERAL MEETING of the Members of SUVEN LIFE SCIENCES LIMITED will be held on Monday, the 14th day of August, 2017 at 11:30 a.m. at the KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited standalone and consolidated Balance Sheet as at 31st March, 2017, Statement of Profit & Loss for the year ended 31st March, 2017, Cash Flow Statement for the year ended 31st March 2017 and together with the Report of the Directors and the Auditor's Report thereon.

2. To confirm the Interim Dividend paid on equity shares for the year 2016-2017 as final dividend

   RESOLVED THAT the Interim Dividend of Rs.1/- (Rupees one only) per share declared by the Board of Directors of the Company at their meeting held on 01st February, 2017 on 127282478 Equity Shares of Rs.1/- each absorbing a sum of Rs.12,72,82,478 (Rupees twelve crore seventy two lakhs eighty two thousand four hundred and seventy eight only) be and is hereby approved as the Final Dividend for the year ended 31st March, 2017.

3. To appoint a director in place of Prof Seyed E Hasnain, (DIN: 02205199) who retires by rotation, and being eligible, offers himself for re-appointment.

4. To appoint Auditors and to fix their remuneration and, in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. TUKARAM & CO., Chartered Accountants (Firm Registration No. 004436S), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. Karvy & Co., Chartered Accountants (Firm Registration No. 001757S), to hold office from the conclusion of this 28th Annual General Meeting (AGM) until the conclusion of the 33rd AGM, subject to ratification by members every year, as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.

Place: Hyderabad
Date : 13th May 2017

by order of the Board of Directors

Registered Office
8-2-334, SDE Serene Chambers,
6th Floor, Road No.5, Avenue 7,
Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713

K. Hanumantha Rao
Company Secretary
M. No. A11599

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF and** Proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the meeting. A person shall not act as a Proxy for more than 50 (fifty) members and holding in the aggregate not more than 10 (ten) percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10 (ten) percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.

2. A route map giving directions to reach the venue of the 28th Annual General Meeting is given at the end of the Notice.

3. In terms of Section 152 of the Companies Act, 2013, Prof Seyed E Hasnain, (DIN: 02205199), Director, retire by rotation at the meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment. Brief profile of Director, names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given at the end of the notes".

4. Members holding shares in physical form are requested to notify any change in their address or bank mandates immediately to the Registrars and Transfer Agents M/s. Karvy Computershare Pvt. Ltd., at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 and in case of Members holding shares in electronic form are requested to notify any change in mailing address or bank mandates to their respective Depository Participants with whom they are maintaining their demat accounts.

5. The Members are requested to bring their copies of the Annual Report to the meeting, and handover the attendance slips at the entrance hall of the meeting.

6. The Company has notified that the Register of Members of the Company and share transfer books will remain closed from **11th August, 2017 to 14th August, 2017** (both days inclusive) for the purpose of annual general meeting.

7. Members desiring to have any information on the accounts are requested to make a request for the same at least one week before the date of meeting. So that the requisite information will be made available at the meeting.

8. Corporate Members are requested to send a duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days, during business hours up to the date of the meeting.

10. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

11. Members are requested to send all correspondence concerning registration of transfers, transmission, subdivision or any other shares related matter to Company's Registrars M/s. Karvy Computershare Pvt. Ltd., Hyderabad.

12. **Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.**

13. **Unclaimed Dividends/ Transfer to Investor Education and Protection Fund:**

a) The Company has transferred the unpaid dividends declared up to financial years 2008-09, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 10th August, 2016 (date of last Annual General Meeting) on the website of the Company (www.suven.com), and also on the website of the Ministry of Corporate Affairs.

b) It may be noted that unclaimed dividend for the financial year 2009-10 declared on 27th July, 2010, can be claimed by the Members by 26th July, 2017.

c) Please note in accordance with the procedure prescribed under the provisions of the IEPF Rules issued by the Ministry of Corporate Affairs, the shares of the shareholders whose dividend remains unpaid or unclaimed by them for a period of seven consecutive years or more would also be transferred to the IEPF Demat account of IEPF Authority.

Members/ claimants whose shares, unclaimed dividend etc. have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. The Member/ Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Karvy Computershare Pvt. Ltd., Hyderabad.

15. **Information and other instructions relating to e-voting and ballot paper voting are under:**

(i) Pursuant to the provisions of Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its members the facility to exercise their right to vote on the resolutions proposed to be passed in the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting facility. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting").

(ii) For the benefit of Members who do not have access to e-voting facility, a ballot paper is being sent along with the Notice of the AGM, to enable them to send their assent or dissent by post. Members may send the duly completed ballot paper so as to reach the Scrutinizer at the Registered Office of the Company not later than 10th August, 2017 (5.00 pm). Ballot paper received after this date will be treated as invalid. Detailed instructions on process, manner for voting through post are given in the ballot paper.

