

Reliance GeneMedix Limited
Balance Sheet as at March 31, 2017

Particulars	Note No.	As at	As at
		March 31, 2017	March 31, 2016
		Rs. in Lakh	Rs. in Lakh
A EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	17,746.53	17,746.53
(b) Reserves and surplus	4	(26,738.24)	(29,241.47)
		(8,991.71)	(11,494.94)
Non-current liabilities			
(a) Long term borrowing	5	9,778.09	10,654.31
		9,778.09	10,654.31
Current liabilities			
(a) Short-term borrowing	6	-	1,246.84
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		278.87	301.41
(c) Other current liabilities	7	498.91	1,037.89
		777.78	2,586.14
TOTAL		1,564.16	1,745.51
B ASSETS			
Non-current assets			
(a) Fixed assets			
(ii) Intangible assets	8	1,126.01	1,237.74
		1,126.01	1,237.74
Current assets			
(a) Inventories	9	231.83	173.50
(b) Trade receivables	10	149.18	123.79
(c) Cash and cash equivalents	11	39.52	133.12
(d) Short-term loans and advances	12	17.62	20.40
(e) Other current assets	13	-	56.96
		438.15	507.77
TOTAL		1,564.16	1,745.51
See accompanying notes forming part of the financial statements.			

For Reliance GeneMedix Limited

Sd/-

Vinay Ranade
CEO and Company Secretary

Place: Mumbai

Date: 27th September, 2017

Reliance GeneMedix Limited
Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2017	March 31, 2016
		Rs. in Lakh	Rs. in Lakh
A Continuing Operations			
Revenue			
Revenue from operations	14	365.13	259.96
Other income	15	0.05	0.09
Total Revenue		365.18	260.05
Expenses			
(a) Purchase of Stock in Trade	16	303.45	329.84
(b) Changes in Inventories of finished goods	17	(58.33)	(173.50)
(d) Depreciation and amortization	8	12.27	6.02
(e) Other expenses	18	198.87	(17.60)
Total Expenses		456.26	144.76
(loss)/ Profit for the year from Continuing Operations		(91.08)	115.29
B Discontinuing Operations			
Profit/(Loss) before tax from Discontinuing Operations	19	1,743.06	(8,597.71)
C Total Operations			
Profit/(Loss) for the year (A+B)		1,651.98	(8,482.42)
Earnings per equity share			
Basic and diluted earnings per share in Rs	21	0.87	(4.45)
See accompanying notes forming part of the financial statements.			

For Reliance GeneMedix Limited

Sd/-

Vinay Ranade
CEO and Company Secretary

Place: Mumbai
Date: 27th September, 2017

Reliance GeneMedix Limited
Cash Flow Statement for the year ended March 31, 2017

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	Rs. in Lakh		Rs. in Lakh	
Cash flow from operating activities				
Net Profit/(Loss) before tax		1,651.98		(8,482.42)
Adjustments for the year				
Depreciation	12.27		640.65	
Writeback of Loan and Interest thereon	(1,670.15)		-	
Writeback of other Liabilities	(74.12)		-	
Unrealised Exchange (Gain)/Loss	(6.64)		(130.98)	
(Profit) on Sale/Discard of fixed assets (net) (Refer note 19)	-		(1,222.68)	
Intangible assets written off (Refer note 19)	-		8,621.02	
Finance cost	-		44.62	
Bank interest	(.05)		(.09)	
Operating (Profit)/Loss before working capital changes	(1,738.69)		7,952.54	
Adjustments for:				
(Increase)in trade receivables	(35.41)		(48.39)	
Decrease in loans and advances	1.13		7.24	
(Increase)/Decrease in inventories	(72.37)		(80.67)	
Increase in trade and other payables	56.6		137.02	
		(1,788.74)		7,967.7391
Direct taxes paid		-		-
Net cash (used in)/from operating activities		(136.76)		(514.68)
Cash flow from investing activities				
Purchase of fixed assets		-		(649.87)
Money received on sale of fixed assets (Refer note 13)		56.96		1,257.16
Bank interest received		0.05		0.09
Net cash flows from investing activities		57.01		607.38
Cash flow from financing activities				
Repayment of Long term Loan		(13.86)		(20.36)
Net Cash flow (used in) financing activities		(13.86)		(20.36)
Net increase in cash and cash equivalents		(93.60)		72.34
Cash and cash equivalents at the beginning of the year		133.12		60.78
Cash and cash equivalents at the end of the year		39.52		133.12
See accompanying notes forming part of the financial statements.				

Notes:

(a) Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer Note 11)

(b) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations.

(c) The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard-3 (AS-3) on 'Cash Flow Statements'.

