B S R & Co. LLP

Chartered Accountants

Unit No.- 502, 5th Floor, Tower- B,
ITES/ IS Complex, Advant Navis Business Park,
Plot No.- 7, Sector- 142, Expressway,
Noida- 201305, UP

Telephone: + 91 120 682 8700
Fax: + 91 120 682 8710

INDEPENDENT AUDITORS' REPORT

To the Members of Jubilant Biosys Limited

(Revised) Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jubilant Biosys Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to note 40 of the financial statements which describes that the financials statement of the Company for the year ended 31 March 2020 were earlier approved by the Board of Directors at their meeting held on 28 May 2020 at which time the Composite Scheme of Arrangement ('the Scheme') between the Company, Jubilant Chemsys Limited, fellow subsidiary ('the transferor company') and Jubilant Therapeutics India Limited, fellow subsidiary (the resulting company) was subject to approval of the respective shareholders and creditors of the Company and transferor company, National Company Law Tribunal ("NCLT") and Statutory and Regulatory Authorities, as applicable. Accordingly, the Scheme was not given effect to in the financial statements approved by the Board of Directors on 28 May 2020. Subsequently, the Scheme has been approved by the National Company Law Tribunal vide its order dated 29 June 2020, with appointed date of 1 April 2019 and certified copy of the order sanctioning the Scheme filed by the Company with Registrar of the Companies on 28 July 2020.

Though the appointed date as per the NCLT approved Scheme is 1 April 2019, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the amounts for the year ended 31 March 2020 include the impact of the business combination for the entire year and the corresponding amounts for the previous year ended 31 March 2019 have been restated by the Company after recognizing the effect of the amalgamation as above. The Company's management has revised these financial statements to give effect to the Scheme.

Our opinion is not modified in respect of the aforesaid matters.

Other Information

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

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

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

Management's and Board of Directors' Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

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

e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 34 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 20507857AAAADC7998

Place: Chandigarh, India
Date: 23 October 2020

Annexure A to the Independent Auditors' Report to the Members of Jubilant Biosys Limited on the financial statements for the year ended 31 March 2020

We report that:

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were observed on such verification.

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

(ii) According to the information and explanations given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. As informed to us, the discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company, during the current year, has granted unsecured loan to the Holding Company covered in the register maintained under section 189 of the Act. In respect of the aforesaid loan:

a) In our opinion, the rate of interest and other terms and conditions on which loan has been granted not prejudicial to the Company's interest.
b) The Holding Company has been regular in repayment of principal, which are payable on demand. Further, the Holding Company has been regular in payment of interest.
c) There are no overdue amounts in respect of the loans granted to the Holding Company listed in the register maintained under Section 189 of the Act.

(iv) According to the information and explanations given to us, in respect of loans given by the Company, the provisions of section 185 and 186 of the Act to the extent applicable have been complied with. As informed to us, the Company has not provided any guarantee or security or made investments as specified under Section 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by Reserve Bank of India and the provisions of section 73 to 76 of the Act or any other relevant provision of the companies Act 2013, and the rules framed there under. Accordingly, paragraph 3(v) of the order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act for any of the products manufactured/ services rendered by the Company. Accordingly, para 3(vi) of the Order is not applicable.

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, goods and services tax (GST), income tax and cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the authorities. As explained to us, the Company did not have any dues on account of sales tax, value added tax, duty of excise and duty of customs.

According to the information and explanations given to us, no payable in respect of undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and service tax and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

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

Name of the Statute	Nature of dues	Amount involved* (Rs.in lakhs)	Amounts paid under protest (Rs.in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3,781.66	NIL	Financial year 2010-11	Hon'ble High Court
Income Tax Act, 1961	Income Tax	8,219.92	NIL	Financial year 2012-13	Hon'ble High Court
Income Tax Act, 1961	Income Tax	7,690.86	NIL	Financial year 2013-14	Hon'ble High Court
Income Tax Act, 1961	Income Tax	5,932.80	NIL	Financial year 2011-12	Allahabad High Court
Income Tax Act, 1961	Income Tax	4,182.28	NIL	Financial year 2012-13	Allahabad High Court
Income Tax Act, 1961	Income Tax	212.57	NIL	Financial year 2013-14	CIT Appeals
Finance Act, 1994	Service Tax	10.60	NIL	Financial year 2016-18	Deputy Commissioner, Central Tax, Audit
Customs Act, 1962	Custom Duty	3.19	NIL	Financial year 2018-19	Commissioner of Customs

*includes interest and penalties wherever quantified.

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

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

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the 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) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

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

(xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

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

(xvi) According to information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 20507857AAAADC7998

Place: Chandigarh, India
Date: 23 October 2020

Annexure B to the Independent Auditors' report on the financial statements of Jubilant Biosys Limited for the period ended 31 March 2020.

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Jubilant Biosys Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 20507857AAAADC7998

Place: Chandigarh, India
Date: 23 October 2020

Jubilant Biosys Limited
Balance Sheet as at 31 March 2020

	Notes	As at 31 March 2020	As at 31 March 2019 (Restated)
			(INR in Lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	3	6,430.88	5,254.23
Capital work-in-progress	3	254.62	86.98
Other intangible assets	4	93.57	58.92
Right of use assets	36	6,418.82	-
Financial assets			
i. Investments	5	410.79	410.79
ii. Loans	6	332.26	332.26
iii. Other financial assets	7	20.15	10.86
Deferred tax assets (net)	8	648.86	2,866.55
Income tax asset (net)		620.30	741.10
Other non-current assets	9	14.03	-
Total non-current assets		**15,244.28**	**9,761.69**
Current assets			
Inventories	10	308.01	316.21
Financial assets			
i. Trade receivables	11	4,648.43	8,587.63
ii. Cash and cash equivalents	12(a)	4,591.74	1,380.08
iii. Other bank balances	12(b)	1.35	21.67
iv. Loans	6	7,333.02	2,124.22
v. Other financial assets	7	575.13	432.70
Other current assets	13	911.59	1,465.63
Total current assets		**18,369.27**	**14,328.14**
Total assets		**33,613.55**	**24,089.83**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	18,706.13	18,706.13
Shares to be issued pursuant to merger	40	6,982.20	6,982.20
Other equity		(842.75)	(5,236.13)
Total equity		**24,845.58**	**20,452.20**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	15	-	52.59
ii. Lease Liablities	36	3,514.55	-
Provisions	16	1,098.75	1,004.38
Total non-current liabilities		**4,613.30**	**1,056.97**
Current liabilities			
Financial liabilities			
i. Lease Liablities	36	417.48	-
ii. Trade payables	17		
Total outstanding dues to micro enterprises and small enterprises		129.40	125.64
Total outstanding dues to creditors other than micro enterprises and small enterprises		1,115.83	1,353.92
iii. Other financial liabilities	18	1,499.73	520.87
Other current liabilities	19	635.29	429.38
Provisions	16	175.19	145.75
Current tax liabilities		181.75	5.10
Total current liabilities		**4,154.67**	**2,580.66**
Total liabilities		**8,767.97**	**3,637.63**
Total equity and liabilities		**33,613.55**	**24,089.83**

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

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

For and on behalf of Board of Directors of **Jubilant Biosys Limited**

Gaurav Mahajan
Partner
Membership No: 507857
Place : Chandigarh
Date: 23 October 2020

Vikas Shreekrishna Shirsath
Managing Director
DIN: 06575460
Place : Noida
Date: 23 October 2020

Arun Kumar Sharma
Director
DIN: 06991435
Place : Noida
Date: 23 October 2020

Irfan Ali
Company Secretary
Place : Noida
Date: 23 October 2020

Benny Thomas
Chief Financial Officer
Place : Bangalore
Date: 23 October 2020

Jubilant Biosys Limited
Statement of Profit and Loss for the year ended 31 March 2020

(INR in Lakhs)

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Revenue from operations	20	26,321.95	26,833.17
Other income	21	925.32	267.10
Total income		**27,247.27**	**27,100.27**
Expenses			
Changes in inventories of work-in-progress and finished goods	22	24.37	40.40
Employee benefits expense	23	6,838.88	6,360.81
Finance costs	24	292.34	1,162.37
Depreciation and amortisation expense	25	1,459.23	788.97
Other expenses	26	11,761.54	12,836.10
Total expenses		**20,376.36**	**21,188.65**
Profit before tax		**6,870.91**	**5,911.62**
Tax expense	27		
- Current tax		301.93	351.82
-Taxes pertaining to earlier years		(12.57)	-
- Deferred tax		2,231.60	(1,991.71)
Total tax expense		**2,520.96**	**(1,639.89)**
Profit for the year		**4,349.95**	**7,551.51**
Other comprehensive income/loss			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit obligations		(55.28)	0.38
Income tax relating to these items		13.91	(0.11)
Other comprehensive income/loss for the year, net of tax		(41.37)	0.27
Total comprehensive income for the year		**4,308.58**	**7,551.78**
Earnings per equity share of Rs. 10 each	37		
Basic earnings per share		1.81	9.00
Diluted earnings per share		1.69	3.38

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

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

For and on behalf of Board of Directors of **Jubilant Biosys Limited**

Gaurav Mahajan
Partner
Membership No: 507857
Place : Chandigarh
Date: 23 October 2020

Vikas Shreekrishna Shirsath
Managing Director
DIN: 06575460
Place : Noida
Date: 23 October 2020