(iii) The facility for voting through Ballot paper shall also be made available at the Meeting and the members attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot paper shall be able to exercise their right at the Meeting.

(iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

(v) The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility. The remote e-voting facility will be available at the link http://evoting.karvy.com

(vi) The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

(vii) The remote e-voting facility will be available during the following period:
Commencement of remote e-voting: from 10th August, 2017 (9 a.m. IST)
End of remote e-voting: up to 13th August, 2017 (5 p.m. IST)

(viii) E-voting shall not be allowed beyond 5 p.m. on 13th August, 2017 and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period. During the e-voting period, shareholders of the company, holding shares either in physical form or in dematerialised form, as on the **cut-off date being Monday, 07th August, 2017** only shall be entitled to avail the facility of remote e-voting / ballot paper.

(ix) In case of any query pertaining to e-voting, please visit Help & FAQ's section of https://evoting.karvy.com (Karvy's website) or contact Mrs. C Shobha Anand, Contact No. +91 40 6716 1505, e-mail evoting@karvy.com at [Unit: Suven Life Sciences Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

(x) A member can opt for only one mode of voting, i.e. either by e-voting or through ballot paper. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and the ballot paper of that Member shall be treated as invalid.

(xi) Any person who acquires shares of the company and becomes a member of the company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. 07th August, 2017, may obtain the login Id and password by sending a request at evoting@karvy.com. However, if you are already registered with "Karvy" for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/ Password" option available on http://evoting.karvy.com.

(xii) The Company has appointed, **Smt. D Renuka**, **Practicing Company Secretary** (Membership No. A11963), as Scrutinizer to scrutinize the ballot paper and remote e-voting process for Annual General Meeting in a fair and transparent manner and she has communicated her willingness to be appointed and be available for the said purpose.

(xiii) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting and also count the votes received through ballot paper, in the presence of at least two (2) witnesses not in the employment of the Company.

(xiv) The scrutinizer, after scrutinizing the votes cast at the meeting ballot paper and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

(xv) The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated scrutinizer's report, declare the results of the voting. The results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.suven.com and on the website of Karvy http://evoting.karvy.com immediately after their declaration, and the results shall simultaneously communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.

(xvi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of meeting, i.e. 14th August, 2017.

ANNEXURE TO NOTICE OF AGM

ITEM NO. 3

BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Professor Dr. Seyed Ehtesham Hasnain
PhD, DSc (h.c.), DMedSc (h.c.), FNA, FTWAS, FAAM, ML

Prof. (Dr.) Seyed Ehtesham Hasnain is the Vice Chancellor (President) of Jamia Hamdard (Hamdard University), New Delhi. He is also Professor and Head, JamiaHamdard-Institute of Molecular Medicine.

Professor Seyed E. Hasnain (DoB: April 13, 1954), Ph.D. (JNU, Delhi), D.Sc. (h.c.), D. Med. Sc. (h.c), is a Padma Shri and received Germany's Highest Civilian Award – The Order of Merit (Das Verdienstkreuz, 1.Klasse), from the President of Germany, equivalent of India's Bharat Ratna, the only Indian so far and one of the very few persons globally. The prestigious American Academy of Microbiology, USA elected him as Fellow. He was recently conferred with the ICMR's BR Ambedkar Award, the highest award for excellence in biomedical research.

Hasnain was a Member (2004-2009, 2009-2014) of Science Advisory Council to the Prime Minister (SAC-PM) and was a Member of Scientific Advisory Committee to the Union Cabinet. He was Chairman of Biotech Advisory Council, Government of Andhra Pradesh for several years and a Member of Biotech Advisory Council of many other State Governments, including Gujarat.

Hasnain received Humboldt Research Prize (Alexander-von-Humboldt Foundation, Germany); the very exclusive Robert Koch Fellowship (the ONLY Indian so far), of the Robert Koch Institute, Berlin; is the first Indian elected as a Member of the German National Academy of Sciences Leopoldina and youngest to be elected as a Fellow of TWAS, Trieste.He is also recipient of many prestigious Indian Awards and is an institution builder, policy maker and an administrator.

As the Vice Chancellor of the prestigious University of Hyderabad, he made it the #1 University of India displacing JNU and DU for which the Prime Minister of India gave the PURSE Award.

