

Reliance Life Sciences B. V.
Balance Sheet as at 31st March, 2016

	Note	As at		(Rs. in Lakh)
		31st March, 2016		As at 31st March, 2015
EQUITY AND LIABILITIES				
Shareholders' Funds				
Share Capital	1	21,252.96		18,940.07
Reserves and Surplus	2	<u>(31,275.89)</u>	<u>(10,022.93)</u>	<u>(551.98)</u> 18,388.09
Non-Current Liabilities				
Long Term Borrowings	3		10,918.57	9,730.34
Current Liabilities				
Trade Payables			6.92	20.07
TOTAL			<u><u>902.56</u></u>	<u><u>28,138.50</u></u>
ASSETS				
Non-Current Assets				
Non-current investments	4	84.03		18,619.33
Long-term loans and advances	5	<u>815.26</u>	<u>899.29</u>	<u>9,512.98</u> 28,132.31
Current Assets				
Cash and Bank Balances	6	1.68		5.06
Short-term loans and advances	7	<u>1.59</u>	<u>3.27</u>	<u>1.13</u> 6.19
TOTAL			<u><u>902.56</u></u>	<u><u>28,138.50</u></u>

Significant Accounting Policies
Notes on Financial Statements

1 to 14

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Regn No. – 101720W

For and on behalf of the Board

Sd/-
Jignesh Mehta
Partner
Membership No. --102749
Place : Navi Mumbai
Date: 27th September , 2016

Sd/-
Vinay Ranade
Director

Reliance Life Sciences B. V.
Statement of Profit and Loss for the year ended 31st March, 2016

	Note	2015-16	(Rs. in Lakh) 2014-15
INCOME			
Interest Income		-	-
Total Revenue		<u>-</u>	<u>-</u>
Expenses			
Other expenses	8	8.08	28.69
Total Expenses		<u>8.08</u>	<u>28.69</u>
Profit/ (Loss) Before Exceptional Items		(8.08)	(28.69)
Less :Exceptional Items	9	<u>(30,648.07)</u>	<u>-</u>
Profit/ (Loss) before tax		<u>(30,656.15)</u>	(28.69)
Tax Expense:			
Current Tax		-	-
Profit/ (Loss) for the year		<u><u>(30,656.15)</u></u>	<u><u>(28.69)</u></u>
Earnings per ordinary share of face value of Rs 75.40 (Previous year Rs 67.19)			
Basic	10	(85,156)	(80)
Diluted	11	(85,156)	(80)

Significant Accounting Policies
Notes on Financial Statements
As per our Report of even date

1 to 14

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Reliance Life Sciences B. V.
Cash Flow Statement for the year 2015-16

	2015-16	(Rs. in Lakh) 2014-15
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	(30,656.15)	(28.69)
Adjusted for:		
Accrued Interest Writeoff/Write back (net)	-	20.29
Exchange Gain/loss(net)	0.26	0.27
Provision for Diminution in Value of Investment	20,809.02	-
Provision for Doubtful recovery of Loan	9,839.05	-
	-	
Operating Profit/(loss) before Working Capital Changes	(7.82)	(8.13)
Adjusted for:		
Trade and Other Receivables	(0.33)	(1.00)
Trade and Other Payables	(15.59)	9.69
	(15.92)	8.69
Cash Generated/(used) from Operations	(23.74)	0.56
Taxes Paid	-	-
Net Cash from/ (used in) Operating Activities	(23.74)	0.56
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from Long Term Loan Given	20.36	-
Net Cash from/ (used in) Investing Activities	20.36	-
C: CASH FLOW FROM FINANCING ACTIVITIES:	-	-
Net Increase/ (Decrease) in Cash and Cash Equivalents	(3.38)	0.56
Opening Balance of Cash and Cash Equivalents	5.07	4.51
Closing Balance of Cash and Cash Equivalents	1.69	5.07
(Refer Note No. 6)		

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Regn No. – 101720W

For and on behalf of the Board

Sd/-
Jignesh Mehta
Partner
Membership No. --102749
Place : Navi Mumbai
Date: 27th September , 2016

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Vinay Ranade
Director

Reliance Life Sciences B. V.

SIGNIFICANT ACCOUNTING POLICIES

Reliance Life Sciences B.V. incorporated in Netherlands is having its registered office at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands.

A Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India.

B Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of 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 Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they are related to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

D Investments

Current Investments are stated at lower of cost and quoted /fair value, computed category wise. Long Term investments are stated at cost. Provision for diminution in value of long-term investment is made only if such a decline is other than temporary.

E Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

F Provision for Tax

Provision for tax is made after taking into consideration benefits admissible under provisions of the taxation laws of Netherlands.

G Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Reliance Life Sciences B. V.

Notes on Financial Statements for the year ended 31st March, 2016

The previous year figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.

