

VALIA & TIMBADIA
CHARTERED ACCOUNTANTS

ARVIND P. VALIA
B.COM. (Hons.), F.C.A.
HITEN C. TIMBADIA
B.COM. L.L.B. (GEN), F.C.A.

Tel: Off: 2269 2624 / 2269 9664/40040216
E-mail: valtim09@gmail.com
32, Trinity Chambers,
117, Bora Bazar Street, Fort,
Mumbai – 400 001.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUN PHARMACEUTICALS UK LTD.

Report on the Financial Statements

We have audited the accompanying Financial Statements of **SUN PHARMACEUTICALS UK LTD.** (the "Company"), which comprise the Balance Sheet as at September 26, 2017 and the Statement of Profit and Loss (including other Comprehensive income), and Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management of the Company is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards and Accounting Principles generally accepted in India including the Accounting Standards (Ind AS). The responsibility includes the design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management of the Company, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion these financial statements.

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Emphasis of Matters

The Company has passed special Resolution on September 26, 2017 to wound up voluntarily and appointed liquidator for that purpose and accordingly the financial statements have been prepared on a break up basis and not on a going concern. Further the Other Income includes GBP 113198 being release of repayment of loan obligation to Alkoloida Chemical Company Zrt as per the deed of release entered by the parties.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements read with Notes to the financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the financial position of the Company as at September 26, 2017, and its financial performance including other comprehensive income, and the changes in equity for the period ended on that date.

FOR **VALIA AND TIMBADIA**
CHARTERED ACCOUNTANTS
(Firm Registration No. 112241W)

HITEN C.TIMBADIA
Partner
Membership No. 038429.

PLACE: Hoofddorp, The Netherlands
DATED: 24th of April, 2018.

SUN PHARMACEUTICALS UK LIMITED
BALANCE SHEET AS AT September 26,2017

in GBP

	Notes	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
ASSETS				
Non-current assets				
Property, plant and equipment	3	-	-	636
Capital work-in-progress		-	-	-
Other intangible assets		-	-	-
Intangible assets under development		-	-	-
Investments in subsidiaries		-	-	-
Investments in associates		-	-	-
Financial assets		-	-	-
Investments		-	-	-
Loans		-	-	-
Other financial assets		-	-	-
Deferred tax asset, net		-	-	-
Other non-current assets		-	-	-
Total non-current assets		-	-	636
Current assets				
Inventories	4	-	-	571,382
Financial assets		-	-	-
Other investments		-	-	-
Trade receivables	5	-	-	963,658
Cash and cash equivalents	6	-	4,016	969,540
Bank balances other than (Note: 6) above		-	-	-
Loans		-	-	-
Other financial assets		-	-	-
Other current assets	7	-	-	10,362
Total current assets		-	4,016	2,514,942
TOTAL ASSETS		-	4,016.0	2,515,578
EQUITY AND LIABILITIES				
Equity				
Equity share capital	8	1,000	1,000	1,000
Share application money pending allotment		-	-	-
Other equity		(1,000)	(1,132,734)	(1,123,321)
Total equity		0	(1,131,734)	(1,122,321)
Non-current liabilities				
Financial liabilities		-	-	-
Borrowings	9	-	1,135,000	1,017,383
Other financial liabilities		-	-	-
Deferred tax liabilities (Net)		-	-	-
Provisions		-	-	-
Total non-current liabilities		-	1,135,000	1,017,383
Current liabilities				
Financial liabilities		-	-	-
Borrowings		-	-	-
Trade payables	10	-	-	2,181,733
Other financial liabilities		-	-	-
Provisions	11	-	-	413,902
Other current liabilities	12	-	750	24,881
Total current liabilities		-	750	2,620,516
TOTAL EQUITY AND LIABILITIES		0.0	4,016	2,515,578

See accompanying notes to the financial statements
In terms of our report of even date attached
For Valia & Timbadia
Chartered Accountants
FRN:112241W

For and on behalf of the Board

Hiten C Timbadia
Partner
Member No:038429
Date: 24th of April 2018
Place: Hoofddorp, The Netherlands