Hasnain was the Chairman of the Academic Committee of the prestigious Post Graduate Institute of Medical Education and Research (PGI, Chandigarh) and Member of the PGI Institute Body and Governing Council and is a Member of the Research Advisory Committee of All India Institute of Medical Sciences (AIIMS), New Delhi. He is/was Member of the University Grants Commission (UGC); Governing Councils of Indian Institute of Advanced Studies, Shimla; Indian Institute of Science, Bangalore; IIM, Khozikode; IISER-Bhopal and several other institutions; policy-making bodies of the Ministries of S&T, MHRD, Health and Defense.

He is well known internationally for his research on Mycobacterium tuberculosis, the TB causing bacterium, and has >250 publications in peer- reviewed journals of high impact, and >dozen patents globally. He has travelled widely in all the continents of the world and has given invited lectures at top Institutions such as Oxford, Cambridge (UK), Harvard, Yale, Stanford, Univ of California, Salk Inst (USA), Institute Pasteur (France), Max Planck Inst, FreiUniv, Koln Univ (Germany), NUS (Singapore), Univ of Canberra (Australia), China, Thailand, Brazil, Senegal, Iran, Saudi Arabia, Bangladesh, Canada, etc.

Professor Hasnain taught at the University of Delhi and after his return to India in 1987 joined the National Institute of Immunology (an Institute of the Ministry of Science and Technology, Govt. of India), and is also an Invited Professor at IIT Delhi where he teaches, has a laboratory and is supervising ~dozen PhD students.

Professor Hasnain is also a Director and member of the Audit Committee of the Board of Indian Immunologicals Limited. He does not hold any shares in the Company.

None of the other directors and key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the notice. The board recommends the resolution set forth in item no. 3 of the notice for approval of the members.

ITEM NO. 4

The following statement is provided for reference purpose.

M/s. Karvy & Co., Chartered Accountants were first appointed as auditors at 01st AGM held on 07th September, 1990. In terms of their appointment made at the 25th AGM held on 12th August 2014, they are holding office of the auditors up to the conclusion of the 28th AGM and hence, would retire at the conclusion of the forthcoming 28th AGM.

As per second proviso to Section 139(2) of the Companies Act, 2013 ('the Act'), a transition period of three years from the commencement of the Act is provided to appoint a new auditor when the existing auditor's firm has completed two terms of five consecutive years.

Accordingly, as per the said requirements of the Act, M/s. TUKARAM & CO., Chartered Accountants are proposed to be appointed as auditors for a period of 5 years, commencing from the conclusion of 28th AGM till the conclusion of the 33rd AGM, subject to ratification by members every year, as may be applicable.

M/s. TUKARAM & CO., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice. The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

SUVEN LIFE SCIENCES LIMITED

Registered Office: 8-2-334 I SDE Serene Chambers I 6th Floor I Road No.5 I Avenue 7
Banjara Hills I Hyderabad – 500 034 I TelanganaI IndiaCIN: L24110TG1989PLC009713
Tel: 91 40 2354 1142/3311 Fax: 91 40 2354 1152 Email: info@suven.comwebsite: www.suven.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

