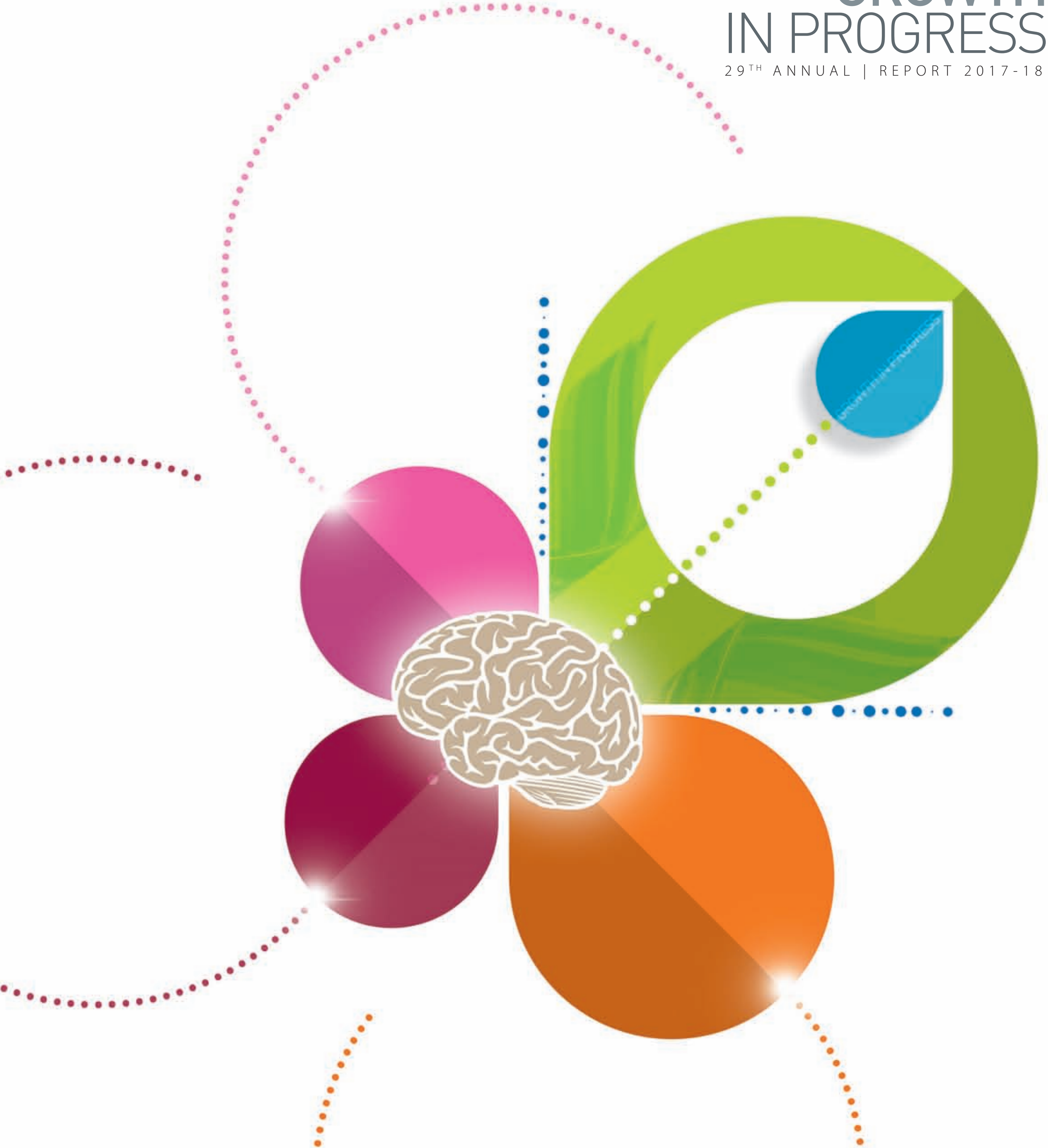
SUVEN LIFE SCIENCES LIMITED

GROWTH
IN PROGRESS

29TH ANNUAL | REPORT 2017-18



CAUTIONARY STATEMENT

IN THIS ANNUAL REPORT, WE HAVE DISCLOSED FORWARD-LOOKING INFORMATION TO ENABLE INVESTORS TO COMPREHEND OUR PROSPECTS AND TAKE INFORMED INVESTMENT DECISIONS. THIS REPORT AND OTHER STATEMENTS - WRITTEN AND ORAL - THAT WE PERIODICALLY MAKE CONTAIN FORWARD-LOOKING STATEMENTS THAT SET OUT ANTICIPATED RESULTS BASED ON THE MANAGEMENT'S PLANS AND ASSUMPTIONS. WE HAVE TRIED, WHEREVER POSSIBLE, TO IDENTIFY SUCH STATEMENTS BY USING WORDS SUCH AS 'ANTICIPATES', 'ESTIMATES', 'EXPECTS', 'PROJECTS', 'INTENDS', 'PLANS', 'BELIEVES', AND WORDS OF SIMILAR SUBSTANCE IN CONNECTION WITH ANY DISCUSSION OF FUTURE PERFORMANCE.

WE CANNOT GUARANTEE THAT THESE FORWARDLOOKING STATEMENTS WILL BE REALISED, ALTHOUGH WE BELIEVE WE HAVE BEEN PRUDENT IN ASSUMPTIONS. THE ACHIEVEMENT OF RESULTS IS SUBJECT TO RISKS, UNCERTAINTIES AND EVEN INACCURATE ASSUMPTIONS. SHOULD KNOWN OR UNKNOWN RISKS OR UNCERTAINTIES MATERIALISE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INACCURATE, ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE ANTICIPATED, ESTIMATED OR PROJECTED. READERS SHOULD BEAR THIS IN MIND.

WE UNDERTAKE NO OBLIGATION TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

CONTENTS

Doing small things each day that make our today better than yesterday.

At Suven, this philosophy and passion makes us grow every day.

In knowledge.

In expertise.

In capability.

In performance.

And... in respect.

This then is... Growth in Progress!

BASE
CRAMS

Having undertaken more than eight hundred CRAMS projects for pharmaceutical innovators across the globe, when the number of active projects dipped marginally (from 113 to 109), we were not alarmed.

- Our Phase I CRAMS projects increased over the previous year from 70 to 72
- A larger proportion of Phase I CRAMS projects pertained to more complex chemistries and involved increasingly challenging expertise, making returns even higher
- There was an increase in the upward movement of CRAMS projects from Phase I to Phase II, which made the project increasingly profitable

As a result, even as the revenue from this segment increased, profits accelerated at a faster clip.

More importantly, revenue share which is repetitive in nature (from existing global pharmaceutical innovators) has increased significantly over the last five years – a critical watermark on our expertise and capabilities.

THIS THEN IS... GROWTH IN PROGRESS!

25.82%

GROWTH IN REVENUE FROM CRAMS PROJECTS (5-YEAR CAGR)

COMMERCIAL SUPPLIES

Having waited for five years after developing intermediates for molecules that successfully journeyed the arduous and challenging NCE development cycle, returns for our passion and patience have only just started.

- Having supplied the initial quantities of intermediates for the approved rheumatoid arthritis molecule in 2016-17, we received our second order which was reasonably larger than the first
- We received a further order for the supply of intermediates for the patent protected diabetic product which has been launched by our European customer
- We received our first order for the supply of intermediates for a women's health product for an NDA filing.
- And there is a pipeline of approved molecules (by the US regulators) for which we have supplied intermediates, which are yet to be launched in the world's largest pharmaceutical market

Revenue from this vertical jumped by 251% over the previous year. And this is just the beginning. For we are among the select 2-3 suppliers globally for these intermediates product used in the approved molecules all through their patent validity.

THIS THEN IS... GROWTH IN PROGRESS!

119.42

REVENUE FROM SUPPLY OF INTERMEDIATES TO COMMERCIAL PRODUCTS, 2017-18 (₹ CRORE)

FORMULATIONS

Having made a small and successful beginning with one formulated product, Malathion, which is being marketed by Taro in the US and Canada, we are leveraging this experience and our chemistry expertise to grow this vertical.

We have cherry-picked high value, small volume and niche molecules which are largely uncluttered due to their complexity and opportunity size.

- We have one ANDA filed with the regulatory authorities which is awaiting approval, and two have been filed by our customers
- We are preparing to file another 2-3 ANDAs in the current year (2018-19)
- We are working on another 8-10 formulated products, ANDAs for which will be filed in a phased manner from 2020 onwards

We are confident of turning this flanking vertical into a robust growth driver over the next five-year horizon.

