

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF METAHELIX LIFE SCIENCES LIMITED

1. Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Metahelix Life Sciences Limited** (hereinafter referred to as "the Parent") and its subsidiary (the Parent and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

2. Management's Responsibility for the Consolidated Ind AS Financial Statements

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

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports from the other auditors on separate financial statements of the subsidiary referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

5. Other Matters

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 107.07 lakhs as at 31st March, 2017, total revenues of Rs. 0.11 lakhs and net cash inflows amounting to Rs. 77.17 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.



6. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on 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 Holding Company.



- iv. The Parent has provided requisite disclosures in the consolidated IND AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that such disclosures are in accordance with the relevant books of accounts maintained by the Holding Company for the purpose of preparation of the consolidated financial statements.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No. 008072S



S. Ganesh
Partner
Membership No. 204108

Place: Bangalore
Date : April 19, 2017

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 6(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of **Metahelix Life Sciences Limited** (hereinafter referred to as "Parent or the Holding Company") as of that date.

1. Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding company are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

2. Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 Holding Company's internal financial controls system over financial reporting.



3. Meaning of Internal Financial Controls Over Financial Reporting

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

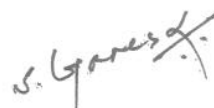
4. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

5. Opinion

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Firm Registration No. 008072S



S. Ganesh
Partner
Membership No. 204108

Place: Bangalore
Date : April 19,2017

METAHELIX LIFE SCIENCES LIMITED

Consolidated balance sheet as at 31st March, 2017

	Notes	Rs Lac As at 31st March, 2017
I. ASSETS		
1. Non-current Assets		
a) Property, plant and equipment	4	2,208.23
b) Capital work in progress		2.88
c) Other intangible assets	4	512.26
d) Intangible assets under development		1,902.61
e) Financial assets		
Other financial assets	5	368.87
f) Deferred tax assets	6	1,041.77
g) Non-Current tax assets	7	2,045.93
h) Other non-current assets	8	1.01
Total Non-current Assets		8,083.56
2. Current Assets		
a) Inventories	9	15,059.03
b) Financial assets		
i) Trade and other receivable	10	3,540.09
ii) Cash and cash equivalents	11	255.47
iii) Other financial assets	5	86.90
c) Other current assets	8	1,840.18
Total Current Assets		20,781.67
TOTAL ASSETS		28,865.23
I. EQUITY AND LIABILITIES		
A. Equity		
a) Equity share capital	12	10.75
b) Other equity	13	8,496.68
Equity attributable to equity holders of the Company		8,507.43
Non-controlling interest		43.06
Total equity		8,550.49
B. Liabilities		
1. Non-current Liabilities		
a) Financial Liabilities		
i) Borrowings	14	322.67
ii) Other financial liabilities	15	562.59
b) Deferred revenue	16	12.83
Total Non-current Liabilities		898.09
2. Current Liabilities		
a) Financial liabilities		
i) Borrowings	14	1,239.03
ii) Trade payables	17	10,051.82
iii) Other financial liabilities	15	199.30
b) Provisions	18	158.82
c) Deferred revenue	16	1.51
d) Other current liabilities	19	7,766.17
Total Current Liabilities		19,416.65
Total Liabilities		20,314.74
TOTAL EQUITY AND LIABILITIES		28,865.23

Corporate information and significant accounting policies

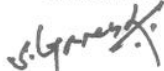
1, 2, 3

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

In terms of our report attached.

For Deloitte Haskins & Sells

Chartered Accountants


S. Ganesh
Partner


V Shankar
Chairman


K R Venkatadri
Director

For and on behalf of the Board of Directors


S Nagarajan
Executive Director & CEO


Dr Natraj
Director


Dr. Punita Kumar- Sinha
Director


Suresh Kannan
CFO & Company Secretary



Place: Mumbai
Date : 19th April, 2017



METAHELIX LIFE SCIENCES LIMITED
Consolidated statement of profit and loss for the year ended 31st March, 2017

Rs Lac

	Notes	For the year ended 31 March, 2017
Continuing Operations		
I Revenue from operations	20	28,633.97
II Other income	21	199.87
III Total Income (I+II)		28,833.84
IV Expenses		
Cost of materials consumed	22	15,589.55
Changes in inventories of finished goods, stock in trade and work-in-progress	23	(552.24)
Employee benefits expense	24	3,123.41
Finance costs	25	463.04
Depreciation and amortization expense	4	512.36
Other expenses	26	7,609.90
Total expense (IV)		26,746.02
V Profit before exceptional items and tax from continuing operations (III -IV)		2,087.82
VI Exceptional items		-
VII Profit/(loss) before tax from continuing operations (V-VI)		2,087.82
VIII Income Tax expenses		
(1)Current tax expense		464.02
(2)MAT Credit		(1,323.21)
(3)Deferred Tax		(182.56)
		(1,041.75)
IX Profit (Loss) for the year from continuing operations (VII-VIII)		3,129.57
X Profit (Loss) for the year from discontinued operations		-
XI Profit (Loss) for the year (IX+X)		3,129.57
Other comprehensive income		
Other comprehensive income not to be reclassified to profit or loss	13	(4.10)
XII Total Other comprehensive income for the year		(4.10)
XIII Total comprehensive Income for the year (XI + XII)		3,125.47
Profit for the year attributable to;		
Owners of the Company		3,172.54
Non-controlling interests		(42.97)
		3,129.57
Other comprehensive income for the year attributable to;		
Owners of the Company		(4.10)
Non-controlling interests		-
		(4.10)
Total comprehensive income for the year attributable to;		
Owners of the Company		3,168.44
Non-controlling interests		(42.97)
		3,125.47
Earnings per share for continuing and discontinuing operations		
(1) Basic (in Rs.)		2,951.15
(2) Diluted (In Rs.)		2,951.15