Arun Kumar Sharma
Director
DIN: 06991435
Place : Noida
Date: 23 October 2020

Irfan Ali
Company Secretary
Place : Noida
Date: 23 October 2020

Benny Thomas
Chief Financial Officer
Place : Bangalore
Date: 23 October 2020

Jubilant Biosys Limited
Statement of changes in Equity for the year ended 31st March 2020

(INR in Lakhs)

a) Equity share capital	Note	Amount
Balance as at 1 April 2018	14	**44.13**
Conversion of 12% optionally convertible non cumulative redeemable preference shares (OCPS) into equity shares		**18,662.00**
Balance as at 31 March 2019 (Restated)	14	**18,706.13**
Balance as at 31 March 2020	14	**18,706.13**

(INR in Lakhs)

b) Shares to be issued pursuant to merger	Amount
Balance as at 1 April 2018	-
Shares to be issued pursuant to merger	**6,982.20**
Balance as at 1 April 2018 (Restated)	**6,982.20**
Shares issued during the year	-
Balance as at 31 March 2019 (Restated)	**6,982.20**
Shares issued during the year	-
Balance as at 31 March 2020	**6,982.20**

c) Other Equity

(INR in Lakhs)

	Reserves and surplus					Total
	Capital reserve	Amalgamation Adjustment Deficit Account	Securities premium	Capital redemption reserve	Retained earnings	
Balance as at 1 April 2018	7,661.31	-	1,448.44	-	(17,170.25)	(8,060.50)
Adjustment pursuant to merger*	16.55	(6,162.22)	-	3,885.00	2,658.56	397.89
Balance as at 1 April 2018 (Restated)	**7,677.86**	**(6,162.22)**	**1,448.44**	**3,885.00**	**(14,511.69)**	**(7,662.61)**
Profit for the year	-			-	7,551.51	7,551.51
Other comprehensive income	-		-	-	0.27	0.27
Conversion of OCPS into equity shares	(5,125.30)	-	-	-	-	(5,125.30)
Balance as at 31 March 2019 (Restated)	**2,552.56**	**(6,162.22)**	**1,448.44**	**3,885.00**	**(6,959.91)**	**(5,236.13)**
Balance as at 1 April 2019 (Restated)	**2,552.56**	**(6,162.22)**	**1,448.44**	**3,885.00**	**(6,959.91)**	**(5,236.13)**
Adjustment pursuant to demerger*	84.80	-	-	-	-	84.80
Profit for the year	-		-	-	4,349.95	4,349.95
Other comprehensive income	-		-	-	(41.37)	(41.37)
Balance as at 31 March 2020	**2,637.36**	**(6,162.22)**	**1,448.44**	**3,885.00**	**(2,651.33)**	**(842.75)**

* Refer note 40.
Refer note 14.2 for nature and purpose of equity.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

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

For and on behalf of Board of Directors of **Jubilant Biosys Limited**

Gaurav Mahajan
Partner
Membership No: 507857
Place : Chandigarh
Date: 23 October 2020

Vikas Shreekrishna Shirsath
Managing Director
DIN: 06575460
Place : Noida
Date: 23 October 2020

Arun Kumar Sharma
Director
DIN: 06991435
Place : Noida
Date: 23 October 2020

Irfan Ali
Company Secretary
Place : Noida
Date: 23 October 2020

Benny Thomas
Chief Financial Officer
Place : Bangalore
Date: 23 October 2020

Jubilant Biosys Limited
Statement of cash flows for the year ended 31 March 2020

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
A. Cash flows from operating activities		
Net profit before tax	6,870.91	5,911.62
Adjustments :		
Depreciation and amortisation expense	1,459.23	788.97
Loss on sale/ disposal/ discard of property, plant and equipment (net)	18.49	42.16
Finance costs	292.34	1,162.37
Provision/ write off bad debts (net)	17.50	(1.17)
Written off Balance (net)	(12.83)	(11.53)
Unrealised foreign exchange (gain)/ loss	(227.15)	21.05
Interest income	(452.42)	(187.87)
Cash flows from operating activities before changes in following assets and liabilities	7,966.07	7,725.60
Changes in assts and liabilities:		
Decrease/ (increase) in trade receivables, other financial assets and other assets	4,506.98	(6,032.50)
Decrease in inventories	8.19	34.66
Increase in trade payables, provisions and other liabilities	1,057.02	237.15
Cash generated from operations	13,538.26	1,964.91
Income tax paid (net of refund)	(20.76)	(391.26)
Net cash generated from operating activities (A)	**13,517.50**	**1,573.65**
B. Cash flow from investing activities		
Purchase of property, plant and equipment, other intangible assets including capital work-in-progress	(2,207.00)	(1,141.75)
Proceeds from sale of property, plant and equipment	0.90	13.51
Movement in other bank balances	20.32	20.13
Interest received	452.73	189.34
Repayment of loan by related party	600.00	500.00
Loan given to related party	(5,800.00)	(400.00)
Net cash used in investing activities (B)	**(6,933.05)**	**(818.77)**
C. Cash flow arising from financing activities		
Principal payments under finance lease	(3,109.33)	(27.27)
Finance costs paid	(263.46)	(28.36)
Net cash used in financing activities (C)	**(3,372.79)**	**(55.63)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	3,211.66	699.25
Add: cash and cash equivalents at the beginning of year	**1,380.08**	**680.83**
Cash and cash equivalents at the end of the year (Refer Note 12(a))	**4,591.74**	**1,380.08**

Notes:

1. Statement of Cash flow has been prepared under the indirect method as set out in the Ind AS 7-"Statement of Cash flows"

2. During the year, the Company paid in cash INR 38.40 lakhs (31 March 2019: INR 22.92 lakhs) towards corporate social responsibility (CSR) expenditure (included in donation- **Refer note 39).**

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

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

For and on behalf of Board of Directors of **Jubilant Biosys Limited**

Gaurav Mahajan
Partner
Membership No: 507857
Place : Noida
Date: 23 October 2020

Vikas Shreekrishna Shirsath
Managing Director
DIN: 06575460
Place : Noida
Date: 23 October 2020

Arun Kumar Sharma
Director
DIN: 06991435
Place : Noida
Date: 23 October 2020

Irfan Ali
Company Secretary
Place : Noida
Date: 23 October 2020

Benny Thomas
Chief Financial Officer
Place : Bangalore
Date: 23 October 2020

Note 1 Corporate Information

Jubilant Biosys Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is an integrated discovery collaborator to major pharmaceutical and biotech companies, accelerating global discovery and development efforts across multiple therapeutic areas. Jubilant Biosys Limited engages in a range of functional discovery services shared risk collaborations and scaling up from mg to kg in kilo lab and pilot plant with multiple global partners. Effective from 1 April 2019 Jubilant Chemsys Limited amalgamated into Jubilant Biosys Limited and the business of discovery and development of novel small molecules for the treatment of cancer has been demerged from the Company to Jubilant Therapeutics India Limited, vide Hon'ble National Company Law Tribunal, Allahabad (NCLT) Order dated 29 June 2020. Also, refer note 40.

Note 2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year except for Ind AS 116 "Leases applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and Appendix C, "Uncertainty over Income Tax Treatments", to Ind AS 12, Income. As a result, the comparative information has not been restated which did not have any significant impact on the financial position or performance of the Company. Also refer to respective accounting policies for further details.

(a) Basis of preparation

(i) *Statement of compliance*

The Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

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

The financial statements have been authorized for issue by the Company's Board of Directors on 23 October 2020.

(ii) *Historical cost convention*

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

(b) Current versus non-current classification

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

(i) It is expected to be realised or intended to be sold or consumed in normal operating cycle;
(ii) It is held primarily for the purpose of trading;
(iii) It is expected to be realised within twelve months after the reporting period; or
(iv) It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle;
(ii) It is held primarily for the purpose of trading;
(iii) It is due to be settled within twelve months after the reporting period; or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

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

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

All items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in- progress.

(ii) **Intangible assets**

Intangible assets that are acquired (including implementation of software system) are measured initially at cost.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

(iii) **Depreciation and amortization methods, estimated useful lives and residual value**

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	**Management estimate of useful life**	**Useful life as per Schedule II**
Motor vehicles under finance lease (Vehicles – leased)	Tenure of lease or 5 years whichever is shorter	8 years
Computer servers and networks (included in office equipments)	5 years	6 years

Leasehold land which qualifies as finance lease is amortised over the lease period on straight line basis.

Software systems are being amortised over a period of five years being their useful life.

Depreciation and amortization on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal. Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(iv) Derecognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

(d) Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

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

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

(e) Financial instrument

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

(i) Debt instruments at amortized cost
(ii) Debt instruments at fair value through other comprehensive income (FVOCI)
(iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
(iv) Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

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

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

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

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

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

Equity investments

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

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

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

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company’s balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(f) Business Combinations

Business combinations (other than business combinations between common control entities) are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the consideration transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. The consideration transferred does not include amounts relate to the settlement of pre-existing relationships, such amounts are generally recognised in the statement of profit or loss and other comprehensive income. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction cost incurred in connection with a business combination are expensed as incurred. The excess of the consideration transferred over the fair value of the net identifiable asset acquired is recorded as goodwill. If those amounts are less than the fair value of the fair value of the net identifiable asset of the business acquired, the different is recognised in other comprehensive income and accumulated as equity in capital reserve provided there is a clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

Business combinations arising from transfer of interests in entities that are in the control of shareholder that controls the company are accounted for as if the acquisition has occurred at the beginning of the earliest comparative period presented or, if later, at the date the common control was established, for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the financial statements of the company in the same form in which they appeared in the financial statement of the acquired entity. The differences, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(g) Inventories

Inventories are valued at lower of cost or net realisable value except scrap, which is valued at net estimated realisable value. The Company uses weighted average method to determine cost of lab chemical and consumables. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

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

(h) Cash and cash equivalents

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

(i) Provisions and contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(j) Revenue recognition

Effective 1 April 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers” using the cumulative catch-up transition method, applied to contracts that were not completed as at 1 April 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. There is no material effect on adoption of Ind AS 115 on the financial statements.