THIS THEN IS... GROWTH IN PROGRESS!

26

ROYALTY FEES EARNED FROM MALATHION DURING THE LAST TWO YEARS (₹ CRORE)

INNOVATION
ASSETS

Having painstakingly invested more than 13 years in working on new concepts that promise healthy minds and peaceful lives, we continue with unwavering focus, to work on taking our self-created and self-funded innovation assets higher on the development cycle.

SUVN-502: A pure 5HT6 antagonist, well differentiated from competitor clinical candidates, a first in class triple combination for the symptomatic treatment of Alzheimer's is undergoing Proof-of-Concept Phase II study with 537 patients over 70 sites all over USA. We enrolled 250+ by March 2017; this number stands at 410+ by March 2018. We hope to get the last patients into the study before the end of the calendar year 2018.

SUVN-G3031: We successfully completed Phase I Clinical Trial in the US in 2016-17. In 2017-18, we have been in discussion with experts for the kind of indications that should be pursued. We finalised the primary indication as Narcolepsy with or without Cataplexy and are in the process of finalising a protocol for the clinical trial Phase-II Proof-of-Concept. We hope to initiate Phase II Clinical Trial during 2018-19.

SUVN-4010: A 5HT4 partial agonist with dual mechanism of action (disease modifying and symptomatic treatment) molecule for Alzheimer's Disease. Having gone through Phase I Clinical Trial in 2016-17 seamlessly, the molecule is now undergoing Phase II enabling studies and will be ready for Phase II Clinical Trial (Proof-of-Concept) in 2019.

SUVN-911: A selective alpha 4 beta 2 nAChR antagonist for the treatment of Major Depressive Disorders (MDD) is presently undergoing Phase I clinical trials in USA.

SUVN-I6107: A M1 true PAM (Muscarinic 1 true Positive Allosteric Modulator) for the treatment of cognitive deficits is undergoing Phase I enabling GLP toxicology studies in USA.

Our hope is to transform our dream into reality over the coming years. And that hope, we believe, is real.

THIS THEN IS... GROWTH IN PROGRESS!

410+

PATIENTS ENROLLED FOR SUVN-502 BY MARCH 2018.

SUVEN LIFE SCIENCES: A FULL-FLEDGED BIOPHARMACEUTICAL SOLUTIONS PROVIDER FOR GLOBAL PHARMACOS. ONE OF THE MOST PROMINENT COMPANIES IN THE CNS SPACE IN ASIA EARNING GLOBAL RESPECT FOR ITS NCE ASSETS IN THIS THERAPEUTIC SEGMENT.

Vision

- Providing world-class R&D solutions for Global Life Science companies with efficiency in cost, quality and speed
- Become a leading company focused on treatments for unmet medical needs in Mental Health

Mission

Health for patients and Value for partners

Suven Life Sciences Limited is a pharmaceutical research expert that leverages its innovation capability to undertake NCE-based CRAMS projects involving discovery and development of molecules for innovator companies. The Company's expertise in process research, custom synthesis and NCE development support services has earned it the respect of global pharmaceutical companies.

Suven is headquartered in Hyderabad, Telangana with its R&D facilities in Hyderabad and Medak and 3 manufacturing locations at Medak, Nalgonda and Visakhapatnam.

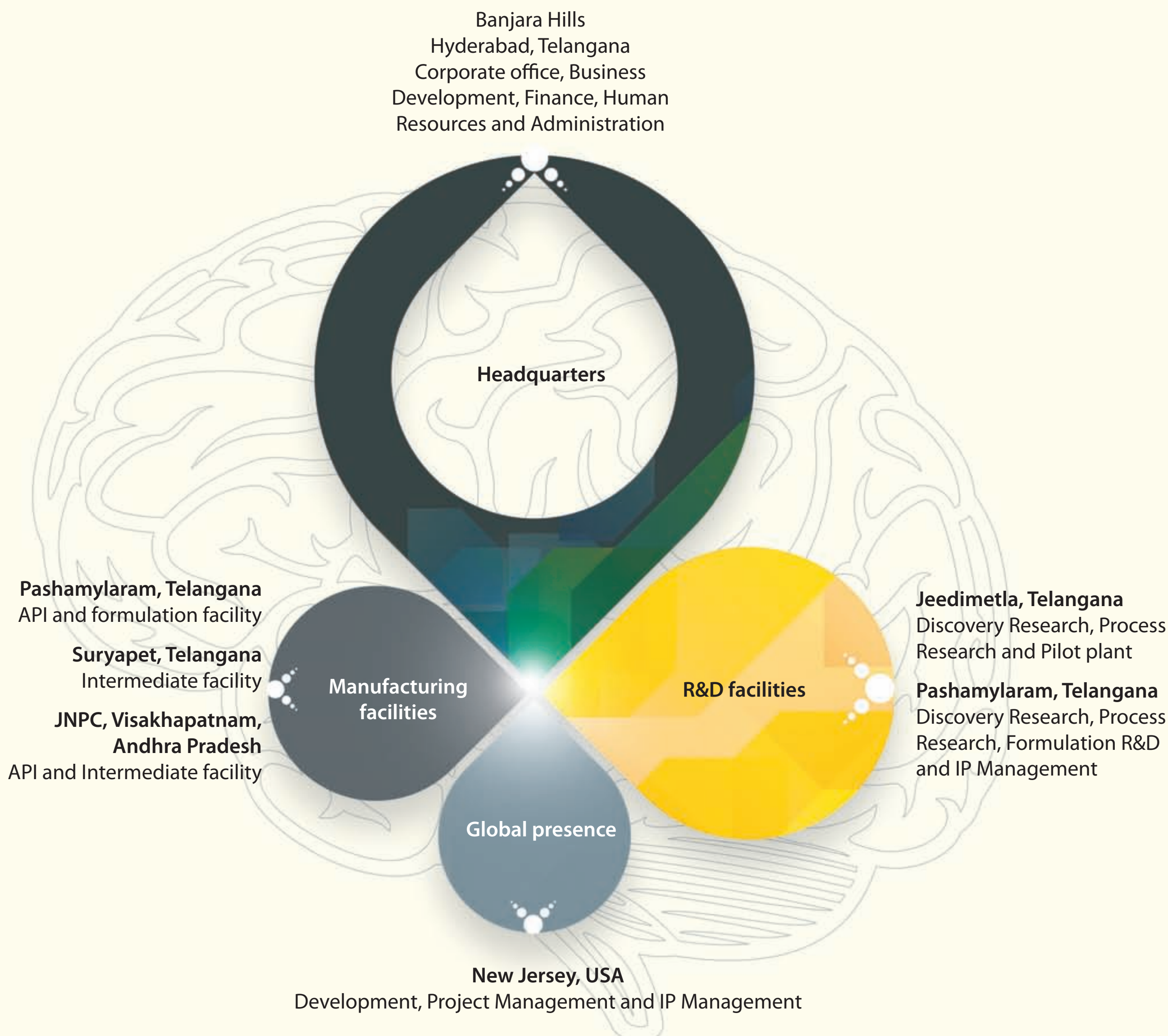
The Company has a 950+ member team; its 400 member strong R&D team comprises of 35 PhDs and works in the research-intensive areas of analytical development, drug discovery, process R&D and formulations development.