Corporate information and significant accounting policies

1,2,3

The accompanying notes form an integral part of the consolidated financial statements
In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors


S. GANESH
Partner


V Shankar
Chairman


K R Venkatadri
Director


S Nagarajan
Executive Director & CEO


Dr Natraj
Director


Dr Punita Kumar-Sinha
Director


Suresh Kannan
CFO & Company Secretary



Place : Mumbai
Date : 19th April, 2017



METAHELIX LIFE SCIENCES LIMITED

Consolidated statement of cash flows for the year ended 31st March, 2017

Rs Lac

	For the year ended March, 31, 2017
A Cash Flows from Operating activities	
Profit for the year	3,168.44
Adjustments for:	
Depreciation and amortisation	512.36
Income tax expense recognised in Profit or Loss	(1,041.75)
Other non- operating income	(182.99)
Finance costs recognised in Profit or loss	463.04
Interest income recognised in Profit or loss	(16.88)
Impairment of intangible asset	183.22
Impairment loss recognised on trade receivables	385.17
Operating cash flows before movements in working capital	3,470.61
Movements in working capital;	
(Increase)/ Decrease in Inventories	(526.37)
(Increase) / Decrease Trade and other receivable	1,091.67
(Increase)/ Decrease in Other financial assets	58.61
(Increase)/ Decrease in Other current assets	(1,031.96)
Increase/ (Decrease) in Trade payable	1,468.67
Increase/ (Decrease) in Other financial liabilities	0.93
Increase/ (Decrease) in Provisions	(34.25)
Increase/ (Decrease) in Deferred Revenue	(1.51)
Increase/ (Decrease) in Other current liabilities	1,215.33
Cash generated from operations	5,711.73
Income taxes paid	(772.43)
Net cash generated from operating activities	4,939.30
B Cash Flow from investing activities	
Purchases of property, plant and equipment (including capital work-in-progress)	(47.19)
Payments towards intangible assets	(1,023.40)
Cash inflow from minority shareholder (net)	43.06
Interest received	16.88
Other income received	243.86
Net cash used in investing activities	(766.80)
C Cash Flow from Financing activities	
Proceeds of borrowings	-
Repayment of borrowings	(3,600.93)
Finance costs	(477.44)
Net cash used financing activities	(4,078.37)
D Net increase / (decrease) in cash and cash equivalents (A + B + C)	94.13
E Cash and cash equivalents at the beginning of the period	161.34
F Cash and cash equivalents at the end of the period (D + E)	255.47

The accompanying notes form an integral part of the consolidated financial statements
In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

S. Ganesh
S. GANESH
Partner

V Shankar
V Shankar
Chairman

K R Venkatadri
K R Venkatadri
Director

S Nagarajan
S Nagarajan
Executive Director & CEO

Dr Natraj
Dr Natraj
Director

Dr Punita Kumar-Sinha
Dr Punita Kumar-Sinha
Director

Suresh Kannan
Suresh Kannan
CFO & Company Secretary



Place : Mumbai
Date : 19th April, 2017



METAHELIX LIFE SCIENCES LIMITED

Consolidated statement of changes in equity for the year ended 31st March, 2017

	Equity share capital	Other equity					Rs Lac	
		Securities premium	Retained earnings	Other comprehensive income	Capital Reserve	Total	Total Equity	
As at 1st April 2016	10.75	6,704.32	(1,354.61)	(21.47)	-	5,328.24	5,338.99	
Adjustment on 1st April, 2016 *	-	-	(21.47)	21.47	-	-	-	
As at 1 April 2016	10.75	6,704.32	(1,376.08)	-	-	5,328.24	5,338.99	
Profit for the year 2016-17	-	-	3,172.54	-	-	3,172.54	3,172.54	
Remeasurement of the net defined benefit liability / asset	-	-	-	(4.32)	-	(4.32)	(4.32)	
Foreign currency translation reserve on consolidation	-	-	-	0.22	-	0.22	0.22	
At 31 March 2017	10.75	6,704.32	1,796.46	(4.10)	-	8,496.68	8,507.43	

*First valuation as per Ind AS19 from financial year 2016-17, previous year figures of Other comprehensive income for disclosure purposes only
The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached.
For Deloitte Haskins & Sells
Chartered Accountants

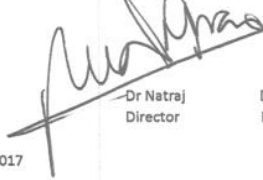
For and on behalf of the Board of Directors


S. GANESH
PARTNER


V Shankar
Chairman


K R Venkatadri
Director


S Nagarejan
Executive Director & CEO


Dr Natraj
Director


Dr Punita Kumar-Sinha
Director


Suresh Kannan
CFO & Company Secretary



Place : Mumbai
Date : 19th April, 2017



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements

1. Corporate Information and Significant Accounting Policies

1.1 Corporate Information:

The Company's primary activity is in the area of agricultural biotechnology and the focus area being the development of new technologies and traits for crop improvement. The Company has a strong research and development program for hybrid seeds in field and vegetable crops. Additionally, the Company uses its strengths in the area of functional genomics, plant transformation and marker assisted selection to develop value added traits such as insect, weed and virus protection traits to its hybrid seeds products. The Company also produces parent seeds at various locations. The Company is also engaged in the production and marketing of seeds. Operations of the Company are spread out across various zones in the country with research and development activity primarily based out of Bangalore, Hyderabad, Ahmadabad, Aurangabad; seeds production in Andhra Pradesh and Karnataka; seed processing facilities at Hyderabad.

As of March 31, 2017, Rallis India Limited own 100% of the Company's equity share capital and is the holding company.