1 SHARE CAPITAL

		As at	(Rs. in Lakh)
		31st March, 2016	As at 31st March, 2015
Authorised Share Capital:			
10,000,000	Ordinary Shares of Rs. 75.40 each	7,539.50	6,719.00
(10,000,000)	(Previous year Rs 67.19 each) (Equivalent to Euro 1 each)		
40,000,000	Preference Shares of Rs. 75.40 each	30,158.00	26,876.00
(40,000,000)	(Previous year Rs 67.19 each) (Equivalent to Euro 1 each)	37,697.50	33,595.00
Issued, Subscribed and Paid-up:			
Fully Paid-up			
36,000	Ordinary Shares of Rs. 75.40 each	27.14	24.19
(36,000)	(Previous year Rs 67.19 each) (Equivalent to Euro 1 each)		
28,152,819	5% Non-Cumulative Compulsorily Convertible Preference Shares of Rs. 75.40 each	21,225.82	18,915.88
(28,152,819)	(Previous year Rs 67.19 each) (Equivalent to Euro 1 each)		
TOTAL		21,252.96	18,940.07

1.1 Reconciliation of Ordinary shares Outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2016	As at 31st March, 2015
Ordinary Shares at the beginning	36 000	36 000
Add : Shares issued during the year	-	-
Less : Shares cancelled during the year	-	-
Ordinary Shares at the end of the year	36 000	36 000

1.2 Reconciliation of 5% Non-Cumulative Compulsorily Convertible Preference Shares Outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2016	As at 31st March, 2015
Preference Shares at the beginning	2 81 52 819	2 81 52 819
Add : Shares issued during the year	-	-
Less : Shares cancelled during the year	-	-
Preference Shares at the end of the year	2 81 52 819	2 81 52 819

Reliance Life Sciences B. V.

Notes on Financial Statements for the year ended 31st March, 2016

1.3 The details of Ordinary Shareholders holding more than 5% shares:

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	%held	No of Shares	%held
Ordinary Share of Euro 1 each				
Reliance Life Sciences Private Limited	36 000	100%	36 000	100%

1.4 The details of Preference Shareholder holding more than 5% shares:

Preference Share of Euro 1 each				
Reliance Life Sciences Private Limited	2 81 52 819	100%	2 81 52 819	100%

- 1.5 The 5% Non-cumulative compulsorily convertible preference shares will have to be converted into ordinary shares, at any time during the first 5 years at fair value of the ordinary shares and at any time after 5 years till 10 years at a discount of 10% to the fair value of the ordinary shares.

At the end of 10 years, the preference shares shall be mandatorily converted into ordinary shares at a discount of 10% to the fair value of ordinary shares.

2 RESERVES AND SURPLUS

Surplus/ (Deficit) in Statement of Profit and Loss	As at 31st March, 2016		<i>(Rs. in Lakh)</i> As at 31st March, 2015	
	As per last Balance Sheet	(619.39)		(527.11)
Add: Profit/ (Loss) for the year	<u>(30,656.15)</u>	<u>(31,275.54)</u>	<u>(28.69)</u>	<u>(555.80)</u>
Foreign Currency Translation Reserve#		<u>(0.35)</u>		<u>3.82</u>
TOTAL		<u><u>(31,275.89)</u></u>		<u><u>(551.98)</u></u>

The Company maintains its books of account in Euro. However, these financial statements have been presented in Indian Rs. 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.

3 LONG TERM BORROWINGS

Other Loans-Unsecured	As at 31st March, 2016		<i>(Rs. in Lakh)</i> As at 31st March, 2015	
	Loan from Holding Company (Refer Note No. 12)		10,918.57	
TOTAL		<u><u>10,918.57</u></u>		<u><u>9,730.34</u></u>

- 3.1 Loans from Holding Company is repayable in three equal annual installments after March 31, 2017.

Reliance Life Sciences B. V.
Notes on Financial Statements for the year ended 31st March, 2016

4 NON-CURRENT INVESTMENTS

(Long Term Investments) (Valued at cost less other than temporary diminuation in value, if any)	As at 31st March, 2016	(Rs. in Lakh) As at 31st March, 2015
Trade Investments		
In Equity Shares of Subsidiary Company		
Unquoted, fully paid up		
151,602,489 Reliance GeneMedix Limited of Pound 0.10 per (151,602,489) share	20,893.05	18,619.33
Less: Provision for Diminution in Value of Investment	(20,809.02)	-
TOTAL	84.03	18,619.33
Aggregate amount of unquoted investments	20,893.05	18,619.33

5 LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)	As at 31st March, 2016	(Rs. in Lakh) As at 31st March, 2015
Loans and Advances to Related Party (Refer Note No. 12)	10,654.31	9,512.98
Less: Provison for Doubtful recovery of Loan	(9,839.05)	-
TOTAL	815.26	9,512.98

6 CASH AND BANK BALANCES

Cash and Cash Equivalents	As at 31st March, 2016	(Rs. in Lakh) As at 31st March, 2015
Balance with Bank	1.68	5.06
TOTAL	1.68	5.06

7 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)	As at 31st March, 2016	(Rs. in Lakh) As at 31st March, 2015
Balance with Revenue Authorities	0.74	0.37
Others	0.85	0.76
TOTAL	1.59	1.13

Reliance Life Sciences B. V.