60

PROMOTERS HOLDING, MARCH 31, 2018 (%)

4.5

INSTITUTIONAL HOLDING, MARCH 31, 2018 (%)



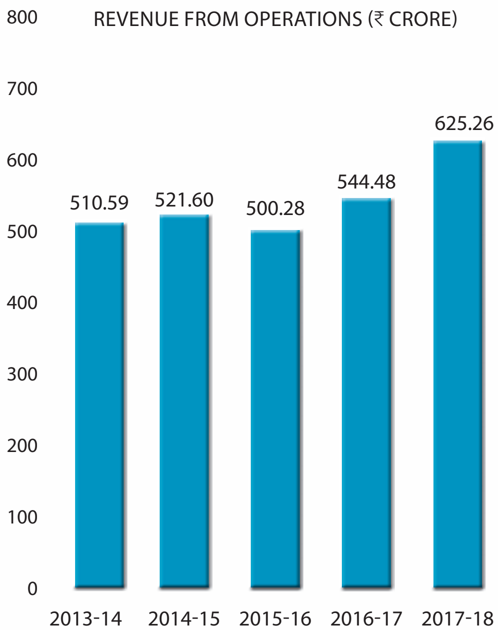
21

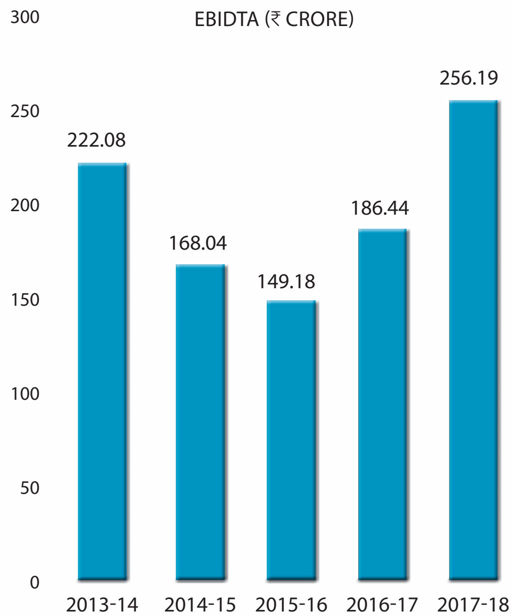
MARKET CAPITALISATION, MARCH 31, 2018 (₹ BILLION)

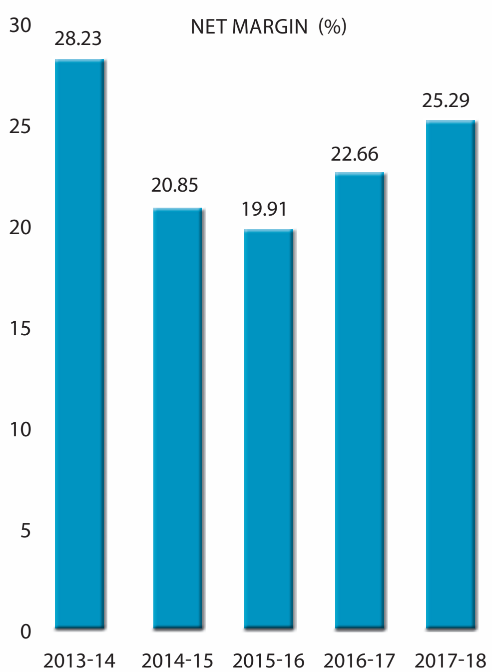
70

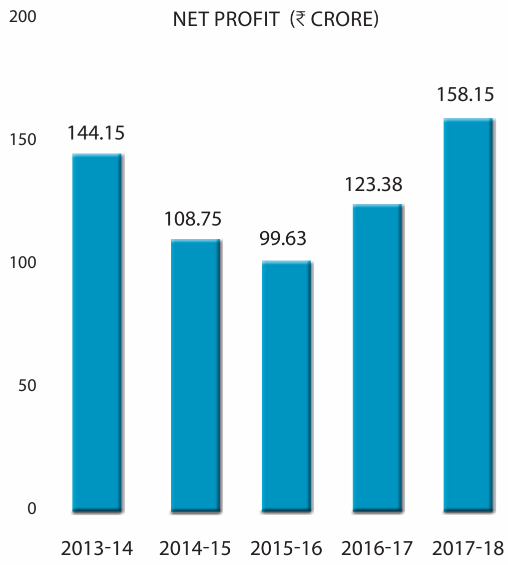
CUSTOMERS, MARCH 31, 2018

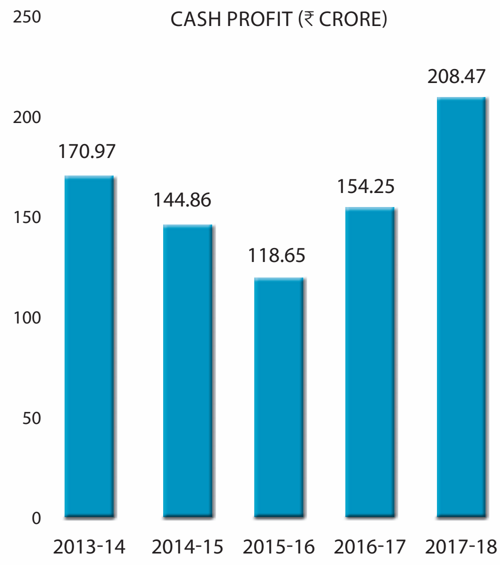
AT SUVEN..
PROGRESS THIS FAR!

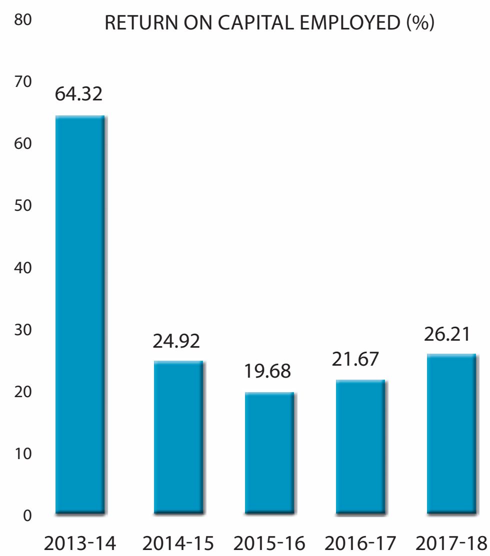


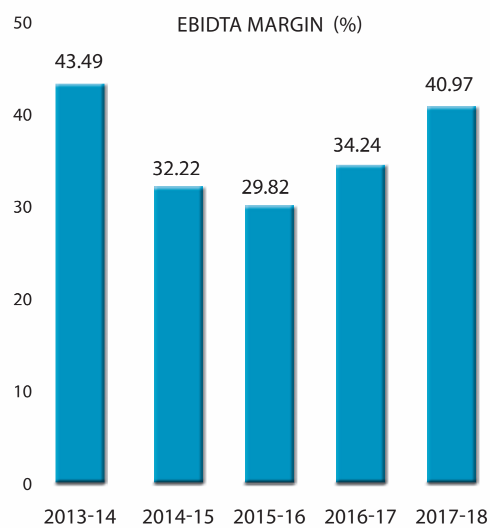





NET PROFIT (₹ CRORE)
200
150
100
50
0
144.15
108.75
99.63
123.38
158.15
2013-14
2014-15
2015-16
2016-17
2017-18


CASH PROFIT (₹ CRORE)
250
200
150
100
50
0
170.97
144.86
118.65
154.25
208.47
2013-14
2014-15
2015-16
2016-17
2017-18


RETURN ON CAPITAL EMPLOYED (%)
80
70
60
50
40
30
20
10
0
64.32
24.92
19.68
21.67
26.21
2013-14
2014-15
2015-16
2016-17
2017-18


EBIDTA MARGIN (%)
50
40
30
20
10
0
43.49
32.22
29.82
34.24
40.97
2013-14
2014-15
2015-16
2016-17
2017-18

AT SUVEN, EVERY DAY IS EXCITING. EACH DAY BRINGS WITH IT NEW CHALLENGES AND LEARNING OPPORTUNITIES. AND IT IS THIS CONCOCTION OF CHALLENGES AND OPPORTUNITIES THAT OPENS NEW VISTAS OF GROWTH.

Dear shareholders,

Fiscal 2017-18 was another year of healthy growth in business, profits and profitability as some of our initiatives yielded interesting returns. These milestones hold special significance in Suven's journey as they strengthen the Company's ability to deliver value to shareholders.