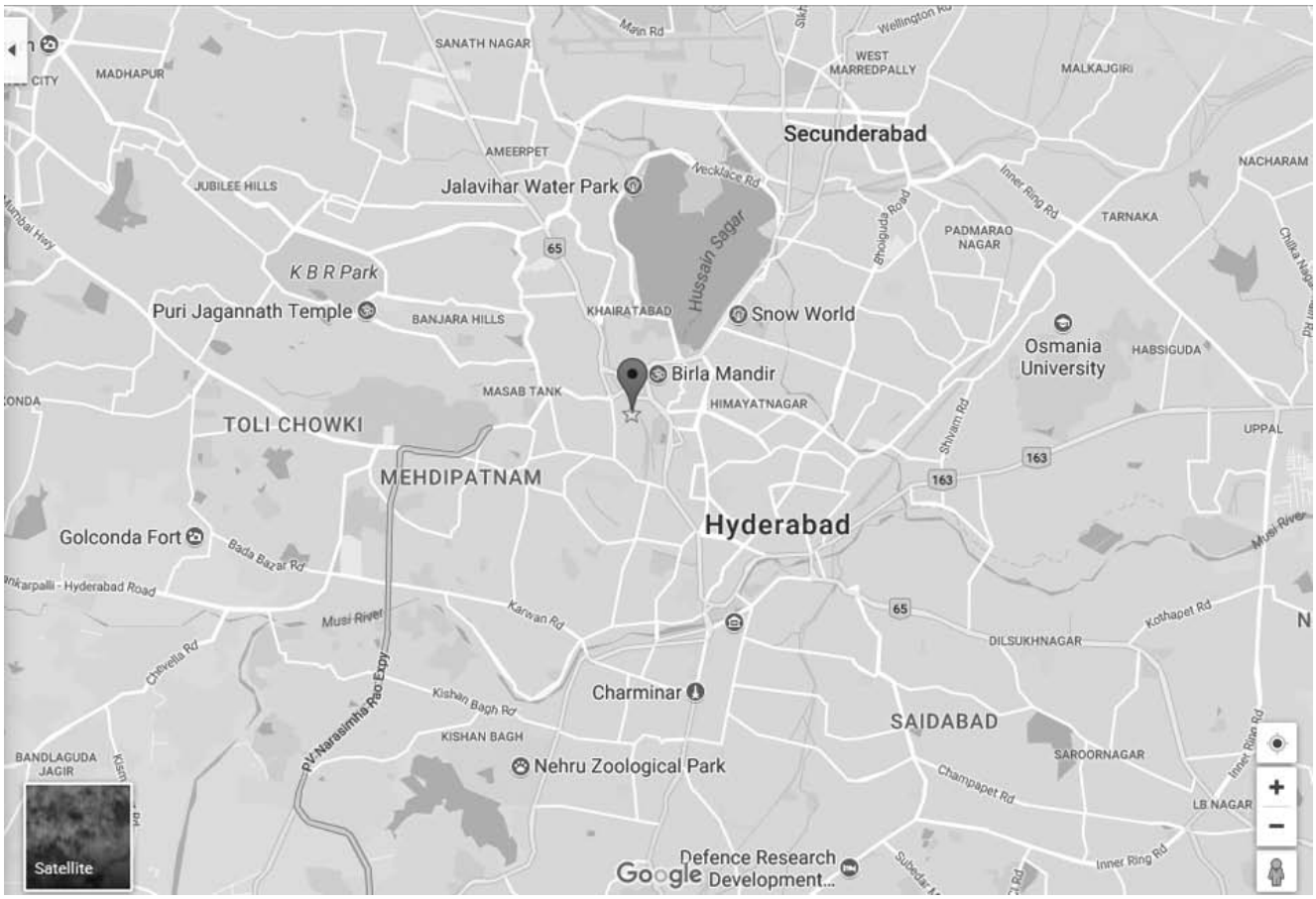
DP ID		Reg. Folio No.	
Client ID		No. of Shares	

NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company to be held on Monday, **the 14th day of August 2017 at 11:30 a.m. at the KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004.**

Signature of Shareholder/Proxy

ROUTE MAP TO VENUE OF AGM



SUVEN LIFE SCIENCES LIMITED

Registered Office: 8-2-334 I SDE Serene Chambers I 6th Floor I Road No.5 I Avenue 7
Banjara Hills I Hyderabad – 500 034 I TelanganaI IndiaCIN: L24110TG1989PLC009713
Tel: 91 40 2354 1142/3311 Fax: 91 40 2354 1152 Email: info@suven.comwebsite: www.suven.com

Form No. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)			
Registered Address			
Email Id			
Folio No. / Client ID		DP ID	

I/We, being the member(s) of _____shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail Id		Signature	
	or failing him			
2.	Name			
	Address			
	E-mail Id		Signature	
	or failing him			
3.	Name			
	Address			
	E-mail Id		Signature	
	or failing him			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 28th Annual General Meeting of the company, to be held on Monday, the **14th day of August, 2017 at 11:30 a.m.at the KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. To Consider and adopt the audited standalone and consolidated Balance Sheet as at 31st March, 2017, Statement of Profit & Loss for the year ended 31st March, 2017, Cash Flow Statement for the year ended 31st March 2017 and together with the Report of the Directors and the Auditor's Report thereon.		
2. To confirm the Interim Dividend paid on equity shares for the year 2016-2017 as final dividend		
3. To appoint a director in place of Prof Seyed E Hasnain, (DIN: 02205199) who retires by rotation, and being eligible, offers himself for re-appointment.		
4. To Appointment of M/s. Tukaram& Co., Chartered Accountants (Regn. No. 0044365) as the statutory auditors of Company and fixing their remuneration		

Signed this …….....…. day of …….…….. 2017.