Prashant Savla
Director
Date: 24th of April 2018
Place: Hoofddorp, The Netherlands

SUN PHARMACEUTICALS UK LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED September 26,2017

in GBP

	Notes	Year ended 26-Sep-17	Year ended 31-Mar-17
Revenue from operations	13		571,382
Other income	14	1,131,918	562
Total income		1,131,918	571,944
Expenses			
Cost of material consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories	15	-	571,382
Employee benefits expense		-	-
Finance costs	16	-	6,189
Depreciation and amortisation expense		-	-
Other expenses	17	183.71	3,784
Total expenses		183.71	581,355
Profit/(Loss) before exceptionals item and tax		1,131,734.03	(9,411)
Exceptional items			
Profit/Loss before tax		1,131,734.03	(9,411)
Tax expenses			
Current tax			
Deferred tax			
Profit/(Loss) for the year		1,131,734	(9,411)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans			
Income tax on above			
Equity instruments through other comprehensive income			
Income tax on above			
		-	-
Items that will be reclassified to profit or loss			
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge			-
Income tax on above			
		-	-
Total other comprehensive income		-	-
Total comprehensive loss for the year		1,131,734	(9,411)
Earnings per equity share (face value per equity shares - ` 10)		11,317.34	(94.11)
Basic (in `)			
Diluted (in `)			
See accompanying notes to the financial statements In terms of our report of even date attached			
For Valia & Timbadia Chartered Accountants FRN:112241W		For and on behalf of the Board	
Hiten C Timbadia Partner Member No:038429 Date: 24th of April 2018 Place: Hoofddorp, The Netherlands		Prashant Savla Director Date: 24th of April 2018 Place: Hoofddorp, The Netherlands	

SUN PHARMACEUTICALS UK LIMITED
STATEMENT OF CHANGES OF EQUITY FOR THE YEAR ENDED September 26, 2017
NOTE 11

	in GBP												
	Share application money pending allotment	Share suspense account	Capital reserve	Securities premium reserve	Debt redemption reserve	Share option outstanding account	Amalgamation reserve	Capital redemption reserve	General reserve	Retained earnings (Surplus in profit and loss)	Other comprehensive income through OCI	Effective portion of cash flow hedge	Total
Balance as at April 1, 2016										1,123,321		-	1,123,321
Loss for the year										9,411.0		-	9,411
Other comprehensive income for the year, net of income tax												-	-
Total comprehensive income for the year										9,411.0			9,411
Payment of dividend													
Corporate dividend tax													
Scheme of amalgamation													
Transfer of capital redemption reserve													
Transfer of debt redemption reserve													
Issue of share capital													
Buy-back of equity shares													
Exercise of share option													
Transfer to General Reserve													
Share-based payments (amortisation)													
Balance as at March 31, 2017										1,132,734.0			1,132,734
Profit/(Loss) for the year										1,131,734			1,131,734
Other comprehensive income for the year, net of income tax													
Total comprehensive income for the year										1,131,734.0			1,131,734
Payment of dividend													
Corporate dividend tax													
Transfer to revaluation													
Transfer of capital redemption reserve													
Issue of share capital													
Buy-back of equity shares													
Exercise of share option													
Transfer to General Reserve													
Share-based payments (amortisation)													
Balance as at September 26, 2017										1,000.0			1,000.0

Nature and purpose of other reserves
Securities premium reserve - Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital reserve - Capital reserve

Debt redemption reserve - The company is required to create a debt redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures

Share option outstanding account - The share options outstanding account is used to recognise the grant date fair value of options issued to employees.

Amalgamation reserve - The reserve was created on amalgamation of entities in previous years

Capital redemption reserve -

FVOCI equity instruments - The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVOCI. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Cash flow hedging reserve - The company uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale. For hedging foreign currency risk, the Company uses foreign currency forward contracts.