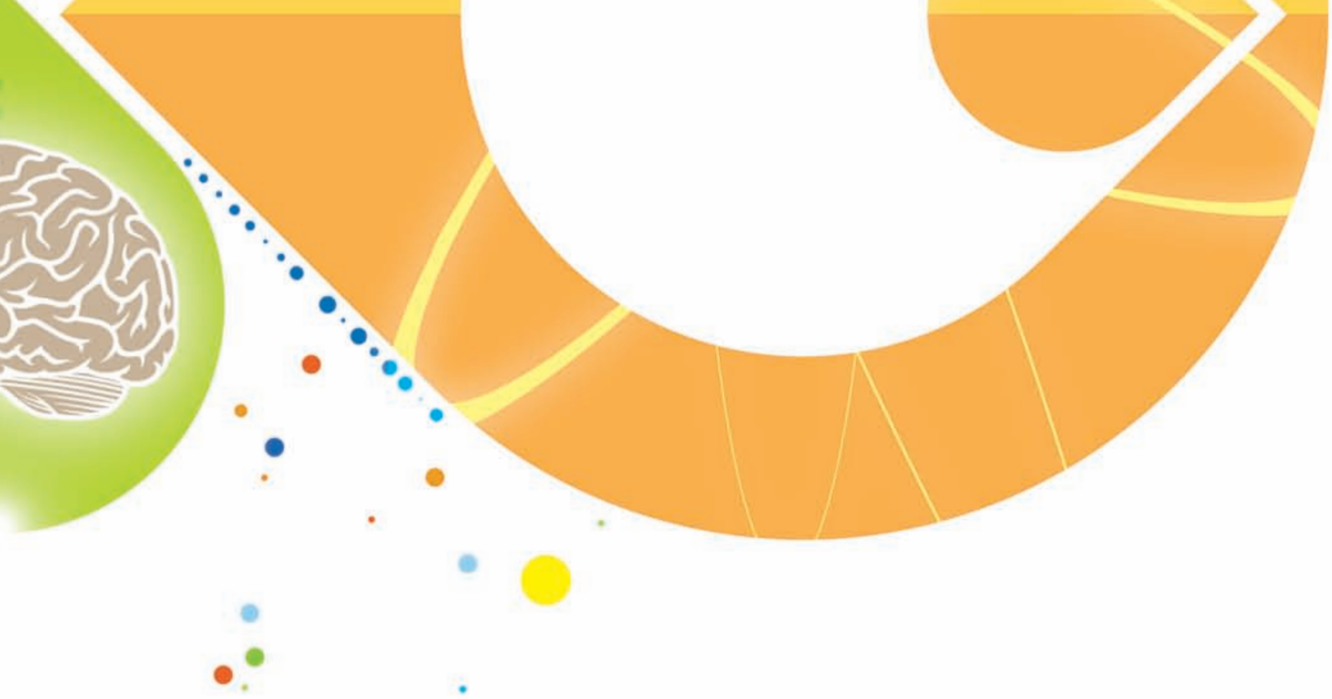
Fiscal 2017-18 was interesting for it was a period of ups and downs. In the first half, our business and profits took a dip. While in the second half fortunes turned in our favour to close the year with a positive momentum.

What I am trying to get at is that Suven is not akin to other companies where quarterly numbers can be extrapolated for the whole.

Because, Suven is not just a manufacturing company but a Contract Research Company and the results of research leads to manufacturing activity and then supplies to our customers.

Because Suven is not in the market share game, it is in the market size space where every new development only promises to expand the pharmaceutical sector's horizon.

Because for Suven, surprises happen even as it passionately works to transform its business



model from the perceived unpredictable to the increasingly stable.

Fiscal 2017-18, in my mind is a typical case of surprises. The first was a negative one in the first half of the year, when supply of an intermediate to a specialty chemical customer dropped owing to genericisation and consequent price erosion. And in the second half of the year, our performance was bolstered by the continued supply for commercial products and also an initial commercial order for a women's health product which is readying for NDA submission.

These things will continue to happen as we move along. And we are accustomed to this and hence unperturbed. But our learning from these events is to continue to strengthen all our revenue verticals with new growth levers that promise to sustain business momentum despite the unannounced surprises.

For example, in the specialty chemical space, we are working on three other novel molecules which, if and when approved, will position this business segment as an important revenue driver. Further, we are increasing our ANDA filings in a phased manner over the next 3-4 years which, when approved, will provide stable revenue over the medium term. And most importantly, we will continue to reap the benefits from the commercial supplies for the next few years.This, I expect will provide a healthy growth opportunity over the medium-term, even as two other approved molecules are awaiting a market launch.

In a nutshell then, to be part of the Suven family you need to have trust and patience. Trust in our expertise to develop and abilities to deliver. Patience, because our initiatives are long-gestation projects — longer than other pharmaceutical companies as we delve into the unknown, which has its own set of challenges. Creation of new molecules by our customers does not happen in a day. But when it does, the returns from the project far outweigh the effort and perseverance invested in the project.

At Suven, every day is exciting. Each and every day brings with it new challenges and learning opportunities. And it is this concoction of challenges and opportunities that opens new vistas of growth. Hence, at Suven growth is always in progress.

Our lead NCE molecule – SUVN 502 – is progressing well

We have enrolled 412 patients out of a mandated requirement of 537 patients as on March 31, 2018 and hope to complete the enrolment during 2018. Interestingly, there are not many molecules left in the global NCE pipeline for the symptomatic treatment of Alzheimer's disease as its competing molecule failed to clear Phase III Clinical Trial. SUVN 502 continues to move up the development cycle as we have kept our safety margins significantly higher than all other competing molecules.

We are hopeful of getting a positive result.

Warm regards,
Venkat Jasti, Chairman & CEO

WHILE THE OVERALL CRAMS PROJECT VOLUME COULD GET OPTIMISED OVER THE COMING YEARS, CROs WITH AN ESTABLISHED TRACK RECORD IN THE GLOBAL PHARMACEUTICAL INNOVATION SPACE WILL BE PREFERRED AND HENCE WILL CONTINUE TO PROSPER.

Q: How would you rate the Company's performance in 2017-18?
A: It was a pretty good year with most business verticals scaling previous year performance benchmarks. This is evident from our financials — while revenue grew by about 15% over the previous year, EBIDTA and Net Profit grew by 37% and 28% respectively. The sweet spot in our financial performance was a 700 bps jump in our EBIDTA margin over the previous year — a healthy indication of the quality of business growth.

Q: In your base CRAMS business, the number of projects in this year are lesser than what you had done last year.
A: Yes, that is true. But the project-mix quality was better. We had an increasing number of projects in Phase I which related to complicated therapies. There was a healthy upscaling of projects from Phase I to Phase II (which are incrementally profitable). These realities made the business growth increasingly profitable.

Q: Would you say the same about the other sub-verticals with the CRAMS division?
A: It was good and not-so-good. The not-so-good part was the supply of intermediates to our specialty chemical customer. Even as sales volumes were in line with their annual budget, the product becoming generic, dampened the realisation and overall revenue from this sub-vertical declined by 31% over the previous year. Given this reality, our customer has guided that the chances of such a steep erosion in prices does not seem likely over the next 12-24 months. That is heartening.

Q: And now the good part!
A: The commercial supplies to approved molecules — it was a growth year for this sub-segment. We received the repeat order for supplying intermediates for the first molecule (diabetes) for which we had initiated supplies in 2016-17. Moreover, we received an initial order for the second molecule (rheumatoid arthritis). The combination of these orders along with others resulted in a revenue of ₹119 crore.

Q: How is your capex project progressing?
A: We are setting up a new unit at Pashamylaram at an investment of ₹120 crore. In 2017-18, we have invested 50% of CAPEX program. We expect the unit to be up by the end of calendar year 2018.

Q: What is the progress on your NCE assets?
A: Our lead assets continued to progress well across the development cycle. For our flagship molecule SUVN-502, we have enrolled 460 patients as at end of May 2018, out of the required 537 patient pool. For SUVN-G3031, which is to move to Phase II Clinical Trial, we are consulting key opinion leaders for the kind of indications that should be pursued and also to write the protocol for the clinical trial Phase-II Proof-of-Concept. This is critical for taking the molecule into the next phase of clinical trial.

700

JUMP IN OUR EBIDTA MARGIN (BPS) OVER THE PREVIOUS YEAR.

Q: How does the Company plan to fund the progress of these two molecules which are at Phase II Clinical Trial?

A: We have a strong cash war chest — our cash and bank balance of ₹290+ crore as on March 31, 2018. Moreover, as other business verticals continue to show considerable promise in the current year, we remain hopeful of strengthening organisational liquidity. This then should take care of our R&D expenses going forward.

Q: How do you perceive the base CRAMS business going forward?

A: Innovation into newer molecules for new-age ailments continues to be the driving force for the global pharmaceutical industry. But continuously increasing costs and growing regulatory complexities have forced global innovator companies to curtail their NCE pipeline to include only very promising molecules. So, while the overall CRAMS project volume could get optimised, CROs with an established track record in the global pharmaceutical innovation space will be preferred and hence will continue to prosper..