Notes on Financial Statements for the year ended 31st March, 2016

8 OTHER EXPENSES

	2015-16	<i>(Rs. in Lakh)</i> 2014-15
General and Administration expenses		
Professional and Consultancy Fees	6.63	7.72
Other Miscellaneous	1.45	0.68
Interest accrued Write-off/Write back(Net)	-	20.29
TOTAL	<u>8.08</u>	<u>28.69</u>

9 EXCEPTIONAL ITEMS

		<i>(Rs. in Lakh)</i>
Provision for Diminution in Value of Investment	20,809.02	-
Provision for Doubtful recovery of Loan	9,839.05	-
TOTAL	<u>30,648.07</u>	<u>-</u>

Company has Invested Euro 277 11 456 in Equity in its subsidiary. It has also given long term loan of Euro 141 31 320 to it.

It's subsidiary has utilised these amount for development of product Erythropoietin (EPO) . During the year, consequent to closure of manufacturing operations, disposal of all of its tangible assets and write-off intangible assets representing the product development expenditure by subsidiary, Company has impaired its investments in subsidiary and also provided for doubtful recovery of loans from its subsidiary company.

10 BASIC EARNING PER SHARE

	2015-16	<i>(Rs. in Lakh)</i> 2014-15
a) Net profit / (loss) for the year available for Ordinary shareholders. (Numerator used for calculation)	(30,656.15)	(28.69)
b) Weighted average number of Ordinary shares (Denominator used for calculation)	36 000	36 000
c) Basic Earning per share (Euro)	(85,156)	(80)
d) Face Value per Ordinary Share (Euro)	75.40	67.19

Reliance Life Sciences B. V.

Notes on Financial Statements for the year ended 31st March, 2016

11 DILUTED EARNING PER SHARE

	2015-16	<i>(Rs. in Lakh)</i> 2014-15
a) Net profit / (loss) for the year available for Ordinary shareholders. (Numerator used for calculation)	(30,656.15)	(28.69)
b) Weighted average number of Ordinary shares	36 000	36 000
Add: Weighted average potential number of Ordinary shares *	-	-
Weighted average number of diluted Ordinary shares (Denominator used for calculation)	36 000	36 000
c) Diluted Earning per share (Euro)	(85,156)	(80)
d) Face Value per Ordinary Share (Euro)	75.40	67.19

* The Company carries dilutive capital in the form of 5% Non Cumulative Compulsorily Convertible Preference Shares. However Preference Shares are convertible at fair value of Ordinary shares at the time of conversion; hence the number of Ordinary shares to be issued is presently not ascertainable; therefore these are not considered for calculation of dilutive earning per share.

12 RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Life Sciences Private Limited	Holding Company
2	Reliance GeneMedix Limited, U.K.	Subsidiary Company

(ii) Transactions during the year with related parties (excluding reimbursements):

Sr. No.	Nature of Transaction	<i>(Rs. in Lakh)</i>
		2015-16 2014-15
		Holding Company
1	Accrued Interest Write back	- 2,862.02
		Subsidiary
2	Accrued Interest Write-off	- 2,883.65
3	Repayment of Loan Given	20.36 -

Reliance Life Sciences B. V.

Notes on Financial Statements for the year ended 31st March, 2016

	Balances as at 31st March, 2016	Balances as at 31st March, 2015	
	Holding Company		
4	Unsecured Loans	10,918.57	9,730.34
		Subsidiary	
5	Investments	20,893.05	18,619.33
6	Loans & Advances given	10,654.31	9,512.98

Disclosure in Respect of Material Related Party Transactions during the year:

- 1 Interest Accrued write back include write back of interest payable to Reliance Life Sciences Private Limited Nil (Previous year Rs. 2862.02 Lakh).
 - 2 Interest Accrued write-off include interest receivable from Reliance Genemedix Limited Nil (Previous year Rs. 2883.65 Lakh)
 - 3 Repayment of Loan Given include repayment by Reliance Genemedix Limited Rs. 20.36 Lakh (Previous Year Nil).
 - 4 Unsecured Loans balances include Reliance Life Sciences Private Limited Rs. 10,918.57 Lakh (Previous Year Rs. 9,730.34).
 - 5 Loans & Advances given include Reliance Genemedix Limited Rs. 10,654.31 Lakh (Previous Year Rs. 9,512.98 Lakh).
- 13** 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 holding company and will not be suitable for any other purpose.
- 14** The Activities of the company mainly comprise of Investment and all other activities revolve around its main business. As such there are no separate reportable segments and hence information as required by Accounting Standard - 17 on Segment Reporting is not given.

As per our Report of even date

For Chaturvedi & Shah

Chartered Accountants
Firm Regn No. – 101720W

Sd/-

Jignesh Mehta

Partner

Membership No. --102749

Place : Navi Mumbai

Date: 27th September , 2016

For and on behalf of the Board

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Director