1.2 Significant accounting policies

1.2.1 Basis of preparation of consolidated financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2.2 Basis of consolidation

Metahelix Lifesciences Limited consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the company and its subsidiary. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiary is consolidated from the date control commences until the date control ceases.



The financial statements of the group companies are consolidated on a line-by-line basis and intra group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform accounting policies in use at the group. Non-controlling interests which represent part of the net profit/loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

1.2.3 Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates that affect the reported amount of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenue and expenses for the year. Actual results could differ from these estimates.

1.2.4 Revenue Recognition

Revenue from Sale of products/goods (net of tax) is recognized upon passage of title to the customer, which generally coincides with their delivery. Revenue is net of trade discounts, sales returns and VAT. Cash discount and other performance/volume based incentives are considered as expenses.

Revenue from technology fee contracts are recognized as per the terms of the contracts on completion of specific performance obligations under the contract and when reasonable certainty of receiving the consideration is established.

1.2.5 Property Plant and Equipment

Fixed Assets are stated at their historical cost of acquisition or construction, less accumulated depreciation and impairment losses if any. Cost includes all cost incurred to bring the assets to their location and condition. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work in progress -projects under which assets are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support



Asset Category	Useful Life
Factory Building	25 years
Seed Processing Machine	15 years
Lab Equipments	10 years

In case of subsidiary (PT Metahelix Lifesciences Indonesia);

Asset Category	Useful Life
Furniture & Fixture	5 years
Computer and equipment	4 years

1.2.6 Intangible Assets

a) Intangible assets acquired separately

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

b) Internally-generated intangible assets- research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditures attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible assets first meets the recognition criteria listed above. Where no internally-generated intangible assets can be recognized, development expenditure is recognized in profit and loss in the period in which it is incurred.



Subsequent to initial recognition, internally- generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses. Amortization of the intangible asset begins when development is complete and the asset is available for use.

c) Estimated useful lives of the intangible assets are as follows:

Licenses and Commercial rights- 3 years
Computer Software- 1 year
Technical Knowhow- 3years

d) Deemed Cost on transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its Intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

1.2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

1.2.8 Inventories

Inventories are valued at the lower of cost (determined on weighted average basis) and net realizable value after providing for obsolescence and other loss where considered necessary. Cost of Inventories includes cost of purchase, cost of processing and other costs incurred in bringing it to their present location and condition. Remnant/substandard stocks are not valued and are accounted as revenue in the year of sale of such stock. Work-in-progress and Finished goods include material cost and appropriate share of production overheads. The Company's products are not subject to Excise duty.

1.2.9 Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.



Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

1.2.10 Foreign currency transactions:

Functional Currency

The functional currency of the Metahelix Life Sciences Limited is the Indian rupee. The functional currency of PT Metahelix Lifesciences Indonesia is Indonesian Rupiah. These financial statements are presented in Indian rupees (rounded off to Lacs).

Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

1.2.11 Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

a) Defined Contribution Plan:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when service are rendered by the employees.

b) Defined benefit plans:

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the



benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

c) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) in case of non-accumulating compensated absences, when the absences occur.

d) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

1.2.12 Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to



realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

1.2.13 Provisions and contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balances sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

1.2.14 Impairment of assets

a) Non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The intangible assets capitalized and intangibles under development are tested for impairment each financial year even if there is no indication that the asset is impaired.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

b) Financial Assets

The Company recognizes loss allowances 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 life time ECL. For all other financial assets, expected credit losses 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 life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.



1.2.15 Leases

Where the Company as a lessor leases assets under operating leases, such amounts are recognized as income on an accrual basis.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss over primary period of lease on a straight-line basis over the lease term.

1.2.16 Cash Flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.2.17 Other Income

Interest Income is accounted on accrual basis.

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Lease income is accounted on accrual basis.

Income recognition for facilitation services are recognized as and when the services are performed.

1.2.18 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



1.2.19 Financial Instruments

a) Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Subsequent Measurement

i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.



vi) Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

c) De-recognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

1.2.20 Critical judgments in applying accounting policies

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Control over PT Metahelix Lifesciences Indonesia

PT Metahelix Lifesciences Indonesia is a subsidiary of the Company even though the Company has 49% of the share capital, as the Company has 66% of voting rights in PT Metahelix Lifesciences Indonesia. The Company has held its 49% share capital in PT Metahelix Lifesciences Indonesia since May, 2016 and the remaining 51% of the share capital is held by other unrelated share holder

The directors of the company assess whether or not the Company has control over PT Metahelix Lifesciences Indonesia based on whether the Company has the practical ability to direct the relevant activity of PT Metahelix Lifesciences Indonesia unilaterally. After assessment the directors concluded that the Company has a sufficiently dominant voting interest to direct the relevant activities of PT Metahelix Lifesciences Indonesia and therefore the Company has control over PT Metahelix Lifesciences Indonesia



b) Useful lives of Property, Plant and Equipment

As described at note 1.2.5 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

c) Defined benefit plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An Actuarial Valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates and expected return of plan asset.

2. First-time adoption of Ind-AS

These consolidated financial statements of Metahelix Life Sciences Limited for the year ended March 31, 2017 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101-First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the consolidated financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note 3 have been applied in preparing the consolidated financial statements for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, Statement of Profit and Loss, is set out in note 46. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 3.