Service income is recognised as and when the underlying services are performed. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. Revenue from projects taken up as per the specification of the customer is recognised on the approval of / delivery to the customer.

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

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

Revenue from projects taken up as per the specification of the customers is recognized on the shipment of compounds to the customer. The Licensing revenue is recognized at the time of transfer of intellectual property rights and technical know-how and there are no pending performance obligations. Revenue from non -cash consideration is recognized on the date of receiving the non-cash consideration if there is no pending performance obligations.

(k) Employee benefits

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

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

a) Gratuity

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

b) Provident fund

The Company makes contribution to the recognised provident fund of its employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan. .
Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(iii) *Other long-term employee benefits (Compensated absences):*

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

(iv) *Termination benefits:*

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

(v) *Actuarial valuation:*

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses in respect of other long term benefits are recognized in the statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

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

(l) Finance costs

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

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

(m) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- ***Current tax:***

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- ***Deferred tax:***

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

***(n)* Leases**

Leases – Company as a lessee

Policy applicable from 1 April 2019

MCA vide its notification dated 30 March 2019, notified Ind AS 116 "Leases which is effective for annual reporting periods beginning on or after 1 April 2019. Ind AS 116 replaces existing lease guidance Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset. The Company's lease asset classes primarily consist of leases for Land, buildings and vehicles which typically run for a period of 3 to 99 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets and lease liabilities includes the options to extend or terminate the lease when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statements of Profit or Loss and Other Comprehensive Income.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Policy applicable before 1 April 2019

At the inception of each lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Finance leases

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

Operating leases

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

Transition to Ind AS 116

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" applied to all lease contracts existing on 1 April 2019 using the modified retrospective approach on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Standalone Statements of Financial Position immediately before the date of initial application. Comparatives have not been retrospectively adjusted.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation expense for the right-to-use asset and finance cost for interest accrued on lease liability. The effect of this adoption is insignificant on the profit for the year.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition on a lease-by-lease basis. The Company also used practical expedient and therefore, did not reassess, under Ind AS 116, whether a contracts is, or contains, a lease at the date of initial application. Further, as a practical expedient, on a lease-by-lease basis, the Company relied on its assessment as at 31 March 2019 (Restated) as to whether leases are onerous applying Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, as an alternative to performing an impairment review. The Company has used a single discount rate to a portfolio of leases with similar characteristics. For leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right-of use asset and the lease liability at the date of initial application is the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17. For those leases, the Company has accounted for the right-of use asset and the lease liability applying Ind AS 116 from the date of initial application.

(o) Foreign currency translation

Functional and presentation currency

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

Transactions and balances

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

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

(p) Earnings per share

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

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

(q) Measurement of fair values

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established framework with respect to measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

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

(r) Critical estimates and judgements

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

- Recognition and estimation of tax expense including deferred tax– Note 8 & 2(m)
- Estimated impairment of financial assets and non-financial assets – Note 2(d) & (e)
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2(c)
- Estimation of assets and obligations relating to employee benefits – Note 28 & 2(k)
- Valuation of Inventories – Note 2(g)
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 34
- Lease classification – Note 36 & 2(n)
- Fair value measurement – Note 2(q)
- Revenue recognition – Note 2(j)

The global pandemic COVID-19 has impacted the business activities of the Company to some extent. On account of this, Company has prepared cash flow projections and also assessed the recoverability of carrying amounts of receivables, inventories, property, plant and equipment. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company, as at the date of approval of these financial statements has used internal and external sources of information on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to the future economic conditions.

Jubilant Biosys Limited
Notes to the financial statements for the year ended 31 March 2020

Note 3: Property, plant and equipment and capital work in progress

(INR in Lakhs)

Description	Lab equipment	Furniture and fixtures	Vehicles leased**	Leasehold Improvements	Office equipment	Total	Capital work- in-progress
Gross carrying amount							
As at 1 April 2018	3,450.31	154.63	52.70	297.75	527.44	**4,482.83**	16.86
Additon on account of merger*	3,294.06	169.91	86.75	91.51	161.22	**3,803.45**	153.03
Additions	1,171.33	3.61	21.02	14.46	172.40	**1,382.82**	1,303.62
Deductions/transfers^	(768.84)	(8.06)	(9.75)	(0.28)	(117.28)	**(904.21)**	(1,386.53)
Gross carrying value as at 31 March 2019	**7,146.86**	**320.09**	**150.72**	**403.44**	**743.78**	**8,764.89**	**86.98**
Accumulated depreciation as at 1 April 2018	1,646.52	92.34	22.70	150.61	187.28	**2,099.45**	-
Additon on account of merger*	1,268.18	96.90	21.76	40.95	52.05	**1,479.84**	-
Depreciation charge for the year	596.09	22.05	34.50	16.33	103.09	**772.06**	-
Deductions	(717.80)	(7.96)	(3.03)	(0.28)	(111.62)	**(840.69)**	-
Accumulated depreciation as at 31 March 2019	**2,792.99**	**203.33**	**75.93**	**207.61**	**230.80**	**3,510.66**	-
Net Carrying amount as at 31 March 2019	**4,353.87**	**116.76**	**74.79**	**195.83**	**512.98**	**5,254.23**	**86.98**

^ Includes capital work in progress written off amounting to INR16.63 lakhs (refer note no. 26)
** Addition pertains to assets acquired under finance lease.

(INR in Lakhs)

Description	Lab equipment	Furniture and fixtures	Vehicles leased	Leasehold Improvements	Office equipment	Total (A)	Capital work- in-progress
Gross carrying amount							
As at 1 April 2019	7,146.86	320.09	150.72	403.44	743.78	**8,764.89**	86.98
Deduction on account of Demerger*	-	-	(13.14)	-	(2.04)	**(15.18)**	-
Additions	1,785.55	11.95	-	137.88	174.34	**2,109.72**	2,301.43
Reclassified on account of adoption of Ind AS 116	-	-	(137.58)	-	-	**(137.58)**	-
Deductions/transfers	(209.69)	(12.21)	-	-	(85.82)	**(307.72)**	(2,133.79)
Gross carrying value as at 31 March 2020	**8,722.72**	**319.83**	**-**	**541.32**	**830.26**	**10,414.13**	**254.62**
Accumulated depreciation as at 1 April 2019	2,792.99	203.33	75.93	207.61	230.80	**3,510.66**	-
Deduction on account of Demerger*	-	-	(11.32)	-	(1.44)	**(12.76)**	-
Depreciation charge for the year	644.80	19.34	-	25.45	147.35	**836.94**	-
Reclassified on account of adoption of Ind AS 116	-	-	(64.61)	-	-	**(64.61)**	-
Deductions	(194.64)	(11.34)	-	-	(81.00)	**(286.98)**	-
Accumulated depreciation as at 31 March 2020	**3,243.15**	**211.33**	**-**	**233.06**	**295.71**	**3,983.25**	**-**
Net carrying amount as at 31 March 2020	**5,479.57**	**108.50**	**-**	**308.26**	**534.55**	**6,430.88**	**254.62**

Notes:
* Refer note 40.

Jubilant Biosys Limited
Notes to the financial statements for the year ended 31 March 2020

Note 4: Other intangible assets

(INR in Lakhs)

Description	Software
Gross carrying amount	
As at 1 April 2018	129.89
Addition on account of merger*	69.27
Additions	2.10
Deductions	-
Gross carrying value as at 31 March 2019	**201.26**
Accumulated amortisation as at 1 April 2018	81.26
Addition on account of merger*	44.17
Amortisation for the year	16.91
Deductions	-
Accumulated amortisation as at 31 March 2019	**142.34**
Net carrying amount as at 31 March 2019	**58.92**

(INR in Lakhs)

Description	Software
Gross carrying amount	
As at 1 April 2019	201.26
Additions#	46.58
Deductions	-
Gross carrying value as at 31 March 2020	**247.84**
Accumulated amortisation as at 1 April 2019	142.34
Amortisation for the year	11.93
Accumulated amortisation as at 31 March 2020	**154.27**
Net Carrying amount as at 31 March 2020	**93.57**

Additions Represent amount capitalised out of capital work in progress amounting to INR 24.07 Lakhs (Previous year NIL) during the year ended 31 March 2020

* Refer note 40.

Note 5: Investments

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Investment in equity shares (at cost)		
Unquoted investments in subsidiary company, (fully paid up)		
1,999,766 (31st March 2019: 1,999,766) equity shares of INR 10 each		
Jubilant Clinsys Limited	410.79	410.79
Total non-current investments	**410.79**	**410.79**

Note: 6 Loans

(INR in Lakhs)

	As at 31 March 2020		As at 31 March 2019 (Restated)	
	Current	Non- current	Current	Non- current
Unsecured, considered good				
Security deposits	-	332.26	-	332.26
Loan to related parties (refer note 33)	7,300.00	-	2,100.00	-
Short term deposit	0.87	-	1.12	-
Loan to employees	32.15	-	23.10	-
Total loans	**7,333.02**	**332.26**	**2,124.22**	**332.26**

Note: 7 Other financial assets

(INR in Lakhs)

	As at 31 March 2020		As at 31 March 2019 (Restated)	
	Current	Non- current	Current	Non- current
Deposits with maturity after 12 months from the reporting date*	-	10.00	-	10.00
Unbilled revenue	41.82	-	240.20	-
Interest receivable	1.35	-	1.66	-
Advance recoverable from related party (Refer note 33)	531.96	10.15	190.84	0.86
Total other financial assets	**575.13**	**20.15**	**432.70**	**10.86**

*The deposits have restricted use.