For Reliance GeneMedix Limited

Sd/-

Vinay Ranade
CEO and Company Secretary

Place: Mumbai

Date: 27th September, 2017

Reliance GeneMedix Limited**Notes forming part of the financial statements****Note 1: About the Company**

Reliance GeneMedix Ltd ('the Company') incorporated and domiciled in the United Kingdom. . The Company has received market authorisation to sell oncology product Temozolomide and Capecitabine in the UK and Germany which will be manufactured by the ultimate parent company Reliance Life Sciences Private Limited (RLSPL).

The Company is a subsidiary of Reliance Life Sciences BV

Note 2 : Significant accounting policies**a. Basis of preparation of financial statements**

These financial statements have been prepared for the limited purpose for comply with requirements of Section 136(1) and 137(1) of the Companies Act, 2013 with regards to circulation and filling of Financial statement of foreign subsidiary of Reliance Life Sciences Private Limited, the ultimate holding company and hence are prepared to comply in all material respects with accounting principles generally accepted in India (Indian GAAP) and provisions of the Companies Act, 2013 to the extent applicable to the Company. Accordingly, certain information as required by the Companies Act, 2013 have not been given.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian Rupees.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c. Tangible assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bring the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

d. Depreciation

Depreciation on tangible assets is provided on the difference between the cost of an item and its estimated residual value, in equal annual instalments using the depreciation rates as under:

Plant and machinery	10%–20%
Office equipment	10%–20%
Fixtures and fittings	10%–20%
Leasehold improvements/land and buildings	10%–20%

e. Intangible assets and amortisation**(a) Licenses and technical knowhow**

Acquired technical knowhow and licenses are shown at historical cost. Technical knowhow and licenses have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of technical knowhow and licenses over their estimated useful lives (15 years).

f. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first in, first out (FIFO) method. The cost of finished goods comprises raw materials, direct labor, other direct costs and an appropriate proportion of related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Provision is made for obsolete, slow-moving or defective items where appropriate.

g. Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h. Foreign currency translation

(i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transaction or that approximates the actual rate on the date of the transaction.

(ii) Monetary items denominated in foreign currency at the year-end are restated at the year-end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

(iii) Non-monetary foreign currency items are carried at cost.

(iv) In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Branch monetary assets and liabilities are restated at the year-end rates.

(v) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

i. Revenue

Revenue from sale of products are recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection as and when services are provided.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

j. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

k. Provision and Contingencies

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

Reliance GeneMedix Limited
Notes forming part of the financial statements

Note 3: Share Capital

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Issued, Subscribed and Paid-up:		
Fully Paid-up		
190,494,906 Equity Shares of Rs 9.25 each (equivalent to 10 pence each)	17,746.53	17,746.53
Total	17,746.53	17,746.53

Note 4: Reserves and surplus

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
<u>Securities Premium</u>		
Balance as per last Balance sheet	27,951.98	27,951.98
<u>Exchange Reserve (Refer note 1 below)</u>		
Balance as per last Balance sheet	(432.02)	(432.02)
<u>Foreign Currency Translation Reserve (Refer note 2 below)</u>		
	775.75	(75.50)
<u>Balance in Statement of Profit and Loss</u>		
As per last Balance Sheet	(56,685.93)	(48,203.51)
Add: (Loss)/Profit for the year	1,651.98	(8,482.42)
	(55,033.95)	(56,685.93)
Total	(26,738.24)	(29,241.47)

Notes:

1) Exchange reserve represents the cumulative foreign currency translation difference. The Company's functional currency have changed to Euro (€) from GBP (£) from 1 April 2008. The Exchange reserve was carried forward from 31 March 2008, as a result of the cumulative balance of functional currency being translated into presentation currency.

2) The Company maintains its books of account in Euro. However, these financial statements have been presented in Indian Rupees in Lakh by translating the balance sheet items and items of Statement of Profit and Loss at the closing rate of exchange and the average rate of exchange respectively. The resultant difference has been recorded as Foreign Currency Translation Reserve.

Note 5: Long-term borrowing

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Unsecured		
Loan from holding company	9,778.09	10,654.31
Total	9,778.09	10,654.31

Note:

On 8 January 2010, the Company entered into a 7% unsecured loan agreement with Reliance Life Sciences B.V, the holding company. The above loan agreement went under series of revision based on company's business plans for increasing the loan amount and tenure. As per current revision the entire amount borrowed is repayable in three equal instalments on 31 March 2020, 2021 and 2022 and no interest will be charged by the holding company.