3. First-time adoption - mandatory exceptions, optional exemptions

a. Overall principle

The Company has prepared the opening balance sheet as per IND AS as of April 1, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by IND AS, not recognizing items of assets or liabilities which are not permitted by IND AS, by reclassifying items from previous GAAP to IND AS as required under IND AS, and applying IND AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.



b. Derecognition of financial assets and financial liabilities

The Company has applied the de-recognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

c. Impairment of financial assets

The Company has applied the impairment requirements of IND AS 109 retrospectively; however, as permitted by IND AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to IND AS, whether there have been significant increases in credit risk since initial recognition, as permitted by IND AS 101.

d. Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

e. Determining whether an arrangement contains a lease

Appendix C to IND AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with the IND AS 17, this assessment should be carried out at the inception of the contract or arrangement

f. Deemed cost for property, plant and equipment

The company has elected to continue with the carrying value of all its property, plant and equipment recognized as of April 01, 2015 (transition date) measured as per the previous GAAP and use the carrying value as its deemed cost as of the transition date.

g. Use of deemed cost for investment in subsidiaries

Previous GAAP carrying amount of Investment in subsidiary as at the transition date is considered as deemed cost for regarding investment on transition date.



Cost or deemed cost

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
At 31 March 2016	187.01	812.12	1,327.45	8.58	-	24.93	2,360.09
Additions	-	100.46	95.55	10.85	-	15.73	222.59
Disposals	-	-	11.61	-	-	0.27	11.88
At 31 March 2017	187.01	912.58	1,411.39	19.43	-	40.39	2,570.80

Accumulated depreciation:

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
At 31 March 2016	-	44.53	113.60	3.23	-	9.57	170.93
Eliminated on disposal of assets	-	-	11.61	-	-	0.27	11.88
Depreciation charge for the year	-	47.07	143.27	4.07	-	9.11	203.52
At 31 March 2017	-	91.60	245.26	7.30	-	18.41	362.57

Net book value

At 31 March 2017	187.01	820.98	1,166.13	12.13	-	21.98	2,208.23
------------------	--------	--------	----------	-------	---	-------	----------

Note 4: Intangible Assets

Cost or deemed cost

Particulars	Seed development technology	Computer Software	Total
At 31 March 2016	681.18	50.75	731.93
Additions	453.14	11.66	464.80
Disposals	-	-	-
At 31 March 2017	1,134.32	62.41	1,196.73

Accumulated amortization:

At 31 March 2016	344.89	30.74	375.63
Eliminated on disposal of assets	-	-	-
Depreciation charge for the year	284.40	24.44	308.84
At 31 March 2017	629.29	55.18	684.47

Net book value

At 31 March 2017	505.03	7.23	512.26
------------------	--------	------	--------

Note:

- Plant and equipment includes plant and machinery, electrical equipments and installations, laboratory equipments and computers and data processing units.
- Plant and Equipments includes Rs.5.49 Lac given under operating lease.
- Plant and Equipments of Unit 4 of cob drying unit at carrying cost of Rs.794.82 Lac are subject to a first charge to secure two of the Company's bank loans
- Land and buildings with a carrying amount of Rs.870.37 Lac are subject to a first charge to secure two of the Company's bank loans
- The Company has internally developed Seed development technology for producing hybrid seeds. The Carrying amount of Seed development technology of Rs.505.03 Lakh will be fully amortized in next 3 years.
 - * Previous GAAP carrying value was used as deemed cost. This was not materially different from fair value as at transition date.



Note 5: Other Financial assets		Rs Lac
		As at 31st March, 2017
Loans and receivables (Unsecured considered good)		
Advances to employees		86.90
Other receivables		-
Others		-
Deposit with others		368.87
		455.77

Current	86.90
Non-Current	368.87

Note 6: Deferred tax assets		Rs Lac
		As at 31st March, 2017
Deferred Tax Assets		
On Provision against debts and advances		962.18
On Employee and other related costs		158.82
On Unused tax losses		4,819.32
Total		5,940.32
Deferred Tax Liabilities		
On Property, plant and equipment		522.47
On Intangible assets		2407.65
		2,930.12
Net deferred tax assets/(liabilities)		3,010.20
Deferred tax expense/(income)		(1,041.77)

Reconciliation of deferred tax assets, net		As at 31st March, 2017
Opening balance as of 1 April		859.21
Tax income/(expense) during the period recognised in profit or loss		182.56
Closing balance as at 31 March		1,041.77

Note

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



Metahelix Life Sciences Limited
Notes to the consolidated financial statements for the year ended 31st March, 2017
Note 7: Non-Current tax assets

	Rs Lac
	As at 31st March, 2017
Non current tax - advance	681.40
MAT credit entitlement	1,323.21
Other	41.32
	<u>2,045.93</u>

Non current tax - advance is net of provision for tax of Rs.1299.60 Lac

Note 8: Other assets

	Rs Lac
	As at 31st March, 2017
Capital advances	1.01
Others (Inventory recoverable)	139.04
Down payment to supplier	1,643.43
Others	8.26
Other prepaid expenses	49.45
	<u>1,841.19</u>

Current	1,840.18
Non-current	1.01

Note 9: Inventories (Lower of Cost and Net realizable value)

	Rs Lac
	As at 31st March, 2017
Raw materials	4,118.40
Work in progress (Seeds)	102.03
Finished goods	10,213.59
Packing materials	625.01
	<u>15,059.03</u>

The cost of inventories recognised as an expense during the year in respect of the continuing operations was Rs. 200.25 lac

Note 10: Trade and other receivables

	Rs Lac
	As at 31st March, 2017
Trade receivables	
Outstanding for a period exceeding six months from the date they were due for payment	
Secured, considered good	34.52
Unsecured, considered good	1,170.26
Doubtful trade receivables	962.19
Less: Provision for doubtful trade receivables	(962.19)
	<u>1,204.78</u>
Other receivables	
Secured, considered good	187.82
Unsecured, considered good	2,052.54
Doubtful	-
Less: Provision for doubtful trade receivables	-
	<u>2,240.36</u>
Other claim receivable	94.95
	<u>3,540.09</u>

i. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

ii. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Note 11: Cash and cash equivalents