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Affix a
1 Rupee
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

NOTES

NOTES

CORPORATE INFORMATION

Board of Directors

Shri Venkateswarlu Jasti	Chairman & CEO
Smt Sudharani Jasti	Whole-time Director
Dr M R Naidu	Director
Dr K V Raghavan	Director
Shri D G Prasad	Director
Prof Seyed E Hasnain	Director
Shri M Gopalakrishna, IAS (Retd.)	Director

Chief Financial Officer
CMA P Subba Rao

Company Secretary
CS K Hanumantha Rao

Statutory Auditors
Karvy & Co.,
Chartered Accountants
No.2, Bhooma Plaza, Street No.4
Avenue 7, Banjara Hills, Hyderabad - 500 034

Tukaram & Co., (w.e.f. 01-04-2017)
Chartered Accountants
209 & 409, Venkataram Towers
Basheer Bagh, Hyderabad - 500 029

Internal Auditors
Vemulapalli & Co.,
Chartered Accountants
H. No. 14-1-90/435, Sai Dwarakamai
1st Floor, Gayatri Nagar Colony, Allapur
Borabanda, Hyderabad – 500 038

Secretarial Auditors
dvmgopal & associates
Company Secretaries
6/3/154-159, Flat No. 303, 3rd Floor,
Royal Majestic, Prem Nagar Colony
Hyderabad – 500 004

Bankers
State Bank of India
Bank of Bahrain & Kuwait

Registrars & Share Transfer Agents
Karvy Computershare Pvt. Ltd.
Karvy Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032

Manufacturing Facilities
Unit – 1: Dasaigudem (V), Suryapet (M)
Suryapet Dist. Telangana – 508 213

Unit – 2: Plot No.18, Phase III, IDA
Jeedimetla, Hyderabad, Telangana – 500 055

Unit – 3:
Plot No(s). 262- 264 & 269 – 271, IDA,
Pashamylaram, Sanga Reddy Dist.
Telangana – 502 307

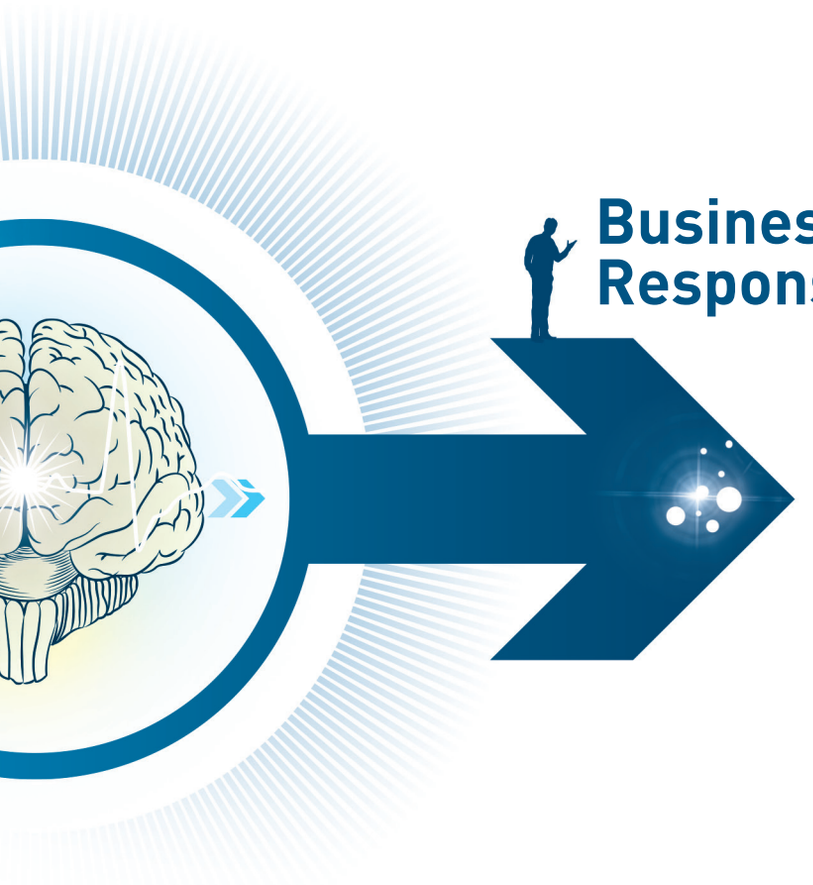
Unit – 4:
Plot No(s). 65 – 67, JN Pharmacity,
Parwada, Visakhapatnam,
Andhra Pradesh – 531 019

Research and Development Centre(s)
Research Centre – I
Plot No.18, Phase III, IDA Jeedimetla,
Hyderabad, Telangana – 500 055

Research Centre – II
Bio-Pharmaceutical Lab
Plot No(s). 267- 268, IDA Pashamylaram,
Sanga Reddy Dist. Telangana – 502 307

Research Centre – III
Formulation Development Centre
Plot No(s). 265 to 268, IDA
Pashamylaram, Sanga Reddy Dist.
Telangana – 502 307

SUVEN
LIFE SCIENCES LIMITED
CIN: L24110TG1989PLC009713
SDE SERENE CHAMBERS,
6TH FLOOR, ROAD NO. 5,
AVENUE 7, BANJARA HILLS,
HYDERABAD - 500 034
TELANGANA



Business Responsibility Report

[Under Regulation 34(2)(f)]

BUSINESS RESPONSIBILITY REPORT

Disclosures on the nine principles as charted by the Ministry of Corporate Affairs in the "National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business".