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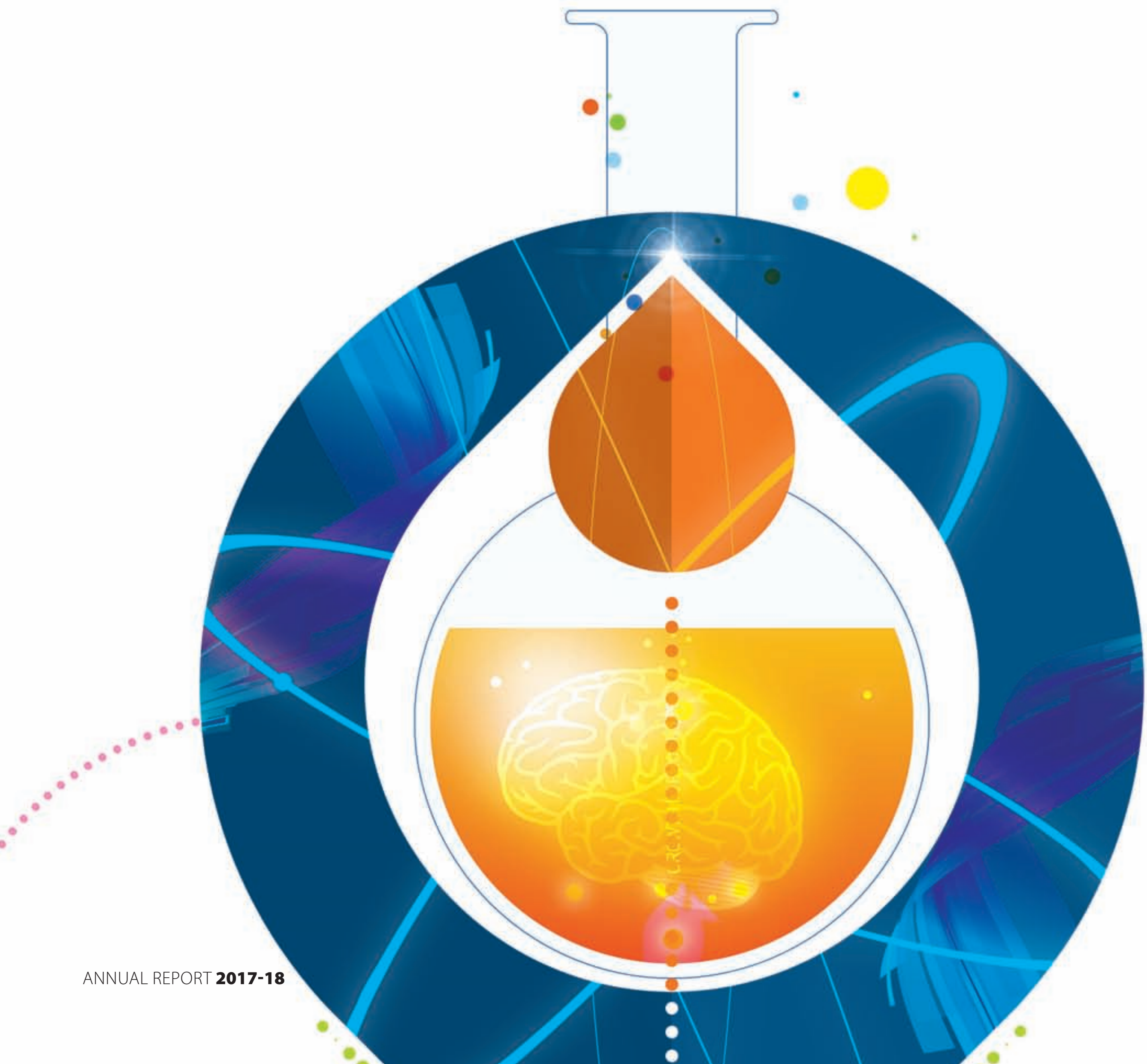
THE GLOBAL CDMO MARKET AMOUNTED TO USD 65.8 BILLION IN 2016 AND IS SET TO EXPERIENCE A SUSTAINED GROWTH MOVING FORWARD TO EVENTUALLY REACH USD 85 BILLION BY 2020.



MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

Growth this broad based and strong has not been seen since the world's initial sharp 2010 bounce back from the financial crisis of 2008-09.

It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. The upswing in global investment and trade continued in the 2017.

Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 than in the previous year.

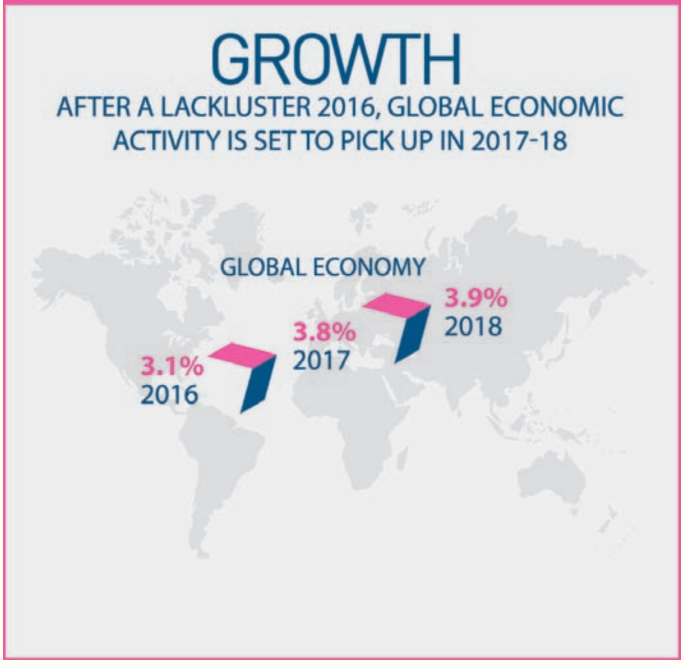
Economic activity in 2017 ended on a high note. Growth in the second half of the year was above 4%, the strongest since the second half of 2010, supported by a recovery in investment.

About tomorrow: With broad-based momentum and expectations of a sizable fiscal expansion in the United States over this year and the next, global growth is now projected at 3.9% for 2018–19.

The synchronised expansion will help dispel some remaining legacies of the crisis by speeding the exit from unconventional monetary policies in advanced economies, encouraging investment, and healing labour market scars.

Over the long term: Future growth prospects look challenging indeed for advanced economies and many commodity exporters. In advanced economies, aging populations and lower projected advances in total factor productivity will make it hard to return to the pre-crisis pace for the average household's income growth. Substantially raising middle and lower incomes appears even tougher. Moreover, growth rates will inevitably bend toward their weaker longer-term levels.

World Economic outlook update - January 16, 2017



Indian economy

Fiscal 2017-18 was a defining year for the Indian economy.

India took the bold step of completely resetting its indirect tax system to a comprehensive GST regime while continuing to experience the overhang of the demonetisation initiative.

These structural reforms took a toll on India's economic resurgence as the GDP growth dipped to 6.7% in 2017-18 against 7.1% in 2016-17.

Although economic progress remained muted in the first half of the fiscal, India bounced back aggressively to report a 7%-plus growth in the second half of the year - 7.7% in the three months ended 31 March 2018, the fastest pace in seven quarters, signaling a strong turnaround.

The turnaround in the economy was led by robust agriculture (4.5%) and manufacturing growth (9.1%) as well as double-digit growth in construction activities (11.5%) in the March quarter. The economy also received a boost from higher government spending (13.3%) in the March quarter.

This underscores the reality that the Indian economy has moved past the disruptions triggered by policy driven structural changes. The latest quarterly corporate earnings data suggest that consumer demand too is reviving.

About tomorrow: In keeping with the cyclical upswing witnessed in 2017-18, Deutsche Bank estimates the country to clock a GDP growth of 7.5% in 2018-19 - tad higher than the RBI estimate of 7.4%.

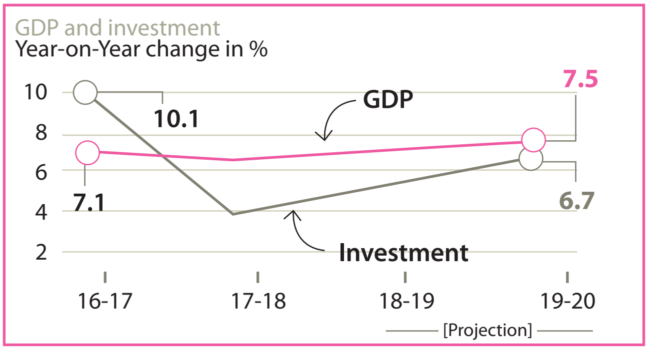
On the negative side though, higher global oil prices, risk of an earlier than anticipated rate hike cycle from the RBI and the potential negative impact of the banking sector frauds on credit and overall growth are some of the factors that pose downside risk to its baseline GDP estimate.