	Rs Lac
	As at 31st March, 2017
Balances with banks:	
- On current accounts	95.22
- in Deposits accounts with original maturity of less than 3 months	11.52
Cash on hand	3.04
	<u>109.78</u>
Other Bank balances:	
Bank - deposit with original maturity more than 3 months	145.69
	<u>255.47</u>



Metahelix Life Sciences Limited
Notes to the consolidated financial statements for the year ended 31st March, 2017

Notes to the Financial Statements for the year ended

	Rs Lac	
	As at 31st March, 2017	Rs Lac
Authorised share: Equity Shares with voting rights of Rs.10 each	28,812,800	2,881.28
Issued, Subscribed and Fully Paid up: Equity Shares with voting rights of Rs.10 each	107,502	10.75

a) During the year ended 31st March 2017, the Authorised, Issued, Subscribed and Fully Paid up share capital were increased/decreased by INR Nil i.e. Nil equity shares of INR 10 each.

b) The Company has only one class of equity share having a par value of Rs.10/- each. Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amount. However, as on date no such preferential amount exists. The distribution will be in proportion to number of equity shares held by the shareholders.

c) Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as below:

	As at 31st March, 2017	
	Number of shares	Rs Lac
Rallis India Limited, the holding company and its nominees	107,502	10.75

d) Details of shares held by each shareholder holding more than 5% shares in the Company:

Name of Shareholder	As at 31st March, 2017	
	Number of shares	% Holding
Rallis India Limited and its nominees	107,502	100.00%
Dr K K Narayanan	-	-
Dr Gautham Nadig	-	-



Note 13: Other Equity

Rs Lac

	As at 31st March, 2017
Securities premium reserve	6,704.32
Retained Earnings	1,796.46
Other Comprehensive Income	(4.10)
Total	8,496.68

Securities premium reserve

	As at 31st March, 2017
Balance at beginning of year	6,704.32
Movements	-
Balance at the end of the year	6,704.32

Retained Earnings

	As at 31st March, 2017
Balance at beginning of year	(1,376.08)
Accumulated deferred revenue released to statement of profit and loss	-
Net Profit for the current year	3,172.54
Balance at the end of the year	1,796.46

Other Comprehensive Income

	As at 31st March, 2017
Actuarial adjustment	(4.32)
Foreign currency translation reserve on consolidation	0.22
Balance at the end of the year	(4.10)



Note 14: Borrowings

	Rs Lac As at 31st March, 2017
Non-current interest-bearing loans and borrowings	
Secured loan from banks (refer note (a) below)	211.17
Secured loan from other corporate bodies (refer note (b) below)	69.86
Loan from other corporate bodies (Unsecured) (refer note (c))	41.64
Total non-current interest-bearing loans and borrowings	322.67
Current interest-bearing loans and borrowings	
Bank overdrafts & Cash credit facility (unsecured) (refer note d)	1,000.00
Secured bank loan/financial institutions (refer note e)	-
From other parties	-
Bank overdrafts & Cash credit facility (secured)	239.03
Total current interest-bearing loans and borrowings	1,239.03
	1,561.70
Aggregate Secured loans	520.06
Aggregate Unsecured loans	1,041.64

Footnote:

a) Term loan from a bank:

Term loan from Kotak Mahindra Bank - First and exclusive charge on plant and equipment of Unit 4 of the cob drying unit purchased out of the Bank's term loan. The balance outstanding as on March 31, 2017 is Rs.183.50 lac (of which Rs 122.33 lac has been grouped under note 16 other current financial liabilities) which is repayable in balance 18 monthly installments.

Term loan from ICICI Bank - is secured by hypothecation of movable assets, both present and future including its movable plant and equipment, machinery spares, tools and accessories and other movables, both present and future All piece and parcel of the Immoveable Agricultural property situated at Kokkanda Village, Mulugu Mandal, Medak Distric.The balance outstanding as at March 31, 2017 is Rs.200 Lac (of which Rs 50 Lac has been classified under note 16 other current financial liabilities) repayable in balance 16 equated quarterly installments of Rs. 12.50 Lac each.

The weighted average effective rate of interest on bank loan is 8.54% (PY 9.38%)

b) Term loan from Biotechnology Industry Partnership Project

Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of the Company, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. Term loan is repayable along with interest in 10 equal half yearly installments from December 2015 (Rice) and June, 2017 -(Maize). The balance payable as on 31st March 2017 is Rs 79.68 Lac. The rate of interest on the loan is 2 % (PY 2%) (of which Rs.9.82 Lac has been classified under note 16 Other current financial liabilities)

c) Term loan from Council of Scientific and Industrial Research:

Term loan from Council of Scientific and Industrial Research:The balance payable as on 31st March 2017 is Rs.41.63 Lac. The same is repayable alongwith interest in 7 annual installments.

d) Unsecured Term Loans from Banks

Term loan Rs.1000 Lac from HDFC Bank Ltd repayable on 14th May 2017

e) Working Capital Loan (Secured)

Working capital loan from Kotak Mahindra Bank, HDFC Bank Ltd and Citibank secured by first pari passu charge by way of Hypothecation of Current assets, both present & future.

Note 15: Other Financial liabilities

	Rs Lac As at 31st March, 2017
Other financial liabilities at amortised cost	
Creditors for capital goods	12.82
Secured - banks (refer note 15 (a) and (e))	172.33
Secured - others (refer note 15 (b))	-
Unsecured - others (refer note 15 (c))	9.82
Others (interest accrued)	4.33
Deposits received	558.29
Other payable (Interest accrued but not due on borrowings)	4.30
	761.89
Total current	199.30
Total non-current	562.59



Note 16: Deferred Revenue

	Rs Lac
	As at 31st March, 2017
Opening balance	14.72
Transferred from Capital reserve	-
Released to the statement of profit and loss	0.38
	14.34
Current	1.51
Non-current	12.83

Note

The deferred revenue relates to the accrual and release of subsidy received from NABARD on 16-Aug-2012 towards setting up Maize Cob drying facility. The proportionate amount equal to the balance useful life of the asset (Building 25 years and Plant & Machinery 15 years) is released to the Statement of Profit and Loss.