Note 8: Deferred tax

Deferred income tax reflect the net tax effect of temporary difference between carrying amount of assets and liabilities for financial reproting purpose and the amount used for income tax purpose. Significant component of the Company's net deferred income tax are as follows:

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Provision for compensated absences and gratuity	320.63	334.92
Expenditure allowed on actual payment basis	39.98	57.85
Unabsorbed depreciation	-	1,667.66
MAT Credit Entitlement	-	430.72
Accelerated depreciation for tax purposes	(715.48)	331.61
Lease liability	989.61	25.19
Others	14.12	18.60
	648.86	**2,866.55**

Reflected in the balance sheet as follows:

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Deferred tax assets	648.86	2,866.55
Deferred tax liabilities:	-	-
Deferred tax assets, net	**648.86**	**2,866.55**

Reconciliation of Deferred tax Assets (net): (INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Balance at the commencement of the year	2,866.55	875.40
Expense during the period recognised in statement of profit or loss	(2,231.60)	1,991.71
Credit during the period recognised in OCI	13.91	(0.11)
To advance tax	-	(0.45)
Balance at the end of the year	648.86	2,866.55

Note 9: Other non-current assets

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Capital advances	14.03	-
Total other non-current assets	**14.03**	-

Note 10: Inventories

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Work-in-progress	273.20	297.57
Stores and spares	34.81	18.64
Total Inventories	**308.01**	**316.21**

Note 11: Trade receivables

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Trade receivables, Unsecured		
Trade receivables, considered good	3,675.06	3,342.31
Receivables from related parties (Refer note 33)	973.37	5,245.32
Trade receivables - which have significant increase in credit risk	21.47	63.85
Less: Expected credit loss allowance (Refer note 30)	(21.47)	(63.85)
Total trade receivables	4,648.43	8,587.63

Note: 12 (a) Cash and cash equivalents

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Balances with banks		
- in current accounts	3,713.31	1,220.99
Cash on hand	0.62	1.03
Cheques/ draft on hand	-	-
Others		
Funds in transit	877.81	158.06
Total cash and cash equivalents	4,591.74	1,380.08

Disclosure on Specified Bank Notes

Information pursuant to G.S.R. 308 (E) dated 30 March 2017 issued by Ministry of corporate affairs:
The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2020.

Note: 12 (b) Other bank balances

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Deposits accounts with maturity up to twelve months from the reporting date- held as margin money*	1.35	21.67
Total other bank balance	**1.35**	**21.67**

*The amount of other bank balances have restricted use.

Note 13: Other current assets

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Prepaid expenses	270.66	257.29
Balances with government authorities	595.71	1,194.08
Advance to employees	20.48	9.00
Advance for supply of goods and services	24.74	5.26
Total other current assets	**911.59**	**1,465.63**

Note 14: Equity share capital

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Authorised		
187,620,000 equity shares of INR 10 each (31 March 19: 187,620,000 equity shares of INR 10 each)	18,762.00	18,762.00
380,000 (31 March 2019: 380,000) 12% optionally convertible non cumulative redeemable preference shares (OCPS) of INR 10 each	38.00	38.00
	22,980.00	**22,980.00**
Issued, subscribed and paid up		
187,620,000 equity shares of INR 10 each (31 March 19: 187,620,000 equity shares of INR 10 each)	18,706.13	18,706.13
	18,706.13	**18,706.13**

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	31 March 2020		31 March 2019 (Restated)	
Particulars	**Number of shares**	**INR in Lakhs**	**Number of shares**	**INR in Lakhs**
Equity shares				
At the commencement of the year	187,061,300	18,706.13	441,300	44.13
Add: Conversion of 12% OCPS into Equity Shares	-	-	186,620,000	18,662.00
At the end of the year	187,061,300	18,706.13	187,061,300	18,706.13

b) Rights, preferences and restriction attached to equity shares:-

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, the distribution will be in proportion to the number of equity shares held by the shareholders.

c) As per the terms, 12% optionally convertible non cumulative redeemable preference shares (OCPS) were convertible into fully paid up equity shares of INR 10 each at any time at the option of the Company. If not converted, these would have been redeemed at the end of five year from the date of issuance. During the previous year ended 31 March 2019, these OCPS were converted into 186,620,000 equity shares of INR 10 each. Accordingly, the difference between conversion amount and the carrying value of the instrument was recognised in capital reserve.

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

	As at 31 March 2020		As at 31 March 2019 (Restated)	
Particulars	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Equity shares of INR 10 each fully paid up held by				
Jubilant Life Sciences Limited, holding company	187,061,300	100.00%	186,620,000	99.76%

e) Equity shares held by holding company/ultimate holding company is set out below:

	As at 31 March 2020	**As at 31 March 2019 (Restated)**
Jubilant Life Sciences Limited	187,061,300	186,620,000
Jubilant Biosys (Singapore) Pte. Limited	-	295,600

f) During the five years immediatley preceeding the financials year 31 March 2020, the Company has not issued any bonus shares and shares for consideration other than cash. The Company has also not bought back any shares.

14.2) Nature and purpose of other Equity

Capital reserve

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently. It includes share based payment transaction cost as charged by the holding company.

Pursuant to the Hon'ble National Company Law Tribunal, Allahabad (NCLT) Order, the difference between the book value of the assets and liabilities transferred to the resulting company (Jubilant Therapeutics India Limited) has been credited to the Capital reserve of the Company for INR 84.80 Lakhs.

Capital redemption reserve

Capital redemption reserve represents the unutilized accumulated amount set aside at the time of redemption of shares. This reserve is utilized in accordance with the provisions of the Act.

Remeasurement of defined benefit obligation

Remeasurement of defined benefit obligation comprises actuarial gains and losses.

Securities Premium

The unutilized accumulated excess of issue price over face value on issue of shares. This reserves is utilised in accordance with the provisions of the act.

Amalgamation Adjustment Deficit Account

Pursuant to the Hon'ble National Company Law Tribunal,Allahabad (NCLT) Order, the difference between the book value of the assets, liabilities and reserves as reduced by the face value of the equity shares and compulsorily convertible preference shares to be issued by the transferee company, has been accounted to amalgamation adjustment deficit account of INR 6,162.22 Lakhs.

Retained Earnings

Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

Note 15: Borrowings

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Long term maturities of Finance lease obligations (secured)	-	52.59
Total Borrowings	**-**	**52.59**

Nature of security of Lease liabilities and other terms of repayment

Finance lease obligation are secured by hypothecation of specific assets taken under such lease. The same are repayable within five years from the inception.

Reconciliation of movement of liabilities to cash flow arising from financing activities

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
As at beginning of the year	86.49	105.95
Movement due to cash transactions as per the statement of cashflows	(3,372.79)	(55.63)
Movement due to non cash transactions:		
- Finance cost Expensed	263.46	1,162.36
- Finance cost relating to 12% optionally convertible non-cumulative redeemable preference shares	-	(1,134.00)
- New car Lease added	6.48	15.25
- Closure of car lease	(11.25)	(7.44)
- Lease liability including transition to IndAS 116	6,959.64	-
As at end of the year	**3,932.03**	**86.49**

Note 16: Provisions

(INR in Lakhs)

	As at 31 March 2020		As at 31 March 2019 (Restated)	
	Current	Non- current	Current	Non- current
Provision for employee benefits (refer note 28)	175.19	1,098.75	145.75	1,004.38
Total provisions	**175.19**	**1,098.75**	**145.75**	**1,004.38**

Note 17: Trade payables

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Current		
Total outstanding due to Micro, small and medium enterprises	129.40	125.64
Total outstanding due to other than Micro, small and medium enterprises	1,115.83	1,353.92
Total trade payables	**1,245.23**	**1,479.56**
Amount payable to related parties included in above (refer note 33)	324.81	248.56

Micro, Small and Medium Enterprises

There are no micro, small and medium enterprises, to whom the company owes dues, which are outstanding for more than 45 days/credit period as at the end of year. The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2020	As at 31 March 2019 (Restated)
The principal amount remaining unpaid to any supplier as at the end of the year	129.40	125.64
The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

Note 18: Other current financial liabilities

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Current maturities of finance lease obligations	-	33.90
Capital creditors	311.85	180.90
Employee benefits payable	286.67	306.07
Other payables (refer note no. 33)	901.21	-
Total other current financial liabilities	**1,499.73**	**520.87**

Note 19: Other current liabilities

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Advance from customers	223.92	235.11
Statutory dues payables	165.62	185.04
Income Received In Advance/Unearned Income	245.75	9.23
Total other current liabilities	**635.29**	**429.38**

Note 20: Revenue from operations

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Sale of services*	26,260.97	26,779.87
Other operating revenue		
- Scrap Sales	58.02	53.30
- Liabilities written back	1.06	-
- Others	1.90	-
Total revenue from operations	**26,321.95**	**26,833.17**

* Current Year-Nil (Previous Year INR 5,205.00 Lakhs) towards sale of patent rights to group companies (Refer Note 33).