PRINCIPLE 1

ETHICS TRANSPARENCY & ACCOUNTABILITY

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

PRINCIPLE 2

PRODUCT LIFE CYCLE SUSTAINABILITY

Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle.

PRINCIPLE 3

EMPLOYEE WELL-BEING

Businesses should promote the well-being of all employees.

PRINCIPLE 4

STAKEHOLDER ENGAGEMENT

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

PRINCIPLE 5

HUMAN RIGHTS

Businesses should respect and promote human rights.

PRINCIPLE 6

ENVIRONMENT

Businesses should respect, protect and make efforts to restore the environment.

PRINCIPLE 7

POLICY ADVOCACY

Businesses, when engaged in infl uencing public regulatory policy, should do so in a responsible manner.

PRINCIPLE 8

EQUITABLE DEVELOPMENT

Businesses should support inclusive growth and equitable development.

PRINCIPLE 9

CUSTOMER VALUE

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Section **A**:

GENERAL INFORMATION
ABOUT THE COMPANY

1.1	Corporate Identity Number(CIN) of the Company	L24110TG1989PLC009713
1.2	Name of the Company	SUVEN LIFE SCIENCES LIMITED
1.3	Registered address	8-2-334 I SDE Serene Chambers I 6th Floor Road No.5 I Avenue 7 I Banjara Hills I Hyderabad – 500 034 I Telangana I India
1.4	Website	www.suven.com
1.5	E-mail id	investorserives@suven.com
1.6	Financial Year reported	April 2016 to March 2017
1.7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Pharmaceuticals
1.8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	methyl-2-(2-chloromethylphenyl)-3-methoxy-2-acrylate (qcc-64), (2-chloro-5-iodophenyl)(4-fluorophenyl) methanone and 5-chlorothiophene-2-carboxylic acid
1.9	Total number of locations where business activity is undertaken by the Company	Our marketing and sales operations span around many 28 countries in North America, Europe, Middle East and Asia.
	a. (a). Number of International Locations (Provide details of major 5)	1 marketing and project management center in USA
	a. (b). Number of National Locations	4 manufacturing units and 3 R&D centers
1.10	Markets served by the Company – Local/ State/ National/ International	Refer to segment report, page 104

Section **B**:

FINANCIAL DETAILS
OF THE COMPANY

1.1	Paid up Capital (INR)	Rs. 1272.82 lakhs (as on 31st March, 2017)
1.2	Total Turnover (INR) (standalone)	Rs. 54447.78 lakhs (as on 31st March, 2017)
1.3	Total profit after taxes (INR) (standalone)	Rs. 12,337.62 lakhs (as on 31st March, 2017)
1.4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.43%
1.5	List of activities in which expenditure in 1.4 above has been incurred:-	Refer to the Annexure E to Board's Report in our Annual Report, page 41

Section **C**:

OTHER DETAILS

1.1	Does the Company have any Subsidiary Company/ Companies?	Yes
1.2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
1.3	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No

Section **D**:

BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1.1	DIN Number	00278028
1.2	Name	Venkateswarlu Jasti
1.3	Designation	Chairman & CEO

(b) Details of the BR head

1.1	DIN Number (if applicable)	00278028
1.2	Name	Sunder Venkatraman
1.3	Designation	VP, Corporate Affairs
1.4	Telephone number	040 2354 1142
1.5	e-mail id	vsunder@suven.com

The details of members of Corporate Social Responsibility Committee and their roles and responsibilities are elaborated in CSR Annual Report.

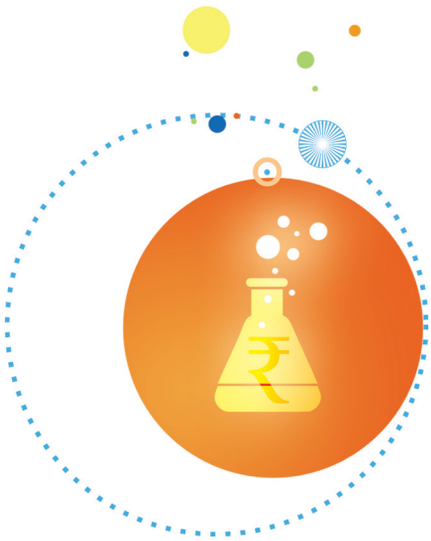
2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	#	#	#	#	#	#	#	#	#
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the Company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Details of information and links provided below.