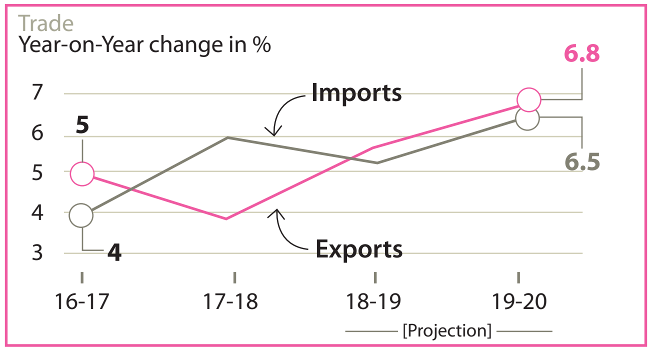
The high points for 2017-18

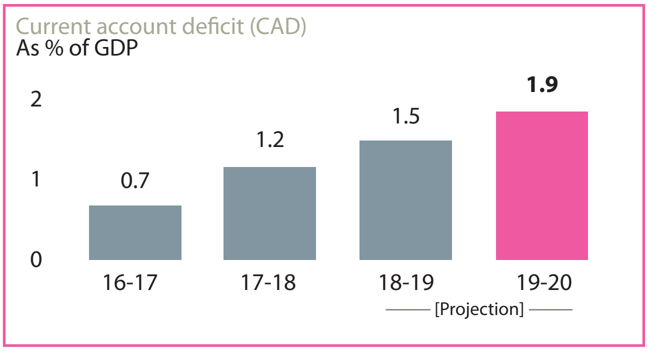
- India emerged as the most competitive country in South Asia, appearing at No. 40 in the global competitiveness ranking of 137 countries by the World Economic Forum.
- India jumped up 30 notches into the top 100 rankings on the World Bank's 'ease of doing business' index, consequent to major improvements in indicators such as resolving insolvency, paying taxes, protecting minority investors and getting credit.
- India topped management consulting firm AT Kearney's 2017 Global Services Location Index for the eighth consecutive year and extended its lead over other countries from 0.47 last year to 0.76 in 2017.

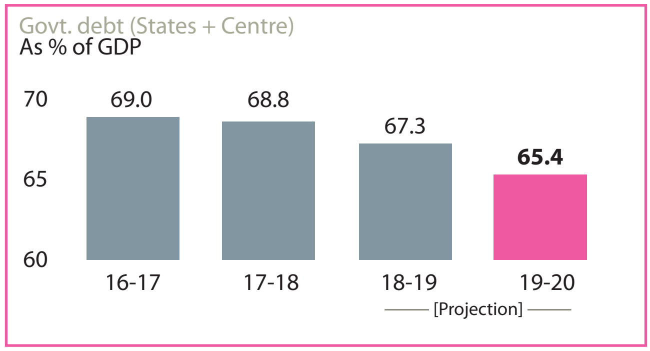
India seen growing at 7.3% in FY19

The World Bank has projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20.









Source : World Bank

Global pharmaceutical space

Spending on medicines remains a topic of intense interest among policy makers, patients, payers and drug manufacturers. The level and growth of spending, the price of new, and old, drugs, and the allocation of costs among patients, employers, health plans, intermediaries and state and federal government agencies all command great attention. Hence, the global pharmaceutical industry has always remained in the spotlight – it has a direct correlation with nations' economic strength and healthcare spending levels.

In 2017, spending grew 0.6% net of off-invoice discounts and rebates. Overall, spending reached a total of US$453 bn on an invoice basis but US$ 324 bn on net basis. This is the slowest rate of growth since 2012 when the largest period of concentrated patent expiries took place.

Spending growth slowed in 2017 due to lower price increases for protected branded products, price declines for generics and less growth from new products despite a large increase in the number of new product launches.

However, the usage of medicines by patients has continued to rise. In 2017, there was a significant increase within chronic, 90-day prescriptions which can be linked to efforts to improve adherence

Forty-two NASs (New Active Substances) were launched in 2017, more than double the number launched in 2016, and higher than all but two of the last ten years. Half of NAS launched in 2017 were orphan drugs, and this trend is expected to continue with another 80–90 orphan drugs approved through 2022, compared to the 81 orphan drugs launched in the past five years.

Outlook to 2022: Net total spending growth will average 2–5% over the next five years. Growth will continue to be driven by innovation, and be offset by slower price growth and the increasing impact of patent expiries.

The impact of patent expiries has been relatively unchanged for the past three years but is expected to increase sharply. Impact of losses of exclusivity are expected to be 40% greater in next five years including biosimilars.

Global research and outsourcing

The research-based pharmaceutical industry plays a unique role in developing new medicines and vaccines to prevent and treat diseases, and improve the lives of patients worldwide. Its key contribution to global health is turning fundamental research into innovative treatments.
The industry's success rests on continuous innovation – for the prevention and treatment of common, complex, and neglected diseases, and for improvements in existing treatments. Despite often challenging business and regulatory conditions, the industry undertakes investments that are considerably risky than those in most high-technology sectors. By investing billions of dollars and thousands of scientist-hours, it pushes the limits of science, fosters medical progress, and contributes to the prosperity of society.

But escalating cost have made it prohibitive for innovator companies to undertake the full research and development lifecycle on their own. Besides, increasing regulatory complexities have also made research outsourcing a viable option for global innovator companies.

Hence, healthcare companies often outsource drug development functions to contract research organisations to efficiently and effectively use the development capabilities internationally.

Contract research outsourcing

The global healthcare contract research outsourcing is potentially driven by the growing complexity of the regulatory procedures and increasing intervention of the healthcare providers in the drug approval and reimbursement process.

The clinical, therapeutic and regulatory expertise of CROs helps to improve the complete cost of development and accelerate time to market for a new product.

CROs have become larger and enormously more diversified across various therapeutic areas and functions, expanding their penetration. In addition, the varied regional filing process expertise offered by CROs is further fueling the healthcare contract research outsourcing market.

These services and business solutions offered by the CROs help the healthcare companies to complete simultaneous regulatory submissions in different regions efficiently and effectively.

Estimates over the medium term

The global healthcare contract research outsourcing market is rising with increasing complex regulatory process & growing regulatory burden. The global healthcare contract research outsourcing market was valued over US$ 30 Bn in 2016 and is projected to witness cumulative annual growth rate (CAGR) of over 6% from 2017 to 2025 to surpass the value of US$ 54 Bn by 2025.

Increasing drug development cost is expected to drive market demand over the forecast period. With the increasing number of patents expiring, increasing number of partnerships to identify biologics and new compounds and growing R&D costs, drug maker and sponsor companies are under pressure to replace the revenue loss specifically due to generics, which has further made drug development more expensive and complex.

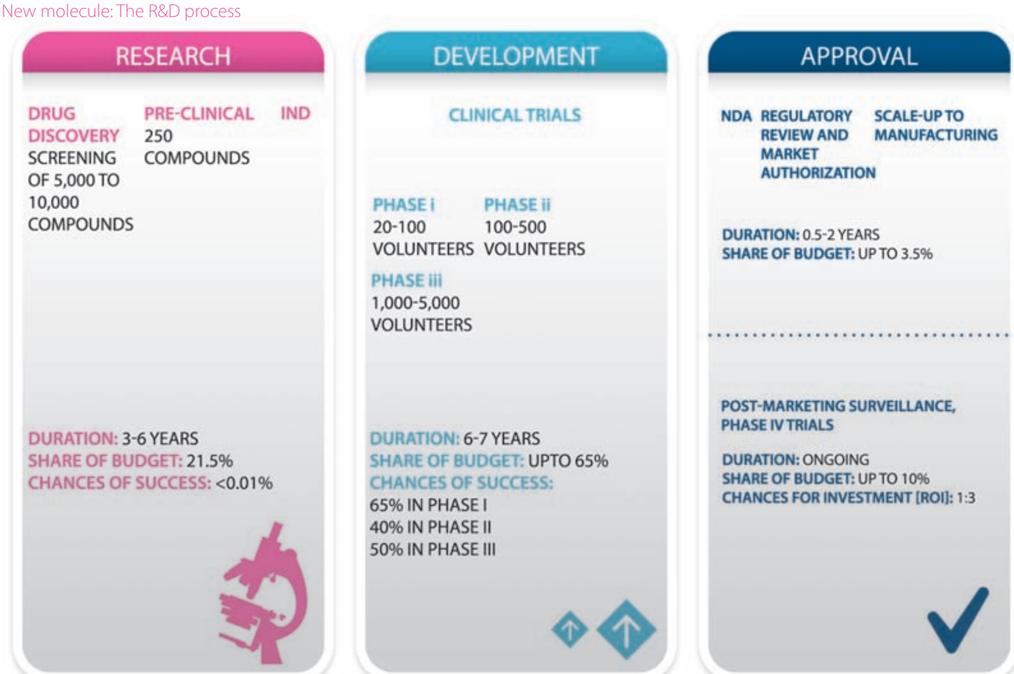
Moreover, owing to the increasing incidence rates of chronic diseases such as cancer, Alzheimer's and other infectious diseases in children, government funding has increased, which have led to increasing R&D activities.