In the following table, revenue from sale of services is disaggregated by primary geographical market

(INR in Lakhs)

Primary geographical markets	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
America	19,784.73	20,870.88
India	293.93	279.74
Europe	4,546.18	4,538.24
Rest of the world	1,636.13	1,091.01
Total Sale of services	**26,260.97**	**26,779.87**
Major service lines		
Full time equivalent (FTE)	19,115.06	14,950.38
Fee for service (FFS)	7,145.91	6,624.49
Sale of Patents	-	5,205.00
	26,260.97	**26,779.87**

Contract Balances

(INR in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019 (Restated)
Trade receivables	4,648.43	8,587.63
Unbilled revenue	41.82	240.20
Contract liabilities	469.67	244.34

The unbilled revenue primarily relate to the Company's right to consideration for work completed but not bill on reporting date. The unbilled revenue are transferred to receivables when company issues an invoice to the customer. The contract liabilities primarily relate to the advance received from customers, revenue is recognised against the same as or when the performance obligation is satified.

Out of amount of INR 244.34 Lakhs and INR 320.84 Lakhs recongised in contract liabilities at the beginning of the year, INR 240.47 Lakhs and INR 315.96 Lakhs has been recognised as revenue for the year ended 31 March 2020 and 31 March 2019, respectively.

Note 21: Other income

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Interest income	452.42	187.87
Other non-operating income	6.08	5.89
Miscellaneous provisions written back	12.61	11.53
Net foreign exchange gain	454.21	61.81
Total other income	**925.32**	**267.10**

Note 22: Changes in inventories of Raw material & work-in-progress

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Opening balance		
Raw Material	-	61.50
Work-in progress	297.57	276.47
Opening balance	297.57	337.97
Closing balance		
Work-in-progress	273.20	297.57
Closing balance	273.20	297.57
(Increase)/ decrease in inventory	**24.37**	**40.40**

Note 23: Employee benefit expense

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Salaries, wages, bonus, gratuity and allowances	6,175.04	5,719.99
Contribution to provident fund, superannuation and other funds	335.96	318.20
Staff welfare expenses	327.88	322.62
Total employee benefit expense	**6,838.88**	**6,360.81**

Note 24: Finance costs

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Interest Expense*	263.46	1,162.36
Interest on tax	28.88	0.01
Total finance cost	**292.34**	**1,162.37**

* Includes NIL (31 March 2019: INR 1,134.00 lakhs) on account of 12% optionally convertible non-cumulative redeemable preference shares. Refer note 14(c).

Note 25: Depreciation and amortisation expense

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Depreciation of property, plant and equipment	836.94	772.06
Amortisation of intangible assets	11.93	16.91
Depreciation of right of use assets	610.36	-
Total depreciation and amortisation expense	**1,459.23**	**788.97**

Note 26: Other expenses

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Consumption of stores and spares and packing materials	5,708.20	5,875.82
Processing charges	116.69	520.77
Rent	18.64	642.20
Rates and taxes	429.56	266.90
Insurance	31.89	30.08
Advertisement and sales promotion	2,164.08	1,535.26
Travelling and conveyance	305.10	288.89
Repairs and maintenance		-
Plant and machinery	581.45	554.21
Buildings	46.61	74.78
Others	187.43	151.13
Office expenses	351.98	318.98
Power and fuel	595.52	603.91
Vehicle running and maintenance	18.49	22.28
Printing and stationery	28.38	32.86
Telephone and communication charges	44.80	49.38
Staff recruitment and training	62.80	71.47
Donation (refer note no. 39)	38.93	23.44
Payments to auditors (refer note (i) below)	3.55	4.00
Legal and professional fees	626.83	1,337.88
Freight and forwarding	186.59	251.76
Capital work in progress written off	-	16.63
Subscription	158.26	106.85
Bank charges	17.33	12.30
Write off old Balances	0.83	-
Loss on sale/ write off of property, plant and equipment (net)	18.49	42.16
Provision/write off bad debts (net)	17.50	0.67
Discounts and claims to customers and other selling expenses	0.14	0.03
Miscellaneous expenses	1.47	1.45
Total other expenses	**11,761.54**	**12,836.10**

(i) Payments to auditors (excluding goods and service tax)

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
As auditor:		
Statutory audit	3.55	4.00
Total payments to auditors	**3.55**	**4.00**

Note 27: Income tax

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Statement of Profit and Loss:

Profit or loss section

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Current income tax:		
Current income tax charge for the year	301.93	351.82
Adjustments in respect of current income tax of previous year	(12.57)	-
	289.36	**351.82**
Deferred tax:		
Relating to origination and reversal of temporary differences	1,764.43	15.83
Adjustments in respect of deferred tax of previous year	36.45	0.53
Deferred tax recognised during the year	-	(2,116.58)
MAT credit on profits for the year	430.72	108.51
	2,231.60	**(1,991.71)**
Income tax expense reported in the statement of profit or loss	**2,520.96**	**(1,639.89)**
OCI section		
Tax related to items that will not be reclassified to Profit & Loss:	(13.91)	0.11
Income tax charged to OCI	**(13.91)**	**0.11**

Reconciliation between average effective tax rate and applicable tax rate for 31 March 2020 and 31 March 2019:

(INR in Lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Accounting profit before income tax	6,870.91	5,911.62
At India's statutory income tax rate of 25.17% (31 March 2019: 29.12%)	1,729.27	1,721.46
- Effect of non-deductible expenses	12.17	333.63
- Effect of deductible allowance	-	(6.19)
- Effect of rate change on deferred tax *	325.80	-
-MAT credit reversed	430.72	-
- Taxes of earlier years (True ups)	(0.05)	-
'- Effect of deferred tax recognised/(unrecognised)	-	(3,689.12)
- Others**	23.05	0.33
Income tax expense reported in the statement of profit and loss	**2,520.96**	**(1,639.89)**

* For the year ended March 31, 2020, the Company intends to exercise the option given under section 115BAA of the Income-tax Act, 1961 (Act) as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the company has recognised the provision for tax for the quarter and year ended 31 March, 2020 at the applicable tax rate of 22% (plus applicable surcharge and cess). The impact of re-measurement of deferred tax assets / liabilities was recognised in the Statement of Profit and Loss Account leading to additional net charge of INR 325.80 lakhs to the tax expense for the quarter and year ended 31 March 2020.

The Company has unabsorbed depreciation amounting to NIL (31 March 2019: INR 5,726.86 Lakhs (If not used the unused tax losses would have expired in the tax years 2019 to 2026)), respectively as at year end, available to reduce future income taxes.

** It includes INR 22 70 Lakhs pertain to reversal of Deferred Tax of Earlier years and INR 0.35 Lakhs for transfer of Unabsorbed loss to Jubilant Therapeutics India Limited pursuant on Demerger.

Note 28 Employee Benefits in respect of the Company have been calculated as under:

(a) Defined Contribution Plans

The Company contributes to the following defined contribution plan

(i) Provident Fund*

During the year the Company has contributed following amount to:
*The Company contributes share of provident fund liability and deposit it with PF Commissioner.

(INR in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Employers contribution to provident fund	203.88	188.37
Employers contribution to employee's pension scheme 1995	103.42	95.84

(ii) State Plans

During the year the Company has contributed following amount to:

(INR in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Employers contribution to employee state insurance	12.29	15.14

(b) Defined Benefit Plans

(i) Gratuity

As per Ind AS-19, Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 6.80% p.a. (31 March 2019 (Restated): 7.65%) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2019 (Restated): 58 years) and mortality table is as per IALM (2012-14) (31 March 2019 (Restated): IALM (2006-08)

The estimates of future salary increases, considered in actuarial valuation is 10% p.a. for first three years and 6% p.a. thereafter (31 March 2019 (Restated): 10% p.a. for first three years and 6% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019 (Restated)
Present value of obligation at the beginning of the year	656.97	591.79
Acquisition adjustment	(24.37)	-
Current service cost	104.45	95.25
Interest cost	48.59	45.57

Actuarial (Gain)/loss	55.28	(0.38)
Benefits paid	(93.12)	(75.26)
Present value of obligation at the end of the year	**747.80**	**656.97**

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

(INR in Lakhs)

Particulars	31 March 2020	31 March 2019 (Restated)
Present value of obligation at the end of the year	747.80	656.97
Fair value of plan assets at the end of the year	-	-
Net liabilities recognised in the Balance Sheet	747.80	656.97

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

INR in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Current service cost	104.45	95.25
Interest cost	48.59	45.57
Expense recognised in the statement of profit and loss	153.04	140.82

Amount recognised in the statement of other comprehensive income:

(INR in Lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019 (Restated)
Actuarial (gain)/loss due to Demographic assumption change	14.44	(19.48)
Acturial Loss due to Financial assumption change	47.51	1.68
Acturial Loss due to experience adjustment	(6.67)	17.42
Amount recognised in other comprehensive income	55.28	(0.38)

Company’s best estimate of contribution during next year is INR 167.92 Lakhs (31 March 2019 (Restated): INR 154.83 Lakhs)

Sensitivity analysis

Discount Rate

(INR in Lakhs)

Particulars	**31 March 2020**		**31 March 2019 (Restated)**	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	(21.70)	22.96	(23.43)	25.04

Future salary increase

Particulars	**31 March 2020**		**31 March 2019 (Restated)**	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit	22.93	(21.86)	25.20	(23.79)

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

Other Long Term Benefits (compensatory absences and sick leave)

(INR in Lakhs)

Particulars	**As at 31 March 2020**	**As at 31 March 2019 (Restated)**
Present Value at the end of the year	526.14	493.16