Note 6: Short term borrowing

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Unsecured		
4% Convertible loan	-	1,246.84
Total	-	1,246.84

Note 7: Other current liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Interest accrued and due on short term borrowings	-	478.67
Payable on purchase of fixed assets	498.91	542.84
Security deposit received	-	16.38
Total	498.91	1,037.89

Reliance GeneMedix Limited
Notes forming part of the financial statements

(Rs. in Lakh)												
Note 8: Fixed assets												
Particulars	Gross Block				Depreciation / Amortisation						Net Block	Net Block
	As at April 1, 2016	Additions	Deductions	Translation	As at March 31, 2017	Up-to March 31, 2016	For the year	On disposals	Translation	Up-to March 31, 2017	As at March 31, 2017	As at March 31, 2016
Intangible Assets												
License Fees	1,244.02	-	-	(100.69)	1,143.33	6.28	12.27	-	(1.23)	17.32	1,126.01	1,237.74
Grand Total	1,244.02	-	-	(100.69)	1,143.33	6.28	12.27	-	(1.23)	17.32	1,126.01	1,237.74
Previous Year	17,888.99	1,192.71	19,245.67	1,407.99	1,244.02	9,200.8	640.65	10,533.21	698.06	6.28	1,237.74	-

Note 9: Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Stock-in-trade	231.83	173.50
Total	231.83	173.50

Note 10 Trade receivables

(unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Others	149.18	123.79
Total	149.18	123.79

Note 11: Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
(a) Cash on hand	-	0.13
(b) Balances with banks in current account	28.76	100.77
in deposit account	10.76	32.22
Total	39.52	133.12

Note 12: Short-term loans and advances

(Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Deposit	8.09	-
Prepaid expenses	1.64	1.19
Balance with Government authorities	7.89	19.21
Total	17.62	20.40

Note 13: Other Current Assets

(Unsecured, considered good)

Particulars	As at March 31, 2017	As at March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Receivable on sale of fixed assets	-	56.96
Total	-	56.96

Reliance GeneMedix Limited

Notes forming part of the financial statements

Note 14: Revenue from operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Sale of traded goods	251.46	187.67
Sale of Services	113.67	72.29
Total	365.13	259.96

Note 15: Other income

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Bank interest	0.05	0.09
Total	0.05	0.09

Note 16: Purchase of stock-in-trade

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Purchase of stock-in-trade	303.45	329.84
Total	303.45	329.84

Note 17: Changes in inventories of finished goods

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Inventories at the end of the year		
Stock-in-trade	231.83	173.5
Inventories at the beginning of the year		
Stock-in-trade	173.5	-
Total	(58.33)	(173.50)

Reliance GeneMedix Limited

Notes forming part of the financial statements

Note 18: Other expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Insurance	6.27	2.69
Business promotion and distribution	25.51	23.81
Rates and taxes	-	6.95
Professional fees	19.35	-
Payment to auditors	16.56	8.13
Director sitting fees	9.6	10.61
Analytical and testing expenses	21.68	14.59
Foreign exchange fluctuation (net)	93.31	(97.38)
Miscellaneous expenses	6.59	13.00
Total	198.87	(17.60)

Note:

Miscellaneous expenses includes legal expenses, Inspection fee and bank charges

Note 19: Discontinued operations

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
	Rs. in Lakh	Rs. in Lakh
Revenue from operations		
Sale of Products	-	86.26
Total Revenue from Operations	-	86.26
Expenses		
Cost of material consumed	-	90.02
Employee benefits expense	-	402.78
Depreciation and amortization	-	634.63
Intangible Assets written off	-	8,621.02
Other expenses	1.21	113.58
Total Expenses	1.21	9,862.03
Operating (Loss) before tax	(1.21)	(9,775.77)
Less :Finance cost	-	(44.62)
Profit on sale/discard of fixed assets	-	1,222.68
Writeback of Loan and Interest thereon	1,670.15	-
Writeback of other Liabilites	74.12	-
(Loss) before tax	1,743.06	(8,597.71)
Cash Flow from Discontinued Operations		
	Rs. in Lakh	Rs. in Lakh
Net Cash (used in) operating activities	(1.44)	(437.56)
Cash flows from investing activities	56.96	1,257.16
Cash flows (used in) financing activity	-	-

Reliance GeneMedix Limited

Notes forming part of the financial statements

Note 20: Related party transactions**(a) Name of related parties and description of relationship.**

Name of the Related Party	Relationship
Reliance Life Sciences Private Limited	Ultimate Holding Company
Reliance Life Sciences BV	Holding Company
R.A.Mashelkar	Key management person
K.V. Subramaniam	Key management person