In terms of our report of even date attached
For Valla & Timbadia
Chartered Accountants
FRN:112241W

For and on behalf of the Board

Prashant Savla
Director

Hiten C Timbadia

Partner

Member No.038429

Date: 24th of April 2018

Place: Hoofddorp, The Netherlands

Date: 24th of April 2018

Place: Hoofddorp, The Netherlands

SUN PHARMACEUTICALS UK LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 26TH SEPTEMBER 2017

NOTE : 2

PARTICULARS	FOR THE PERIOD ENDED 26.09.2017 Amount in GBP		FOR THE YEAR ENDED 31.03.2017 Amount in GBP	
A) Cash flow From Operating Activities				
Net Profit Before Tax	1,131,734	1,131,734	(9,411)	(9,411)
<u>Adjustments for</u>				
Profit on sale of Investment				
Other Income (Interest and investment income)				
Interest Expenses				
Operating (Loss) / Profit before Working Capital change				
Changes in working capital				
<i>Adjustments for (increase) / decrease in operating assets:</i>			572,018	
Decrease / (Increase) in Sundry Debtors			963,658	
Decrease / (Increase) in Loans and Advances/Other Assets			10,362	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>	(750)		(438,033)	
(Decrease) / Increase - Trade & Other payables			(2,181,735)	
Income Tax paid				
Net Cash Flows from Operating Activities		(750)		(1,073,730)
B) Cash Flow from Investing Activities				
Decrease / (Increase) in Non-Current Investments				
Decrease / (Increase) in Current Investments				
Interest and investment income				
Decrease / (Increase) in Other Receivables				
Other Non-Operating Income				
Net Cash Flows from Investing Activities		-		-
C) Cash Flow from Financing Activities				
Decrease / (Increase) in Loans and Advances	(1,135,000)			
Proceeds from issue of Equity Shares				
Interest Income				
Increase / (Decrease) in Long Term Borrowings			117,617	
Interest Expenses				
Increase / (Decrease) in Short Term Borrowings				
Net Cash Flows from Financing Activities		(1,135,000)		117,617
Net Increase / (Decrease) in Cash & Cash equivalents		(4,016)		(965,524)
Cash & Cash Equivalents at Beginning of the year	4,016		969,540	
Cash & Cash Equivalents at the End of the Year	-		4,016	

Note : Cash & Cash Equivalents Consist of the cash /cheque in hand & bank balance in current Account.

In terms of our report of even date attached

For Valia & Timbadia
Chartered Accountants
FRN:112241W

For and on behalf of the Board

Hiten C Timbadia
Partner
Member No:038429
Date: 24th of April 2018
Place: Hoofddorp, The Netherlands

Prashant Savla
Director
Date: 24th of April 2018
Place: Hoofddorp, The Netherlands

SUN PHARMACEUTICALS UK LIMITED
 NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED September 26,2017

NOTE : 4

INVENTORIES

in GBP

	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Lower of cost and net realisable value			
Raw materials and packing materials			
Goods in transit	-	-	-
Work-in-progress			
Finished goods		-	571,382.0
Goods in transit	-	-	-
	-	-	571,382.0
Stock-in-trade			
Goods in transit	-	-	-
Other materials and consumables			
	-	-	571,382.0

NOTE : 5

TRADE RECEIVABLES

in GBP

	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Current			
Unsecured considered good	-	-	727,844.0
Unsecured considered good - from related parties			235,814.0
Doubtful			
Allowance for doubtful debts (expected credit loss allowance)			
	-	-	963,658.0

NOTE : 6

CASH AND CASH EQUIVALENTS

in GBP

	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Cash on hand			
Cheques, drafts on hand			
Balances with banks			
In current accounts	-	4,016.0	969,540.0
In deposit accounts with original maturity less than 3 months			
In EEFC accounts			
	-	4,016.0	969,540.0

NOTE : 7

OTHER CURRENT ASSETS

in GBP

	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Unsecured considered good unless stated otherwise			
Export incentives receivable			
Prepaid expenses			
Advances for supply of goods and services			
Balances with government authorities			
Other assets			10,362.0
Doubtful			
Advances for supply of goods and services			
Less : Provision for doubtful debts (expected credit loss)		-	
	-	-	10,362.0