Maturity profile of defined benefit obligation

(INR in Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019 (Restated)
Within one year	110.77	88.61
Between one to three years	156.73	113.26
Between three to five years	108.80	81.60
Later than five years	371.52	373.49
Total	**747.81**	**656.97**

Note 29 Fair value measurements

(INR in Lakhs)

	Note	Level of hierarchy	31 March 2020 FVPL	FVOCI	Amortised cost	31 March 2019 (Restated) FVPL	FVOCI	Amortised cost
Financial assets								
Investments	(b)	-	-	-	410.79	-	-	410.79
Loans	(a,b)	-	-	-	7,665.27	-	-	2,456.48
Other financial assets	(a,b)	-	-	-	595.28	-	-	443.56
Trade receivables	(a)	-	-	-	4,648.43	-	-	8,587.63
Cash and cash equivalents	(a)	-	-	-	4,591.74	-	-	1,380.08
Other bank balance	(a)	-	-	-	1.35	-	-	21.67
Total financial assets		**-**	**-**	**-**	**17,912.85**	**-**	**-**	**13,300.21**
Financial liabilities								
Borrowings	(b)	-	-	-	-	-	-	52.59
Lease Liabilities	(a)	-	-	-	3,932.03	-	-	-
Trade payables	(a)	-	-	-	1,245.23	-	-	1,479.56
Other financial liabilities	(b)	-	-	-	1,499.73	-	-	520.87
Total financial liabilities		**-**	**-**	**-**	**6,676.99**	**-**	**-**	**2,053.02**

a. Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, for the current year the fair value disclosure of lease liabilities is not required.

b. Fair value of non-current financial assets and non-current financial liabilities have not been disclosed as there is no significant difference between carrying value and fair value

c. There are no transfer between Level 1, level 2 and level 3 during the year ended 31 March 2020 and 31 March 2019 (Restated).

Note 30: Financial risk management

(a) Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management framework is intended to ensure that risks are taken care with due diligence.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

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

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financing activities, including deposit with banks, investments, foreign exchange transactions and other financial instruments.

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

Trade receivables and other financial assets

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

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months for external customers.

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

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance), excluding receivable from group companies is INR 5.96 Lakhs (31 March 2019 (Restated): INR 22.31 Lakhs)

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

(INR in Lakhs)

	As at 31 March 2020	As at 31 March 2019 (Restated)
Opening balance as of 1 April	63.85	65.02
Add: provided for the year (net of reversal)	(42.38)	(1.17)
Balance as at end of the year	**21.47**	**63.85**

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for excepted credit loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The management is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by management. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

(INR in Lakhs)

31 March 2020	Carrying Amount	Contractual Cash flows Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Lease Liabilities	3,932.03	3,932.03	417.48	3,514.55
Trade payables	1,245.23	1,245.23	1,245.23	-
Other financial liabilities	1,499.73	1499.73	1,499.73	-

(INR in Lakhs)

31 March 2019 (Restated)	Carrying Amount	Contractual Cash flows Total	Within 1 year	More than 1 year
Non-derivative financial liabilities				
Borrowings	52.59	52.59	-	52.59
Trade payables	1,479.56	1,479.56	1,479.56	-
Other financial liabilities	520.87	520.87	520.87	-

Market risk

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

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Company companies. The currency in which the Company is exposed to risk are USD, EUR, GBP & others.

Exposure to currency risk

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

(INR in Lakhs)

	As at 31 March 2020				As at 31 March 2019 (Restated)			
	USD	**EUR**	**GBP**	**Others**	**USD**	**EUR**	**GBP**	**Others**
Trade receivables	4,413.43	51.77	-	-	8,496.93	38.95	-	-
Cash and cash equivalents	3,210.78	128.49	-	-	912.60	17.61	-	-
Trade payables	(503.44)	(17.82)	(34.29)	(13.77)	(788.26)	(16.12)	(25.73)	(20.94)
Net statement of financial position exposure	**7,120.77**	**162.44**	**(34.29)**	**(13.77)**	**8,621.27**	**40.44**	**(25.73)**	**(20.94)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Euro, US Dollar or GBP against all other currencies at 31 March 2020 & 31 March 2019 (Restated) would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(INR in Lakhs)

	Profit or loss (before tax)	
	Strengthening	**Weakening**
As at 31 March 2020		
EUR (1% movement)	1.62	(1.62)
USD (1% movement)	71.21	(71.21)
GBP (1% movement)	(0.34)	0.34
Other(1% movement)	(0.14)	0.14
As at 31 March 2019 (Restated)		
EUR (1% movement)	0.40	(0.40)
USD (1% movement)	86.21	(86.21)
GBP (1% movement)	(0.26)	0.26
Other (1% movement)	(0.21)	0.21

Note 31 Capital management

(a) Risk management

The Company's objectives when managing capital are to:

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

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

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

Net debt (total borrowings (excluding finance lease) net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet).

The company is not having any borrowings as on 31 March 2020 and 31 March 2019 (Restated) (excluding financial lease obligation)

Note 32 Segment information

An operating segment is a component that engaged is business activities of which it may earns revenues and incurs expenses, including revenue and expenses that relate to transaction with any of the other components, as far which discrete financial information is available. This Company considered one business segment i.e. Drug Discovery services as the primary reporting segment on the basis that the risk and returns of the Company primarily determined by the nature of services. Chief operating decision make of the Company is board, which reviewed the periodic result of the Company

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

Note 33 Related Party Disclosures

Related parties where control exists

Particulars	**For the year ended 31st March 2020**	**For the year ended 31st March 2019**
Holding company	Jubilant Life Sciences Limited	Jubilant Life Sciences Limited
Fellow Subsidiaries	Vanthys Pharmaceuticals Development Pvt. Ltd., Trialstat Solutions Inc.,(formerly Jubilant Drug Discovery & Development Services Inc Canada) Jubilant Clinsys Limited, Jubilant Clinsys Inc., Jubilant Innovation India Limited, Jubilant HollisterStier LLC, Jubilant DraxImage Inc, Canada, Jubilant Generics Limited, Jubilant Discovery Services LLC.(formerly Jubilant Discovery Services Inc.,) Drug Discovery & Development Solutions Limited,, Jubilant Pharma Holding Inc. Jubilant Epicore LLC, Jubilant Epipad LLC, Jubilant Episcribe LLC, Jubilant Prodel LLC,Jubilant Therapeutics India Ltd, Jubilant Therapeutics Inc., Jubilant Life Sciences NV, Jubilant Drug Development Pte. Ltd	Vanthys Phramaceutical Development Pvt. Ltd., Jubilant Drug Discovery & Development Services Inc (JDDDS Inc) Canada, Jubilant Clinsys Limited, Jubilant Clinsys Inc., Jubilant Innovation India Limited, Jubilant HollisterStier LLC, Jubilant DraxImage Inc, Canada, Jubilant Generics Limited, Jubilant Discovery Services LLC.(formerly Jubilant Discovery Services Inc.,) Drug Discovery & Deveopment Solutions Limited., Jubilant Pharma Holding Inc., Jubilant Epicore LLC., Jubilant Epipad LLC., Jubilant Episcribe LLC., Jublant Prodel LLC., Jubilant Life Sciences NV, Jubilant Drug Development Pte. Ltd
Key Management personnel	Benny Thomas – Chief Financial Officer Vikas Shreekrishna Shirsath – Managing Director. Inder Mohan Verma-Director Irfan Ali-Company Secretary	Sriram Rajagopal – Whole-time Director (till 04 Sept 2018) Benny Thomas – Chief Financial Officer Vikas Shreekrishna Shirsath – Managing Director. (part of the year from 03rd October 2018) Inder Mohan Verma – Director Irfan Ali-Company Secretary
Others	Jubilant Bhartia Foundation	Jubilant Bhartia Foundation

31 March 2020 (INR in Lakhs)

Sr. No	**Particulars**	**Holding / Subsidiary / fellow subsidiaries**	**Key management personnel**	**Total**
Description of Transactions:				
1.	**Sale of Services:**			
	Jubilant Discovery Services LLC.	26.75		26.75
	Jubilant Generics Limited	93.97		93.97
	Jubilant Epicore LLC	272.86		272.86
	Jubilant Epipad LLC	246.10		246.10
	Jubilant Episcribe LLC	22.84		22.84
	Jubilant Prodel LLC	248.87		248.87
	Jubilant Therapeutics Inc.,	685.48		685.48
2.	**Expenses recharged for facilities provided:**			
	Jubilant Clinsys Ltd	2.37		2.37
	Jubilant Innovation India Limited	0.09		0.09
	Jubilant Discovery Services LLC	57.17		57.17
	Vanthys Pharmaceutical Development Pvt. Ltd	2.52		2.52
	Drug Discovery & Development Solutions Ltd	42.49		42.49