Reliance GeneMedix Limited
Notes forming part of the financial statements

(b) Details of Transactions with related parties during the year				
Nature of Transactions	Ultimate Holding Company	Holding Company	Key Management Person	Total
	Rs. in Lakh			
Royalty Income				
Reliance Life Sciences Private Limited	113.67 (72.29)	- (-)	- (-)	113.67 (72.29)
Purchase of trade goods				
Reliance Life Sciences Private Limited	303.45 (329.84)	- (-)	- (-)	303.45 (329.84)
Purchase of fixed assets (License)				
Reliance Life Sciences Private Limited	- (1,192.71)	- (-)	- (-)	- (1,192.71)
Sale of consumables				
Reliance Life Sciences Private Limited	- (86.26)	- (-)	- (-)	- (86.26)
Remuneration				
R.A Mashelkar	- (-)	- (-)	8.57 (9.47)	8.57 (9.47)
K.V. Subramaniam	- (-)	- (-)	1.03 (1.14)	1.03 (1.14)
Related party balances as at March 31, 2017				
Remuneration Payable				
Mr. R.A Mashelkar	- (-)	- (-)	24.27 (19.09)	24.27 (19.09)
Mr. K.V. Subramaniam	- (-)	- (-)	4.85 (4.58)	4.85 (4.58)
Mr. Atul Dayal	- (-)	- (-)	- (41.77)	- (41.77)
Mr. Dileep C Choksi	- (-)	- (-)	- (13.21)	- (13.21)

Reliance GeneMedix Limited
Notes forming part of the financial statements

Nature of Transactions	Ultimate Holding Company	Holding Company	Key Management Person	Total
	Rs. in Lakh			
Trade payable and payable on purchase of fixed assets				
Reliance Life Sciences Private Limited	727.13 (704.90)	- (-)	- (-)	727.13 (704.90)
Trade receivable				
Reliance Life Sciences Private Limited	107.02 (75.40)	- (-)	- (-)	107.02 (75.40)
Borrowings				
Reliance Life Sciences BV	- (-)	9,778.09 (10,654.31)	- (-)	9,778.09 (10,654.31)
Equity Shares				
Reliance Life Sciences BV	- (-)	14,122.69 (14,122.69)	- (-)	14,122.69 (14,122.69)
Note: Figures of the previous year are in brackets.				

Note 21: Earning per equity share		
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) (Loss) for the year attributable to equity share holders (Rs in Lakh)	1,651.98	(8,482.42)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	190,494,906	190,494,906
(c) Earnings per share - Basic and diluted in Rs	0.87	(4.45)
(d) Nominal value of shares (equivalent to 10 pence each)	9.55	9.25

Reliance GeneMedix Limited

Notes forming part of the financial statements

Note 22: Segment reporting:

The Company operates in single business segment of ' Trading Oncology Segment'. These in the context of Accounting Standard 17 on 'Segment Reporting' are considered to constitute a single reportable segment.

Note 23: Taxation:

In accordance with the Accounting Standard 22 on 'Accounting for taxes on income' (AS-22), deferred tax assets and liability should be recognised for all timing differences in accordance with the said standard. However considering the present financial position and requirements of the said AS - 22 regarding certainty / virtual certainty, there is no deferred tax assets is recognised in the financial statement. However the same will be re-assessed at subsequent balance sheet date and will be accounted for in the year of certainty / virtual certainty in accordance with the aforesaid Accounting Standard.

Note 24: Going concern:

During previous year, the Company received market authorisation for selling its oncology product Temozolomide in UK and won a tender in UK. More applications are in pipeline for market authorisation for the company in Oncology Segment. Therefore the company is now focusing on trading of Pharmaceutical Oncology Product in UK and Europe.

The directors, having assessed the financial budget of 2017-18 and business plan of trading Pharmaceuticals Oncology products for the next 3 years, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue its operations as envisaged in the budget. The Company will also have the support of its parent company, as needed and as such the directors are certified the "Going Concern" basis for preparing the financial statements is appropriate. In view thereof, despite erosion of the entire net worth of the Company, these financial statements have been prepared on a going concern basis which is dependent upon the successful implementation of the aforesaid business plan

Note 25: Previous year's figures:

The financial statements have been prepared for the limited purpose for comply with requirements of Section 136(1) and 137(1) of the Companies Act, 2013 with regards to circulation and filling of Financial statement of foreign subsidiary of Reliance Life Sciences Private Limited, the ultimate holding company and will not be suitable for any other purpose. The previous year figures have been regrouped/ reclassified, wherever necessary.

Reliance GeneMedix Limited

Notes forming part of the financial statements

Signature to Note 1 to 25

In terms of our report attached

For Reliance GeneMedix Limited

Sd/-

Vinay Ranade
CEO and Company Secretary

Place: Mumbai

Date: 27th September, 2017