P1: Refer to Whistle Blower Policy and Code of Conduct and Ethics. P2: Available on our intranet. P3: Available on our intranet. P4: Refer to the CSR Policy (available on www.suven.com) and Sustainability Policy available on intranet. P5: Available on our intranet. P6: Available on our intranet. P7: Available on our intranet. P8: Refer to the CSR committee charter, CSR Policy (available on www.suven.com) and Sustainability Policy available on intranet. P9: Available on our intranet



(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

a. (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	We have constituted a Corporate Social Responsibility (CSR) committee of the Board which overseas our CSR activities. The Committee meets once in year to assess the BR performance and align strategies in line with external realities.
a. (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company publishes a BR and a Sustainability Report annually. Our Sustainability Report can be viewed at www.suven.com/sustainability.aspx.

Section **E**:

PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

Our policies on ethics, bribery and corruption cover the Company, its subsidiaries and branches and our suppliers and contractors.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Suven's stakeholders include investors, employees, customers, suppliers, contractors, bankers and financial institutions, government agencies and the local community. For details of Shareholders complaints, please refer to the Investors section in our Annual Report 2017.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

a. (a). Contract Research And Manufacturing Services

b. (b). Contract Technical Services

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a. (a). Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

For Suven, contract research is the business vertical which generates more than 80% of its revenue. Under contract research, the materials (primarily chemicals and additives) required vary widely between projects. Since these are research projects, there is no defined standard for material procurement or quantum of usage. Hence, measuring reduction during sourcing does not seem to be not an appropriate efficiency benchmark for the Company.

a. (b). Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Suven's primary business is one of contract research where it develops intermediates for global innovators through non-infringing routes. Hence there is no specific standard for consumption of utilities namely energy, water etc. As a result, measuring the quantum of reduction in utilities is not relevant for the Company. Despite this reality, the Company continues to endeavour to minimize wastages by disciplined operations and real time monitoring of every process in its labs.

For its contract manufacturing operations, the Company needs to adhere to systems and processes that are approved by globally respected and reputed regulatory authorities – this ensures that the consumption of utilities is optimized.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Yes. At Suven, we have defined processes for addressing all sustainable sourcing of all key elements required in our business operations.

a. (a). If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

We continuously strive to maintain the best practices for sustainable sourcing (number of partners: 200). To ensure the seamless availability of all critical resources, we continue to identify alternate sources which ensures business continuity.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Yes.

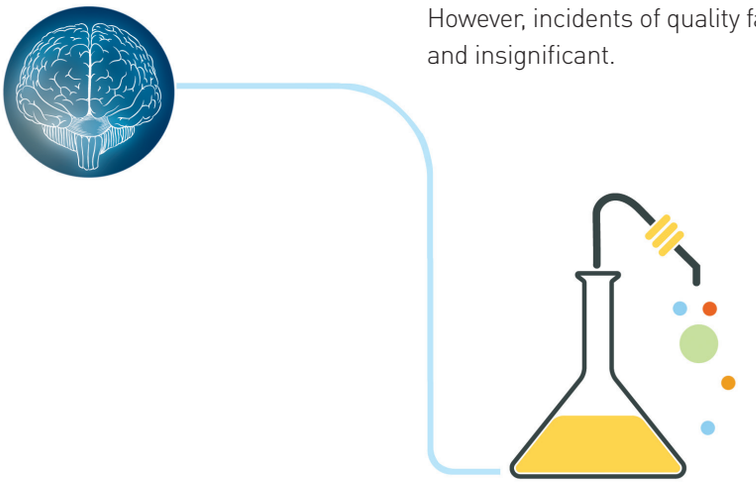
a. (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company strives to improve the business of its vendors. It provides technical inputs to small vendors for improving product quality and operational efficiency. The company periodically informs small vendors of its expansion and growth plans to enable them expand their operating capacity to align their growth with the Company's aspirations.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

As an environment respecting corporate, Suven has invested in sophisticated pollution control and waste recycling equipment which facilitates in generating wealth from waste. Moreover, the Company continuously strives to reduce effluent and waste generation through process improvements. During the year, the Company achieved a recycling efficiency of more than 10%.

As a quality-focused organization, the Company does not reprocess products which have failed the quality test. However, incidents of quality failure of products are rare and insignificant.