In addition, growing pressure on industry players to follow stringent timelines has increased the demand for outsourcing of research activities. Even government organisations are outsourcing their clinical trial activities to CROs so that they can carry out the clinical trials with the required infrastructure, expertise, and minimise cost and timelines.

The healthcare contract research outsourcing market is projected to witness strong growth during the forecast period driven by an increase in funding of small to midsized pharmaceutical, biotechnology, and medical devices companies leading the companies to opt for CRO services with focus on niche market.

New molecule development
Today, the cost of developing a successful medicine can exceed, according to some studies, USD 2.6 billion compared to USD 179 million in 1970s. This increase reflects the various technical, regulatory and economic challenges facing R&D pipelines.

New molecule: The R&D process



Global contract development and manufacturing

Over the years: Interestingly, the CDMO industry started out decades ago as a niche service, offering additional manufacturing capacity or specialty services to pharmaceutical companies. The rise of the CDMOs was fuelled by failure stories in the pharmaceutical industry

In the past, pharmaceutical companies often installed dedicated manufacturing capacities for innovative drugs in development, only to see them fail during phase III of clinical research trials. Thus, the additional manufacturing capacity for the specific drugs was no longer needed. To reduce the risk of expensive overcapacities, the demand for outsourced manufacturing has been rising continually. Recent times: Pharmaceutical companies are faced with a pressing need to consolidate their supplier base to minimise the complexity of dealing with multiple outsourcing partners. The market is changing rapidly, posing challenges for pharma companies, such as pricing pressure yet the macro-environment offers opportunities due to the ageing global population, an emerging middle class in several countries, and rapid R&D innovation.

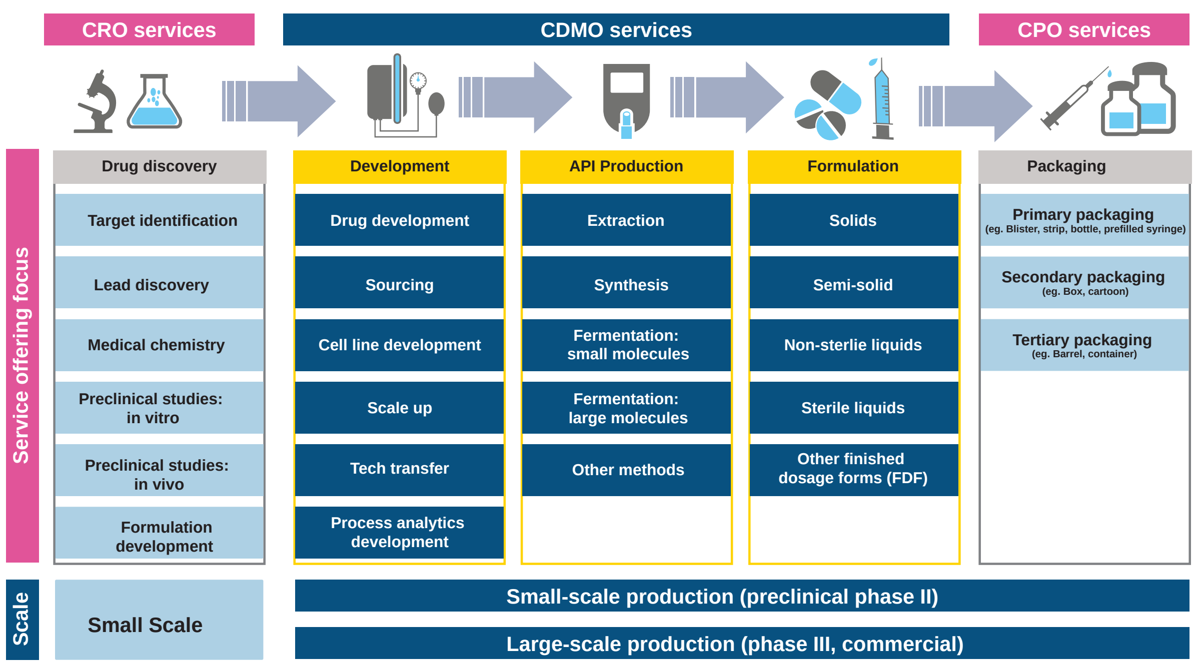
These trends are driving many to rethink supply chains – including the question of whether to invest in owning infrastructure, or to explore efficiencies by working with a contract development and manufacturing organisation (CDMO) partner.

Additional drivers include large pharma companies' needs to offset internal manufacturing capacity constraints and gain access to technology not available in-house. There is also increasing integration between some forward-looking pharma companies and CDMOs, with strategic and collaborative relationships based on a full range of solutions to supply chain issues.

Constituting a US$62b market in 2016, the CDMO industry's annual growth rate of 6% to 7% is slightly outpacing the growth of the pharmaceutical sector as a whole (5% to 6% compound annual growth rate (CAGR)), reflecting the ongoing shift toward increased outsourcing.

Over the horizon: The global CDMO market is currently experiencing a high single-digit growth rate, and Ernst & Young forecasts a 7.5% compound annual growth rate for this market in the period from 2015-2019, driven by three key factors: increased outsourcing of manufacturing by pharmaceutical companies to optimise costs, improve quality and focus resources on their core interests; an underlying increase in the use of pharmaceuticals; and worldwide growth of generics firms, which often rely on third-party manufacturers.

Overview of the CDMO value chain



(Source: The pharmaceutical CDMO industry is consolidating report by EY)

Business segment 1

Contract Research and Manufacturing Services (CRAMS)

SUVEN LIFE SCIENCES IS IN THE BUSINESS OF CONTRACT RESEARCH AND MANUFACTURING SERVICES (CRAMS) FOR OVER TWO DECADES CATERING TO THE NEEDS OF GLOBAL LIFE SCIENCE INDUSTRY AND FINE CHEMICAL MAJORS.

Suven's 'CRAMS' provides Innovative process research and development, supplies to clinical trials, rapid response pilot scale manufacture, dedicated commercial manufacturing on an exclusive basis.

The Company services include Custom Synthesis, Process R&D, Scale Up and Contract Manufacturing of intermediates, APIs and formulations.

Suven effectively uses its expanding infrastructure and ability to collaborate, from route scouting and development through commercial manufacture, to provide a consistent and reliable partner throughout a product's life cycle.

The team remains determined to going beyond commitment and delivering R&D and Manufacturing solutions, with flexibility, quality, speed, and cost effectiveness.

Business evolution

Suven Lifesciences has graduated from contract research to Collaborative Research transitioning from project-based transactions into relationship-based business.

Competitive advantage

- Pioneered Drug Discovery and Development Support Services in India in 2005
- Leader in CNS based internal discovery in India
- State of the art facility, models
- Leader and innovator for many NCE based intermediates

These factors have ensured that Company has been profitable in every year since inception in 1989.

Business operations

Within the CRAMS vertical, the Company has sub-divided the operations into three segments
1) base CRAMS
2) CRAMS for commercial products and
3) Supply of specialty chemicals.

Base CRAMS: Suven partners with global innovator companies for developing and supplying intermediates for their NCE programme.

CRAMS for commercial products: This is a high-value, high margin vertical where in the Company supplies intermediates for NCEs that are launched globally.

Supply of specialty chemicals: The Company supplies a complex specialty intermediary (derived from its CRAMS competence)

Contract Technical Services: As the name suggests, this comprises fees for technical services provided by the Company to global pharmaceutical companies. It also includes fee from its exclusive marketing license for its Malathion lotion (a formulated product) to Taro Pharmaceuticals for the US and Canada.