	Jubilant Life Sciences Limited Jubilant Generics Limited Jubilant Therapeutics India Limited Jubilant Therapeutics Inc.	0.53 6.90 0.52 9.93		0.53 6.90 0.52 9.93
3.	**Expenses recharged for Cost Sharing:** Jubilant Life Sciences Limited	474.15		474.15
4.	**Expenses Charged by Fellow Subsidiaries** Jubilant Generics Limited Jubilant Life Science Limited Jubilant Life Science NV Trialstat Solutions Inc., Drug Discovery and Development Solutions Limited Jubilant Discovery Services LLC	185.90 414.41 4.90 426.96 681.60 710.63		185.90 414.41 4.90 426.96 681.60 710.63
5.	**Remuneration and related Expenses:** Dr. Vikas Shreekrishna Shirsath Mr. Benny Thomas		86.92 53.66	86.92 53.66
6.	**Reimbursement of Expenses:** Dr Inder Mohan Verma		0.98	0.98
7.	**Inter corporate deposit Given** Jubilant Life Sciences Limited	8,000.00		8,000.00
8.	**Inter corporate deposit received back** Jubilant Life Sciences Limited	2,800.00		2,800.00
9.	**Interest on Inter Corporate Deposit** Jubilant Life Sciences Limited	427.42		427.42
10.	**Expenses transferred to fellow subsidiary on account of demerger:** Jubilant Therapeutics India Limited	340.57		340.57
11.	**Income transferred to fellow subsidiary on account of demerger:** Jubilant Therapeutics India Limited	1,275.33		1,275.33
12.	**Donations:** Jubilant Bhartia Foundation	38.88		38.88
	Amount Outstanding			
13.	**Trade & Other Payables** Jubilant Life Sciences Limited Jubilant Generics Limited Trialstat Solutions Inc., Jubilant Life Sciences NV Drug Discovery & Development Solutions Ltd Jubilant Discovery Services LLC Jubilant Therapeutics India Limited	4.18 15.23 75.67 1.58 60.53 167.60 901.21		4.18 15.23 75.67 1.58 60.53 167.60 901.21
14.	**Inter Corporate Deposit receivable** Jubilant Life Sciences Limited	7,300.00		7,300.00
15.	**Trade Receivables:** Jubilant Therapeutics Inc., Jubilant Epicore LLC Jubilant Epipad LLC Jubilant Episcribe LLC Jubilant Generics Limited Jubilant Prodel LLC	256.92 246.00 197.36 15.25 86.44 171.39		256.92 246.00 197.36 15.25 86.44 171.39

16.	**Other Recoverable:**			
	Drug Discovery & Development Solutions Ltd	52.96		52.96
	Jubilant Discovery Services LLC	40.45		40.45
	Jubilant Life Science Limited	144.13		144.13
	Jubilant Clinsys Limited	0.53		0.53
	Jubilant Innovation India Limited	0.09		0.09
	Jubilant Therapeutics India Limited	0.52		0.52
	Vanthys Pharmaceuticals Development Pvt Limited	2.52		2.52
	Jubilant Generics Limited	0.06		0.06
	Jubilant Therapeutics Inc	300.86		300.86

31 March 2019 (Restated)* (INR in Lakhs)

Sr. No	Particulars	Holding / Subsidiary / Ultimate Holding / fellow subsidiaries	Key management personnel	Total
Description of Transactions:				
1.	**Sale of Goods and Services:**			
	Jubilant Life Sciences Limited	0.32		0.32
	Jubilant Discovery Services LLC.	88.89		88.89
	Jubilant Generics Limited	45.87		45.87
	Trialstat Solutions Inc.,	0.83		0.83
	Jubilant Epicore LLC	1,267.00		1,267.00
	Jubilant Epipad LLC	1,141.00		1,141.00
	Jubilant Episcribe LLC	730.00		730.00
	Jubilant Prodel LLC	2,067.00		2,067.00
2.	**Purchase of Fixed Assets :**			
	Jubilant Generics Limited	3.67		3.67
3.	**Expenses recharged for facilities provided:**			
	Jubilant Generics Limited	5.10		5.10
	Jubilant Clinsys Ltd	2.07		2.07
	Jubilant Innovation India Limited	0.06		0.06
	Jubilant Discovery Services LLC	26.60		26.60
	Vanthys Pharmaceutical Development Pvt. Ltd	10.78		10.78
	Drug Discovery & Development Solutions Ltd	56.02		56.02
	Jubilant Life Sciences Limited	2.58		2.58
	Jubilant Pharma Holding Inc.,	6.90		6.90
4.	**Expenses recharged for Cost Sharing:**			
	Jubilant Life Sciences Limited	406.04		406.04
5.	**Purchase of Business Development Services:**			
	Jubilant Discovery Services LLC	288.27		288.27
	Drug Discovery & Development Solutions Ltd	195.09		195.09
6.	**Expenses Charges by Fellow Subsidiaries**			
	Jubilant Life Sciences Limited	316.62		316.62
	Jubilant Generics Limited	157.66		157.66
	Jubilant Discovery Services LLC	400.92		400.92
	Drug Discovery & Development Solutions Ltd	575.90		575.90
	Trailstat Solutions Inc.,	423.71		423.71
7.	**Intercorporate Deposit Given**			
	Jubilant Life Sciences Limited	400.00		400.00
8.	**Donations:**			
	Jubilant Bhartia Foundation	23.34		23.34

9.	**Intercorporate Deposit received back** Jubilant Life Sciences Limited	500.00		500.00
10.	**Interest on Intercorporate Deposit** Jubilant Life Sciences Limited	141.04		141.04
11.	**Remuneration and related Expenses:** Dr.Vikas Shreekrishna Shirsath Dr. Sriram Rajagopal Mr. Benny Thomas		83.76 35.87 44.13	83.76 35.87 44.13
12.	**Professional Service Fees:** Dr.Inder Mohan Verma		127.35	127.35
	Amount Outstanding:			
13.	**Intercorporate Deposit receivable** Jubilant Life Sciences Limited	2,100.00		2,100.00
14.	**Trade payables:** Jubilant Life Sciences Limited Jubilant Discovery Services LLC Jubilant Generics Limited Trailstat Solutions Inc., Drug Discovery & Development Solutions Ltd	5.00 37.00 12.92 69.16 124.49		5.00 37.00 12.92 69.16 124.49
15.	**Professional Service Fees payable:** Dr.Inder Mohan Verma	-	108.98	108.98
16.	**Trade Receivables:** Jubilant Life Sciences Limited Jubilant Discovery Services LLC Jubilant Epicore LLC Jubilant Epipad LLC Jubilant Episcribe LLC Jubilant Generics Limited Jubilant Prodel LLC	0.29 5.75 1,268.10 1,142.00 730.63 29.76 2,068.79		0.29 5.75 1,268.10 1,142.00 730.63 29.76 2,068.79
17.	**Other Recoverable:** Drug Discovery & Development Solutions Ltd Jubilant Discovery Services LLC Jubilant Life Science Limited	6.91 13.60 171.19		6.91 13.60 171.19

***Refer note 40**

Refer note 14 (c) for Preference shares converted into equity shares during the year 31 March 2019 (Restated).

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Note 34 Contingent liabilities

Contingent liabilities to the extent not provided for:

(a) Outstanding guarantees furnished by Banks on behalf of the Company are: INR 0.35 Lakhs (31 March 2019 (Restated): INR 20.35 Lakhs).

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

The Company had entered into a lease agreement in September 2008 with AB Mallikarjuna (Landlord) for expanding its operation. Before occupying the property, certain legal lapses were identified and communicated to the landlord for corrective actions. However, no action had been taken by the landlord in due time hence the Company communicated its unwillingness to take the possession of the building and requested to refund the advance of INR.62 Lakhs. As per clause 5 of the lease agreement the landlord's claimed lock in period rental for 36 months for INR.423.90 Lakhs, the Company contested against the same. Hence, under Section 34 of the Arbitration and Conciliation Act, 1996 the landlord decided for arbitration award. The arbitrator concluded the award in July 2011 demanding INR.158.95 Lakhs. The Company filed a cross objection in the Civil Court Bangalore in 2011 on the grounds of commercial occupancy certificate not provided by the landlord and the benefit received by the landlord during the impugned lock-in period as the premises had been occupied by another tenant during the period. The legal proceedings are in progress and management is of the view that the order will be given in favour of the Company.

(c) Other contingent liabilities as at 31 March 2020:

- Interest on CENVAT credit wrongly availed and utilized INR 10.60 Lakhs (Previous year nil) based on the SCN No. 101/2019-20 dated 24/09/19 issued by the Deputy Commissioner, Central Tax, Audit
- Differential Customs duty on import of reagents covered under 38220090 INR 3.19 Lakhs (Previous year nil) based on C. No. VIII/ 48/ 72/ 2019 BACC. Gr.103 dated 19/12/2019 issued by Deputy Commissioner of Customs, Airport ad Air Cargo Complex, Bangalore.

Name of the Statute	**Nature of dues**	**As at 31 March 2020**	**As at 31 March 2019 (Restated)**
Income Tax Act, 1961 (Nil (Previous year INR 156.25 lakhs) paid under protest)	Income Tax	30,881.76	30,500.50
Finance Act, 1994	Service tax	0.68	329.43

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

Note 35 Commitments at the end of the year

(a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (Net of advances) is INR 599.13 Lakhs (31 March 2019 (Restated): INR. 384.71 Lakhs).

(b) Other Commitment

The Company is a 100% Export Oriented Unit (EOU) therefore, the Company had to earn positive net foreign exchange over a period of 5 years in view of its recognition as 100% EOU under EOU Scheme 2015-20. However, the company has already achieved the positive net foreign exchange earnings.

Note 36 Leases

(a) Leases under Ind AS 116 for the year ended 31 March 2020

The details of the right-of-use assets held by the Company is as follows:

(INR In Lakhs)

	Depreciation charge for the year ended 31 March 2020	Net carrying Amount as at 31 March 2020
Buildings	566.91	3703.72
Land	14.96	2674.05
Vehicles	28.48	41.05
Total	**610.35**	**6418.82**

Additions to the right-of-use assets during the year ended 31 March 2020 were INR 2,689.01 Lakhs.