SUN PHARMACEUTICALS UK LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED September 26,2017

NOTE : 10

TRADE PAYABLES

	in GBP		
	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Trade payables to micro, small and medium enterprises			320,052
Trade payables to related parties			1,769,136
Others			92,545
	-	-	2,181,733.0

NOTE : 11

SHORT TERM PROVISIONS

	in GBP		
	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Employee Benefits			
Provision in respect of losses of subsidiaries			
Product returns		-	413,902
Others			
Dividend proposed to be distributed to Equity Shareholders		-	-
Corporate Dividend Tax		-	-
Provision for Income Tax [Net of Advance Income Tax]			
	-	-	413,902

NOTE : 12

OTHER CURRENT LIABILITIES

	in GBP		
	As at 26-Sep-17	As at 31-Mar-17	As at 01-Apr-16
Statutory remittances			24,881.0
Advance from customers			
Others		750.0	
	-	750.0	24,881.0

NOTE : 13

REVENUE FROM OPERATIONS

	in GBP	
	Year ended 26-Sep-17	Year ended 31-Mar-17
Sale of products (including excise duty)(stock transfer)		571,382.0
Other operating revenues		
	-	571,382.0

NOTE : 14

OTHER INCOME

	in GBP	
	Year ended 26-Sep-17	Year ended 31-Mar-17
Interest income on :		
Bank deposits (at amortised cost)		
Loans and advances measured at amortised cost		
Current investments measured at fair value through profit and loss		
Long term investments measured at fair value through profit and loss		-
Income on financial guarantee given measured at fair value through profit and loss		
Others	1,131,918	
	1,131,918	-
Dividend income		
Dividend income on investments - others		
Dividend income on investments - related parties		
Other non-operating income (net of expenses directly attributable to such income)		
Gain on sale of financial assets measured at fair value through profit and loss, net		
Gain on sale of investment in subsidiary		
Sundry balances written back, net		
Insurance claims		
Lease rental and hire charges		
Miscellaneous income		562
	1,131,917.7	562.3

SUN PHARMACEUTICALS UK LIMITED
 NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED September 26,2017

NOTE : 15

CHANGES IN INVENTORIES

	in GBP	
	Year ended 26-Sep-17	Year ended 31-Mar-17
Inventories at the beginning of the year		571,382.0
Inventories at the end of the year	-	-
	-	571,382.0

NOTE : 16

FINANCE COSTS

	in GBP	
	Year ended 26-Sep-17	Year ended 31-Mar-17
Interest expense on borrowing and others		6,189
Other borrowing costs		
Unwinding of discounts on provisions		
Exchange differences regarded as an adjustment to borrowing costs		
	-	6,189.0

NOTE : 17

OTHER EXPENSES

	in GBP	
	Year ended 26-Sep-17	Year ended 31-Mar-17
Consumption of materials, stores and spare parts		
Conversion and other manufacturing charges		
Power and fuel		
Rent		
Rates and taxes		
Insurance		
Selling and distribution		
Commission and discount		
Repairs and maintenance		
Buildings		
Machinery		
Others		
Printing and stationery		
Travelling and conveyance		
Overseas travel and export promotion		
Communication		
Provision / write off for doubtful trade receivables / advances		
Provision for doubtful trade receivables (expected credit allowance)		
Sundry balances / trade receivables written off, net		
Less: Adjusted out of provision of earlier year		
Professional, legal and consultancy		
Excise duty on sales		
Donations		
Loss on sale of fixed assets, net		
(Decrease) / increase of excise duty on inventories		
Net (gain) / loss on foreign currency transactions and translation		
Net (gain) / (oss arising on financial assets designated as at fair value through profit and loss, net		
Payments to auditors (net of input credit, where applicable)		
As auditors		750.0
For other services		
Reimbursement of expenses		
Provision for other-than-temporary diminution in value of non-current investment in an associate		
Provision for other-than-temporary diminution in value of non-current investment in a subsidiary		
Miscellaneous expenses	183.7	3,034.4
	183.7	3,784.4
Less : Receipts from Research Activities		
	183.7	3,784.4