Note 17 : Trade payables

	Rs Lac
	As at 31st March, 2017
Trade payables (for goods and services)	
i) Total Outstanding dues of micro enterprises and small enterprises (Refer note 31)	-
ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises	10,044.54
Outstanding payable expenses	7.28
	10,051.82

Note 18: Provisions

	Rs Lac
	As at 31st March, 2017
Employee benefit provisions	
Compensated absences	158.82
	158.82
Current	158.82
Non current	-

Note 19 : Other Liabilities

	Rs Lac
	As at 31st March, 2017
Provident fund payable	25.52
Gratuity payable	-
Service tax payable	-
TDS payable	41.19
Other taxes	1.67
Others	470.97
Advance received from customers	7,176.47
Other liabilities	50.35
	7,766.17
Current	7,766.17
Non-current	-



Metahelix Life Sciences Limited

Notes to the consolidated financial statements for the year ended 31st March, 2017

20: Revenue from operations

Rs. Lac

	For the year ended 31st March, 2017
Sales	
Sales- manufactured goods	37,407.76
Discounts	(8,916.08)
	28,491.68
Other operating income	
Farm Income	37.78
Revalidation charges	104.51
	142.29
	28,633.97

Note 21: Other income

	For the year ended 31st March, 2017
Interest Income on bank deposits	16.88
Miscellaneous income	181.48
Profit on sale tangible assets	-
Others	1.51
	199.87



Note 22: Cost of raw material and components consumed

	For the year ended 31st March, 2017
a. Raw material and traded goods	
Inventory at the beginning of the year	4,842.97
Add: Purchases & Processing Charges	15,489.99
Less: inventory at the end of the year	4,743.41
Cost of raw material and components consumed	15,589.55

Note 23: Changes in inventories of finished goods, stock in trade and work-in-progress

	For the year ended 31st March, 2017
Inventory change	
Opening Stock	
Finished Goods - Own Manufactured	9,819.50
Work in progress	82.92
	9,902.42
Closing Stock	
Finished Goods - Own Manufactured	10,352.63
Work in progress	102.03
	10,454.66
Inventory receivable	-
Net decrease/(Increase)	(552.24)

Note 24: Employee benefit expenses

	For the year ended 31st March, 2017
Wages and salaries	2,839.00
Contribution to provident and other funds	182.59
Staff welfare expenses	101.82
	3,123.41



Metahelix Life Sciences Limited

Notes to the consolidated financial statements for the year ended 31st March, 2017

Note 25: Finance Costs

	For the year ended 31st March, 2017
Interest expense - other loans	302.56
Exchange Difference on Foreign Currency Borrowings	160.48
Total finance costs	463.04

Note 26: Other expenses

	For the year ended 31st March, 2017
Electricity charges	191.92
Freight expenses	1,209.20
Office rent	350.00
License fees	11.67
Other Rates and taxes	74.53
Insurance charges	22.16
Repairs and maintenance	
Plant and machinery	7.43
Buildings	0.64
Others	110.62
Advertisement and Business Promotion	2,474.98
Others	650.06
Directors' fees	12.80
Provision for doubtful debt	385.17
Foreign Exchange loss	2.41
Breeding and Lab Expenses	316.15
Legal and professional fees	375.75
Travelling cost	860.38
Telephone expenses	97.76
Bank charges	7.36
Other expenses	422.86
Audit Fees	
For services as auditor	20.70
For tax matters	2.76
For other services	1.73
Reimbursement-out of pocket exp.	0.86
Total other expenses	7,609.90



Metahelix Life Sciences Limited

Notes to the consolidated financial statements for the year ended 31st March, 2017

Note 27 - Commitments

- i) Estimated amount of contract with minimum commitment for plant activity Rs. 1030 Lac
- ii) Estimated amount of contract remaining to be executed on capital account and not provided for Rs.16.67 Lac
- iii) Capital commitments towards investment in joint venture (PT Metahelix Lifesciences Indonesia) in Indonesia; USD NIL

Note 28 - Contingent Liability

The Company is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate. A summary of claims asserted on the Company in respect of these cases have been summarised below.

a. Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:
Rs Lac

Nature of Tax	As at 31 March, 2017
Income tax liability in respect of matters preferred by the Department	1,615.33
Income tax liability in respect of matters preferred by the Company	3,521.93

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters.

b. Amount in respect of other claims

Rs Lac

Nature of Tax	As at 31 March, 2017
Others (claims related to contractual disputes)	401.84

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Company's financial condition, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period.

c. Guarantees

Guarantees issued by bank on behalf of the Company as on 31st March, 2017 is Rs. 165.21 Lac these are covered by the charge created in favour of the Company's bankers by way of hypothecation of stock and debtors

Note 29 - Details of specified bank notes held and transacted during 8th November, 2016 to 30th December, 2016

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below

	Rs Lac		
	SBNs	Other denomination notes	Total
Closing cash on hand as on 08.11.2016	1.96	0.92	2.88
(+) Permitted Receipts	-	2.37	2.37
(-) Permitted Payments	0.04	2.57	2.61
(-) Amount Deposited to Banks	1.92	-	1.92
Closing cash on hand as on 30.12.2016	-	0.72	0.72

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

Note 30 - Trade Payable includes amount payable to Micro, Small and Medium Enterprises as follows:

There are no Micro and Small enterprises to whom the company owes dues as at the Balance sheet date. Trade payable in the balance sheet has been determined to the extent such parties have been identified on the basis of information collected by the management based on the enquiries made with the vendors which have been relied upon by the auditors.