Amount recognised in Statements of Profit or Loss:

(INR in Lakhs)

	For the year ended 31 March 2020
Interest on lease liabilities	263.47
Rental expense related to short-term lease	18.65
Total	**282.12**

Amount recognized in statement of cash flows:

(INR in Lakhs)

	For the year ended 31 March 2020
Total cash outflow for leases	3,109.33
Total	**3,109.33**

The weighted average incremental borrowing rate applied to lease liabilities, as at 1 April 2019 is 9.16%.

The difference between the operating lease commitments disclosed applying Ind AS 17 as at 31 March 2019 (Restated) in the financial statements for the year then ended and the lease liabilities recognised as at 1 April 2019 in these financial statements is primarily on account of inclusion of extension and termination options reasonably certain to be exercised and exclusion of short-term leases for which the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease, in measuring the lease liability in accordance with Ind AS 116.

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(b) As a lessor:

Maturity analysis of lease payment

(INR in Lakhs)

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019 (Restated)**
Not later than one year	0.63	-
Later than one year, not later than two years	0.66	-
Later than two years, not later than three years	0.70	-
Later than three years, not later than four years	0.74	-
Later than four years, not later than five years	0.78	-
Later than five years	-	-

Leases under Ind AS 17 for the year ended 31 March 2019 (Restated)

(i) The Company's significant operating lease arrangements are in respect of premises. These leasing arrangements, which are cancellable, range between 11 months and 10 years generally and are usually renewable by mutual agreeable terms. The aggregate lease rentals payable are charged as expenses. Rental payments under such leases are INR 321.08 Lakh.

(ii) Assets acquired under finance lease:

Future minimum lease payments and their present values under finance leases in respect of vehicles are as follows:

(INR in Lakhs)

Particular	**Minimum lease payments as at**	**Present value of minimum lease payments as at**	**Future interest as at**
	31 March 2019 (Restated)	**31 March 2019 (Restated)**	**31 March 2019 (Restated)**
Not later than one year	53.79	33.99	19.89
Later than one year but not later than five years	78.62	52.58	26.04
Later than five years	-	-	-

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

Note 37 Earnings per share

The calculation of profit attributable to equity shareholders and weighted average no. of equity shares outstanding for the purpose of basic and diluted earnings per share calculations are as follows:

(INR in Lakhs)

Particulars		**Year ended 31 March 2020**	**Year ended 31 March 2019 (Restated)**
Profit for the year for basic earnings per share		**4,349.95**	**7,551.54**
Add: Interest on 12% optionally convertible non-cumulative redeemable preference shares		-	**1,134.00**
Profit for the year for diluted earnings per share		**4,349.95**	**8,685.54**
Face value of the equity shares		**10**	**10**
Weighted average number of equity shares used in computing earnings per share			
For basic earnings per share			
No. of shares outstanding for whole year	Nos	187,061,300	441,300

Shares to be issued pursuant to merger	Nos	52,824,000	52,824,000
Add: weighted average of 12% optionally convertihle non-cumulative redeemable preference shares converted into equity shares of Rs 10 each at par on 31 January 2019	Nos		30,677,260
No. of shares for basic earnings per share	Nos	239,885,300	83,942,560
For diluted earnings per share:			
No. of shares for basic earnings per share	Nos.	239,885,300	83,942,560
CCPS to be issued pursuant to merger of Rs, 100 each. (16,998,01*100/10)	Nos.	16,998,010	16,998,010
Add: weighted average outstanding 12% optionally convertible non-cumulative redeemable preference shares before converting into equity shares of Rs 10 each at par on 31 January 2019	Nos		155,942,740
No. of shares for diluted earnings per share	**Nos.**	**256,883,310**	**256,883,310**
Earnings per share (face value of INR 10 each)			
Basic	INR	**1.81**	**9.00**
Diluted	INR	**1.69**	**3.38**

Any consequential share on conversion was considered as anti-dilutive in previous year.

Note 38: Disclosure pursuant to section 186(4) of the Companies Act, 2013 in respect of unsecured loans (refer note no. 33):

(INR in Lakhs)

	Purpose/ Term of loan	31 March 2020	31 March 2019 (Restated)
Jubilant Life Sciences Limited			
Outstanding as at beginning of the year		2,100.00	2,200.00
Given during the year	General business purpose and interest rate @ 7%	8,000.00	400.00
Repaid during the year		2,800.00	500.00
Outstanding as at end of the year		7,300.00	2,100.00
Maximum balance outstanding		9,800.00	2,100.00

Note 39: Corporate Social Responsibility (CSR) expense

(INR in Lakhs)

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019 (Restated)**
Prescribed CSR expenditure as per Section 135 of the Companies Act, 2013	38.40	22.92
Details of CSR spent during the financial year (1)		
a) Construction / acquisition of any asset	-	-
b) On purposes other than (a) above	38.40	22.92

(1) Included in Donation – Refer note 33

Note 40: During the year ended 31 March 2020, the Company has filed a Composite Scheme of Arrangement ("the scheme") for amalgamation of Jubilant Chemsys Limited, fellow subsidiary ("transferor company"), into the Company with merger appointed date of 1 April 2019 and demerger of the business of discovery and development of novel small molecules for the treatment of cancer into Jubilant Therapeutics India Ltd, fellow subsidiary ("resulting company"), with National Company Law Tribunal, Allahabad Bench. The scheme is approved by the Hon'ble National Company Law Tribunal, Allahabad (NCLT) and passed the order dated 29 June 2020. The Company has filed the Certified copy of the NCLT order with Registrar of Companies, Kanpur on 28 July 2020.

The financial statements of the Company for the year ended 31 March 2020 were approved by the Board of Directors at its meeting held on 28 May 2020 without giving effect to the Scheme considering pending receipt of the order from the NCLT. On receipt of the order dated 29 June 2020 from NCLT sanctioning the Scheme, with appointed date as 1 April 2019, and upon filing the same with Registrar of Companies, on 28 July 2020 the Scheme has become effective. Accordingly, the financial statements approved on 28 May 2020 by the Board of Directors has been revised by the Company to give effect to the aforesaid Order.

(A) Merger of Jubilant Chemsys Limited into Jubilant Biosys Limited

The amalgamation has been accounted for in the books of the Company using Pooling of Interest method as prescribed in Appendix C to Ind AS-103 ["Business combinations of entities under common control"]. Accordingly, the financial statements of the Company for the previous financial year i.e. 2018-19 have been restated as if this business combination had occurred from the beginning of the financial year 2018-19 i.e. 1 April 2018 as prescribed in the Appendix C to Ind AS-103.

Pursuant to the scheme, the book value of the assets and liabilities (including reserves) transferred from transferor company through a composite scheme of arrangement with effect from 1 April 2019 ("appointed date"). This transfer being transaction between common control entities, the assets acquired and liabilities assumed amounting to INR 819.98 lakhs have been recorded at historical cost in the financial statements of the Company. The excess of consideration over historical cost amounting to INR 6,162.22 lakhs is reflected as an amalgamation adjustment deficit account under other equity.

As per the Scheme, upon the Scheme becoming effective, as consideration for the proposed merger, the Company shall issue shares as fully paid to the equity shareholders of the transferor company as per the share entitlement ratio. The share entitlement ratio shall be 852 fully paid equity shares of the Company of INR 10 each for every 100 equity shares of the transferor company of INR 10 each fully paid up or 85 fully paid up Compulsorily Convertible Preference shares of the face value of Rs. 100 each fully paid up of the Company for every 100 fully paid up Equity Shares of the face value of Rs. 10 each held in the transferor company, to such shareholders of the transferor company existing on the Merger Record Date who are desirous of being issued equity share and compulsorily convertible preference shares in the transferee company. Accordingly, the Company will issue 52,824,000 equity shares of INR 10 each and 1,699,801 Compulsorily Convertible preference shares of INR 100 each to the shareholders.

(B) Demerger of the business of discovery and development of novel small molecules for the treatment of cancer

As per the order, the scheme has been considered in these financial statements by transferring the carrying amount of assets and liabilities pertaining to the transferred business with effect from the Appointed date, the whole of the assets and liabilities of the transferred business became the assets and liabilities of the resulting company and were transferred at their book value as per the order, as appearing in the books of the Company with effect from the appointed date (i.e. 1 April 2019).

Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the resulting company has been credited to the capital reserve (i.e. under other equity) of the Company by INR 84.80 lakhs.

As per the Scheme, upon the Scheme becoming effective, as consideration for the proposed demerger, the resulting company shall issue equity shares as fully paid to the equity shareholders of the Company as per the share entitlement ratio. The share entitlement ratio shall be 100 fully paid up equity shares of resulting company of INR 10 each fully paid up for every 631 equity shares of the Company of INR 10 each fully paid up. Accordingly, the resulting company will issue 29,645,214 equity shares of INR 10 each fully paid up.

The transactions pertaining to the transferred business of the Company from the appointed date (i.e. 1 April 2019) up to the effective date of the Scheme have been deemed to be made by resulting company.

Note 41: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

The accompanying notes form an integral part of the Financial Statements

As per report of even date attached

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

For and on Behalf of the Board of Directors of
Jubilant Biosys Limited

Gaurav Mahajan
Partner
Membership No:507857
Place: Chandigarh
Date: 23 October 2020

Vikas Shreekrishna Shirsath
Managing Director
DIN:06575460
Place: Noida
Date: 23 October 2020

Arun Kumar Sharma
Director
DIN:06991435
Place: Noida
Date: 23 October 2020

Irfan Ali
Company Secretary
Place: Noida
Date: 23 October 2020

Benny Thomas
Chief Financial Officer
Place: Bangalore
Date: 23 October 2020