Principle 3

1. Please indicate the Total number of employees.	We have 1016 employees as on 31 March 2017.
2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.	We have 1011 employees on contract as on 31 March 2017.
3. Please indicate the Number of permanent women employees.	We have 70 women employees as on 31 March 2017.
4. Please indicate the Number of permanent employees with disabilities	NIL
5. Do you have an employee association that is recognized by management	The Company does not have an employee association
6. What percentage of your permanent employees is members of this recognized employee association?	NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	NIL

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?		
a.(a)	Permanent Employees	Being a research-based organsation, Suven continuously focuses on enhancing the intellectual capital of its people by providing training on various technical aspects and on behavioral skills for all round development of its team. In addition, the Company also works on enhancing the awareness of its team on people-critical issues such safety and health.
a.(b)	Permanent Women Employees	
a.(c)	Casual/Temporary/ Contractual Employees	
a.(d)	Employees with Disabilities	

Principle 4

1.1. Has the Company mapped its internal and external stakeholders? Yes/No	Yes, we have mapped our internal and external stakeholders.
1.2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders	Yes, we have identified disadvantaged, vulnerable and marginalized stakeholders
1.3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	No, during the year the Company did not have any opportunity of dealing with disadvantaged, vulnerable and marginalized stakeholders.

Principle 5

1.1. Does the policy of the Company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?	At present, our policy is extended to the group, our suppliers, contractors and NGOs.
1.2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	We did not receive any complaints in the last financial year.

Principle 6

1.1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others	The policy at present covers the company, its subsidiary and branches.
1.2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	The Company firmly believes that every organization must endeavour to reduce its load on the Earth to make the world a better place. In keeping with this philosophy, the Company continues to invest in energy-efficient equipment and alter processes to optimize consumption of utilities (air, water and energy) and minimize noise pollution – thereby minimizing its carbon footprint.
1.3. Does the company identify and assess potential environmental risks? Y/N	Yes.
1.4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	At present, the company does not have any project related to Clean Development Mechanism.
1.5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	No
1.6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
1.7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	None.

Principle 7

1. 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

a. (a) Pharmaceutical Export Promotion Council

b. (b) Bulk Drugs Manufacturers Association

c. (c) Telangana Government Pharmaceutical Task Force

1. 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. The Company's Chairman represented Pharmaceutical companies to the Government of India and central policy making bodies in suggesting reforms and development policies for innovative research programs and providing encouragement and incentives for innovation and improvement.

Principle 8

1. 1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

   At Suven, social responsibility is a deep rooted ethos intricately woven into the organization fabric. This is manifest in the reality that the Company has invested in the upliftment of society years before it became a corporate mandate.

1. 2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/ any other organization?

   The programs are undertaken by its own foundation.

1. 3. Have you done any impact assessment of your initiative?

   The impact assessment of the work done by the foundation is periodically undertaken to check whether the programs were implemented as envisaged and achieved their desired results. This assessment is undertaken once in a year.

1. 4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

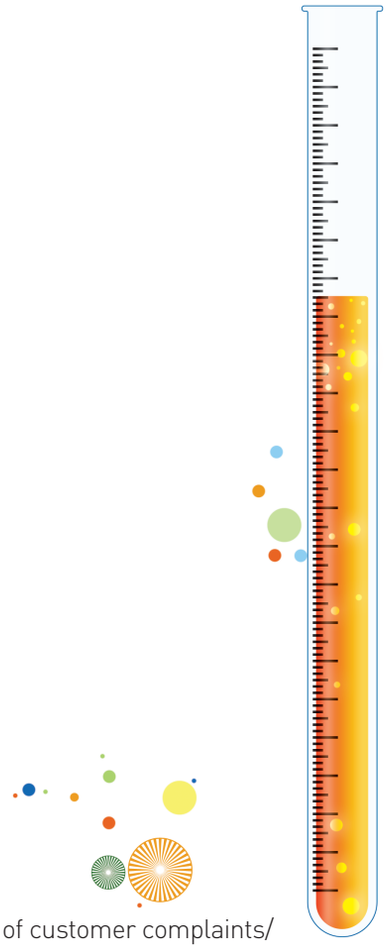
   The company invested INR 176.03 lacs towards such programs and has earmarked INR 154.58 lacs for the identified projects which are under implementation.

1. 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The Company has created teams for implementing its programs aimed at societal development.

   Post implementation of the projects, the teams reach out to obtain feedback from families and communities touched under the projects to obtain a feedback on the benefits accrued to the society and identify further gaps and needs that need to be addressed. This information forms the foundation for the team to reorient their programs in line with societal needs.

   The Company has also constituted a high-level committee to oversee the execution of the programs and the performance of the teams.



Principle 9

1. 1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

   Nil

1. 2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

   Yes.

1. 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No. Investor complaints as and when received are addressed immediately and the status of such complaints is provided as part of the Annual Report.

1. 4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   No. As the company's products are not intended for direct consumption by consumers.

Notes

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