Note 31 - Employee benefit plans

a) Defined Contribution plans:

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.120.51 Lac for Provident Fund contributions and Rs.1.79 Lac for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount)

These plans typically expose the Company to actuarial risk such as: investment risk, interest rate risk, longevity risk and salary risk

The principal assumptions used for the purpose of actuarial valuation were as follows.

	March 31, 2017
Actuarial Assumptions for Gratuity	
Discount rates	7.00%
Expected rate of salary increase	8.00%
Expected Return on plan assets	7.60%
Mortality	IALM 2006-08 (Ultimate)
Withdrawal Rates	12%
Expected average remaining working life	7 Years
Estimate of amount of contribution in the immediate next year	60

Amount recognised in statement of profit and loss in respect of these defined benefit plans are as follows

	March 31, 2017
Service cost:	
Current service cost	51.59
Past Service Cost	-
Loss/(Gain) from Settlement	-
Net interest expense	6.33
Components of defined benefit costs recognised in profit or loss	57.92
Remeasurement on the net defined benefit liability:	
Return on plan assets (excluding amounts included in net interest expense)	(12.73)
Actuarial (Gain)/Losses arising from changes in demographic assumptions	-
Actuarial (Gain)/Loss arising from changes in financial assumptions	5.78
Actuarial (Gain)/Losses arising from experience adjustments	2.63
Components of defined benefit costs recognised in other comprehensive income	(4.32)
	62.24

The current service cost and the net interest expenses for the year are included in the Employee benefits expense line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

	March 31, 2017
Present Value of funded defined benefit obligations	358.19
Fair Value of plan assets	362.10
Funded Status	(3.91)
Restrictions on asset recognised	-
Others	-
Net liability/(Asset) arising from defined benefit obligation	(3.91)



Metahelix Life Sciences Limited

Notes to the consolidated financial statements for the year ended 31st March, 2017

Movements in the present value of the defined benefit obligation are as follows

	March 31, 2017
Opening defined benefit obligation	309.35
current service cost	51.59
Interest cost	25.49
Remeasurement (Gain)/Losses:	
Actuaial (Gain)/Loss arising from changes in financial assumptions	12.73
Actuarial (Gain)/Losses arising from experience adjustments	(2.63)
Transfer In/(Out)	26.05
Benefits paid	(64.39)
Closing defined benefit obligation	358.19

Movements in the fair value of the plan assets are as follows

	March 31, 2017
Opening fair value of the plan assets	277.62
Transfer In/(Out)	26.05
Interest income	19.16
Remeasurement gain (loss):	
Return on plan assets (excluding amounts included in net interest expense)	5.28
Actuarial gain/(loss)	0.50
Contributions from the employer	97.88
Benefits paid	(64.39)
Closing fair value of plan assets	362.10

The plan assets are managed by the Gratuity Trust formed by the Company. The management of funds is entrusted with the Kotak Life Insurance

Particulars	March 31, 2017
Investment Funds with Insurance Company	
Unit Linked	282.44
Traditional/ Non-Unit Linked	79.66
Total Asset	362.10

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

1. If the discounting rate is 100 basis point higher (lower), the defined benefit obligation would decrease by Rs. 22.21 Lac (increase by Rs.24.72 Lac)
2. If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs. 24.36 Lac (decrease by Rs. 22.21 Lac)
3. If the life expectancy increases by 1 year for both men and women, the defined benefit obligation would increase by Rs. 0.04 Lac

The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

The financial assumptions employed for calculations of compensated absences are as under

	March 31, 2017
Discount rates	7.00%
Salary escalation rate	8.00%
Mortality	IALM 2006-08 (Ultimate)
Withdrawal Rates	12%



Note 32: Segment information

The Company is principally engaged in the production and marketing of seeds. The seed related activities are considered as primary segment and secondary segment is reported based on the geographical location of the customer

The sales outside India are less than threshold limits, as such disclosure under IndAS 108 is not required

Note 33: Related party disclosure

Ultimate Holding Company	Tata Chemicals Ltd
Holding Company	Rallis India Limited
Key Managerial Personnel	Mr S.Nagarajan-Chief Executive Officer and Director

a. Trading transactions

Rs Lac

Particulars	Sale of Goods	Purchase of Goods	Cash Discount	Processing Charges and Freight Reimbursement
	March 31, 2017	March 31, 2017	March 31, 2017	March 31, 2017
Ultimate Holding Company; Tata Chemicals Limited	3,292.71	-	1,165.67	110.69
Holding Company; Rallis India Limited	781.54	120.27	48.83	47.75

Sale & purchase of goods to related parties were made at Arm's length price in the ordinary course of business.

b. The following balances were outstanding at the end of the reporting period:-

Rs Lac

Particulars	Amounts owed by related parties as at	Amounts owed to related parties as at
	March 31, 2017	March 31, 2017
Ultimate Holding Company; Tata Chemicals Limited	71.20	-
Holding Company; Rallis India Limited	5.96	1,215.97

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad & doubtful debts in respect of the amounts owed by related parties. No amount is/has been written back during the year in respect of debts due from/to a related party

c. Compensation of key managerial personnel

Rs Lac

Particulars	Year Ended
	March 31, 2017
Remuneration paid	108.86



Note 34: Financial instruments

Capital management

The company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance

The capital structure of the company consists of net debt (borrowings as detailed in Note 15 and offset by cash and bank balances) and total equity of the company

The Company is not subject to any externally imposed capital requirements.