SUN PHARMACEUTICALS UK LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR Period ENDED September 26,2017

NOTE : 18

(A) ACCOUNTING POLICIES :

1. Basis of Accounting

The Company has prepared financial statements for the Period ended April 1 2017 to September 26,2017 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 together with the comparative period data as at and for the Period ended March 31, 2017. The Company has made the decision to cease trading and accordingly transferred all assets and liabilities of the business to a fellow subsidiary during the period 2016-17. The company has passed special resolution on September 26,2017 to wound up voluntarily and appointed liquidator for that purpose. Accordingly the financial statement have been prepared on a break up basis and not on a going concern.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods, services, etc. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

2. Financial Assets

i. 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.

ii. Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. 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

This category is the most relevant to the Group. 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 profit or loss. The losses arising from impairment are recognised in the profit or loss.

iv. Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss

v. Equity instruments

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss

3. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument

a. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

b. Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument

i. Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

ii. Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative entered into by the group that are not designated and effective as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For non-held-for-trading financial liabilities designated as at FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. These gains/ loss are not subsequently transferred to profit or loss. All other changes in fair value of such liability are recognised in the statement of profit or loss. The group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item

4. Recognition of Revenue

Revenue is measured at the fair value of the consideration received or receivable.

a. Rendering Services

Revenue from services rendered is recognized in the profit or loss as the underlying services are performed. Upfront non-refundable payments received are deferred and recognized as revenue over the expected period over which the related services are expected to be performed.

b. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

c. Profit from Investments

Profit from Non Current Investments are calculated on the basis of FIFO method.
Profit from Current Investments are calculated on the basis of NAV.

5. Risk Management

The Company's activities are not exposed to any material financial risks including market risk, credit risk and liquidity risk.

5.a Accounting Standard (AS-20) on Earnings Per Share

	Period ended 26th September,2017	Year ended 31st March, 2017
Profit for the period - used as Numerator for calculating Earnings Per Share	1,131,734	(9,411)
Weighted Average number of Shares used in computing Basic Earnings Per Share	100	100
Add: Dilution effect of Employee Stock Options	-	-
Weighted Average number of Shares used in computing Diluted Earnings Per Share	100	100
Nominal value per share (in GBP)	10	10
Basic Earnings Per Share (in GBP)	11,317	(94)
Diluted Earnings Per Share (in GBP)	11,317	(94)

5.b Related Party Transactions

	Period ended 26th September,2017	Year ended 31st March, 2017
Sales of Goods		
Ranbaxy UK Ltd.	-	571,382
Other Income		
Alkaloida Chemical Company Zrt. (RELEASE OF LOAN)	1,131,918	-
Interest Expense		
Alkaloida Chemical Company Zrt.	-	6,189
Loans Taken		
Alkaloida Chemical Company Zrt.	-	1,135,000
Loans repaid(incl release of loan)		
Alkaloida Chemical Company Zrt.	1,135,000	

6. Significant Transaction during the period

Other Income includes £1131918 being release of repayment of loan obligation to Alkaloida Chemical Company Zrt. as per the deed of release entered by the parties

Company has passed special resolution on 26 September 2017 to voluntarily wind up and accordingly has appointed liquidator for this purpose.

7 Taxes on Income

Income tax expense consists of current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case it is recognized in other comprehensive income or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the Period, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous Periods.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits and taxable temporary differences arising upon the initial recognition of goodwill

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

8 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.

9 Inventories

Inventories consisting of stock-in-trade are measured at the lower of cost and net realizable value. The cost of all categories of inventories is based on the weighted average method. Cost of raw stock-in-trade comprises cost of purchases. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

10 Accounting policies not specifically mentioned above will be as per generally accepted accounting principles in India.

In terms of our report of even date attached

For Valia & Timbadia

Chartered Accountants

FRN:112241W

For and on behalf of the Board

Hiten C Timbadia

Partner

Member No:038429

Date: 24th of April 2018

Place: Hoofddorp, The Netherlands

Prashant Savla

Director

Date: 24th of April 2018

Place: Hoofddorp, The Netherlands