The Company's audit committee reviews the capital structure of the company on a quarterly basis. As part of this review , the committee considers the cost of capital and the risks associated with each class of capital

Gearing Ratio

The Gearing ratio at the end of the reporting period was as follows

	Rs Lac
	As at 31 March 2017
Debt	1,795.31
Cash and bank balances	(255.47)
Net debt	1,539.84
Total equity	8,550.49
Net debt to equity ratio	18%

Categories of financial instruments

	As at 31 March 2017
Financial assets	
Measured at amortised cost	
(a) Investments in equity instruments of subsidiaries	-
(b) Cash and bank balances	255.47
(c) Other financial assets at amortised cost	455.77
Financial liabilities	
Measured at amortised cost	
(a) Borrowings	1,743.85
(b) Other financial liabilities at amortised cost	761.89
Measured at fair value through profit or loss	
(a) Derivative instruments	-

Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk report which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently , exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters

The carrying amounts of the company's foreign currency dominated monetary assets and monetary liabilities at the end of the reporting period are as follows

	Liabilities	Assets
In US Dollars (USD) Lac	As at 31 March 2017	As at 31 March 2017
	-	0.24



The Company is mainly exposed to the currency : USD;

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rate. A positive number below indicates an increase in the profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative

Rs Lac	
Increase in exchange rate by 5%	USD impact
	As at 31 March 2017
Impact on profit or loss for the year	0.80
Impact on total equity as at the end of the reporting period	0.80

This is mainly attributable to the exposure outstanding on receivables and payables in the company at the end of the reporting period

Rs Lac	
Decrease in exchange rate by 5%	USD impact
	As at 31 March 2017
Impact on profit or loss for the year	(0.80)
Impact on total equity as at the end of the reporting period	(0.80)

This is mainly attributable to the exposure outstanding on receivables and payables in the company at the end of the reporting period

(a) Derivative Instruments:

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to accounts receivable and accounts payable. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy. The Company does not use forward contracts for speculative purposes.

The following forward exchange contracts are outstanding as at balance sheet date:

Particulars	As at 31 March, 2017		
	Number of Contracts	Rs lac	Foreign Currency (USD) in lac
Receivables	-	-	-
Payables	-	-	-

The line item in the balance sheet that includes the above hedging instruments are "other financial assets and other financial liabilities".

Equity Risk

There is no material equity risk relating to the Company's equity investments which are detailed in note 5 "Investments". The Company equity investments majorly comprises of strategic investments rather than trading purposes.

Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Company. The Company has adopted a policy of only dealing with credit worthy counter parties an obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. The Company uses its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counter parties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counter parties. Credit exposure is controlled by counter party limits that are reviewed and approved by the risk management committee annually.

The trade receivables consist of large number of customers spread across diversified geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

At 31st March 2017, the Company had 4 customers (31st March 2016: 3 customers, 1st April 2015: 4 customers) that owed the Company more than Rs.100 Lacs accounting for approximately 40% (31st March, 2016 - 28%, 1st April, 2015 - 38%) of the total trade receivable balance outstanding. Apart from the above, the Company does not have significant credit risk exposure to any single counter party. Concentration of credit risk to any other counter party did not exceed 5% of gross monetary assets at any time during the year

The credit risk on liquid funds and derivative financial instruments is limited because the counter parties are banks.



Note 35: Lease Arrangements - Operating lease

The Company has taken certain premises on operating lease which is cancellable for a period of 3 years or cancellable at the option of lessee. Details of charges paid during the year and future minimum lease charges are as follows

Particulars	Rs Lac
	For the year ended 31st March, 2017
Lease charges recognised in the statement of profit and loss	1,378.47
Future minimum lease charges	
- within one year	1,030.00
- 1 to 3 years	-

Note 36: Earnings per share**(a) Basic**

Basic earning per share is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of ordinary Equity shares outstanding during the year.

(b) Diluted

The Company has only one class of equity share having a par value of Rs.10/- each and has not issued any convertible securities. Hence the Basic and Diluted earnings per share are same.

The following reflects the income and share data used in the basic EPS computations:

	As at 31st March, 2017
Profit attributable to equity holders of the company:	
Continuing operations	3,172.54
Discontinued operations	-
	3,172.54
Weighted average number of ordinary equity shares in issue	1,07,502
Earning per Share	2,951.15

Note 37: - The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility (CSR) as per the provision of section 135 of the Companies Act, 2013 amounts to Rs 28.21 lac. Amount spent during the year on CSR activities as under:

Particulars	For the year ended 31 March 2017
Employee benefits expense	-
Other expenses (for healthcare, education, etc.)	24.00
	24.00



Note 38 - Research and Development expenditure

The Company has incurred the following expenses on research and development activity:

Particulars (Refer footnote)	Rs. Lac
	For the year ended 31 March, 2017
On tangible fixed assets	60.04
Other expenses	
- Materials	36.36
- Employee benefits expense	1,035.85
- Breeding Expenses	491.23
- Consumables	86.17
- Travelling expenses	116.31
- Depreciation and amortisation expense	46.83
- Others	252.01
	2,124.80

Footnote:

The above figures include the amounts based on separate accounts for the Research and Developments ("R&D") Centre recognised by the Department of Scientific & Industrial Research ("DSIR"), Ministry of Science and Technology for in-house research (consonance with the DSIR guidelines for in-house R & D Centre will be evaluated at the time of filing the return with DSIR).

Note 39; Statement of net assets and profit and loss attributable to owners and Non- controlling interest;

Name of the entity	Net assets i.e. total assets minus total liabilities		Share of profit or loss	
	Rs Lac	As % of consolidated net assets	Rs Lac	As % of consolidated profit or loss
Parent				
Metahelix Life Sciences Limited	8,507.43	99%	3,172.54	101%
Foreing Subsidiary				
PT Metahelix Lifesciences Limited	43.06	1%	(42.97)	(1%)
	8,550.49	100%	3,129.57	100%

Note 40; The Company has prepared its consolidated financial statements for the first time and hence corresponding (comparative) figures for the year have not been given