23
YEARS OF EXPERIENCE IN THIS SPACE

800+
PROJECTS UNDERTAKEN

430+
R&D PROFESSIONALS

70+
RELATIONSHIP WITH GLOBAL PHARMACEUTICAL COMPANIES

CRAMS BUSINESS

REVENUE INCREASED by 15% from ₹544 crore in 2016-17 to ₹625 crore in 2017-18.
EBIDTA grew by 38% from ₹186 crore in 2016-17 to ₹256 crore in 2017-18

PERFORMANCE IN 2017-18

BASE CRAMS

Revenue grew by 29% over the previous year

Profitability improved owing to an improvement in the product mix

CRAMS FOR COMMERCIAL PRODUCTS

Revenue grew by 251% over the previous year as the Company received a repeat order for supplying commercial quantities for the launched NCEs

SUPPLY OF SPECIALITY CHEMICALS

Revenue declined by 31% over the previous year

The specialty business witnessed a drop during the year because of generic competition

CONTRACT TECHNICAL SERVICES

Revenue declined by 17% over the previous year

This decline is due the general reduction in royalty and reduction in product mix in services

PROSPECTS FOR 2018-19

BASE CRAMS

Continuation of the previous year trend (more complex projects) holds promise for profitable business growth

CRAMS FOR COMMERCIAL PRODUCTS

Supply of commercial quantities will reach steady state

SUPPLY OF SPECIALITY CHEMICALS

The vertical is expected to generate stable revenue for the next 2-3 years

CONTRACT TECHNICAL SERVICES

Better product mix can generate growth

CRAMS BUSINESS

REVENUE GROWTH ESTIMATED AT 12% TO 15% OVER 2017-18

Business segment 2

New Chemical Entities

Suven is one of the few players in the world in the CNS segment research, which happens to be the second largest and fastest growing segment. The Company entered this segment in 2005 and over the years, it has built strong intellectual capabilities in this segment. The Company has created a promising, self funded NCE research pipeline of 13 molecules in the CNS space.

Within this space, Suven's discovery assets address niche areas of cognitive impairment associated with neurodegenerative disorders like Alzheimer's, Attention Deficient Hyperactivity Disorder (ADHD), Huntington's chorea, Parkinson's, schizophrenia and Sleep Disorders.

Risky yet sustainable

The Company follows a conservative policy, thereby making the business increasingly safe and sustainable

• Undertake development of molecules for unmet medical needs.

• Expense the R&D investment in the Statement of Profit and Loss in the year in which they are incurred – this means that the Company's profits are real

• Fund NCE development initiatives using cash accrued from other business verticals

Progress and promise

The Company invested US$ 5.35 million in progressing its NCE pipeline in Phase 2A in 2017-18 and achieved considerable progress.

SUVN 502: The molecule is undergoing Phase-II A clinical trial (for patients with moderate Alzheimer's). These trials have to be undertaken on 537 patients at more than 70 sites in the US. The Company has enrolled 410+ patients by the end of 2017-18 and hopes to finish the enrollment before the end of the calendar year 2018.

SUVN G3031: We are in the process of finalising the protocol with the help of key opinion leaders for an Orphan Indication vs Narcolepsy, for the Phase II, proof of concept, clinical development.

Of the 13 molecule pipeline, the Company has four molecules that are under various stages of Clinical Trials.

CNS – a high growth therapeutic segment

The global CNS therapeutic market is expected to reach USD 128.9 billion by 2025, according to a new report by Grand View Research, Inc. Rising prevalence of mental illnesses and increasing awareness regarding psychiatric disorders are driving market growth. In addition, expanding geriatric population and rising prevalence of lifestyle-associated CNS disorders are increasing global demand for CNS therapeutics.

The industry in Asia Pacific is expected to report fastest growth over the forecast period owing to various developments across major economies of the region, especially in the mental health sector.

Within the CNS segment, the global demand for the treatment of Parkinson's and Alzheimer's diseases is anticipated to witness extensive growth over the next 9 years.

1247
PRODUCT PATENTS

37
PRODUCT INVENTIONS

46
PROCESS PATENTS

11
PROCESS INVENTIONS

13
MOLECULES IN PIPELINE

691+
INVESTMENT IN R&D SO FAR (₹ CRORE)

2018 Alzheimer's disease - facts and figures

ALZHEIMER DISEASE IS THE

6TH leading cause of death in the United States

16.1 million Americans provide unpaid care for people with Alzheimer's or other dementias

These caregivers provided an estimated **18.4 billion hours** of care value at over **$232 billion**

Between 2000 and 2015 deaths from heart disease have decreased **11%**

while deaths from Alzheimer's disease have increased **123%**

1 in 3 seniors die with Alzheimer's or other dementia

it kills more than breast cancer and prostate cancer **COMBINED**

EARLY AND ACCURATE DIAGNOSIS COULD SAVE UP TO

$7.9 TRILLION in medical and care costs

In 2018, Alzheimer's and other Dementias will cost the nation **$227 BILLION**

By 2050, these costs could rise as high as **$1.1 TRILLION**

5.7 MILLION Americans are living with Alzheimer's

By 2050, this number Is projected to rise to nearly **14 MILLION**

Every 65 seconds someone in the United States develops this disease

alzheimer's association

THE BRAINS BEHIND SAVING TOURS

COMMENTARY ON THE FINANCIAL STATEMENTS

Statement of Profit and Loss

It was a satisfying year for the Company as it registered an all round improvement – in business growth and profitability.

Revenue from operations increased by 15% from ₹544.48 crore in 2016-17 to ₹625.26 crore in 2017-18 owing to healthy growth in all revenue streams (except supply of intermediates to our specialty chemical). The supplies of commercial volumes for the approved molecules made the highest contribution to business growth and profitability.

The increase in manufacturing activity resulted in a sizeable increase in the material consumption and manufacturing costs. Increase in the salaries and the Company's team size also contributed to the increase in total expenses (excl. interest and depreciation) for the year – it moved up by 3% from ₹379.13 crore in 2016-17 to ₹392.34 crore in 2017-18.

R&D expenses declined from ₹64.94 crore in 2016-17 to ₹58.47 crore in 2017-18. R&D expenses (consolidated basis) decreased from ₹99.14 crore in 2016-17 to ₹90.21 crore in 2017-18.

Consequently, EBIDTA scaled by 37% from ₹186.44 crore in 2016-17 to ₹256.19 crore in 2017-18; EBIDTA margin improved by 651 bps from 32.95% to 39.46% over the same period.

The interest liability for the year declined to ₹4.61 crore in 2017-18 from ₹5.67 crore in 2016-17 owing to repayment of debt. And interest coverage strengthened – from 33x in 2016-17 to 55x in 2017-18.

Net Profit for the year increased by 28% from ₹123.47 crore in 2016-17 to ₹158.42 crore in 2017-18. This improved result reflects the strengthening business model which continues to deliver superior returns to shareholders.

15%

GROWTH IN REVENUE FROM OPERATIONS

38%

GROWTH IN EBIDTA

Balance Sheet

The capital employed in business increased from ₹761.63 crore as on March 31, 2017 to ₹896.06 crore on March 31, 2018 owing to the Company's expanding horizons and increasing scale.

Networth increased by 18% from ₹731.53 crore as on March 31, 2017 to ₹866.70 crore as on March 31, 2018. This increase is owing to the ploughback of profits earned during the year – strengthening the Company's financial muscle.

The strong financial position of the Company is also reflected in other realities evident in the Balance Sheet

- The debt portfolio (long-term debt) has declined significantly from ₹25.93 crore as on March 31, 2017 to ₹1.39 crore as on March 31, 2018; debt-equity ratio has become negligible to 0.0015%.
- The cash and bank balance stood healthy at ₹293 crore as on March 31, 2018

These factors repose the confidence in the Company's ability to continue its NCE programme to its logical end.

From a working capital perspective, the Company's inventories and trade receivables have increased largely in line with their growing business volumes – the working capital cycle stood at 245 days as on March 31, 2018 against 216 days as on March 31, 2017.

Going forward, the promise of healthy and value-accretive business growth in the current year suggest an improvement in business growth with a better uptick in business profitability.

26%

RETURN ON CAPITAL EMPLOYED

18%

RETURN ON NETWORTH

R&D expenses as a proportion of total income was 9.02% in 2017-18 against 11.48% in 2016-17

Internal controls

The Company has a sound system of internal controls in place to ensure the achievement of goals, evaluation of risks and reliable financial and operational reporting. This efficient internal control procedure is driven by a robust system of checks and balances that ensures safeguarding of assets, compliance with all regulatory norms and procedural and systemic improvements on a periodic basis. The Company uses an ERP (Enterprise Resource Planning) package supported by in-built controls. This guarantees well- timed financial reporting. The audit system periodically reviews the control mechanism and legal, regulatory and environmental compliances. The internal audit team also checks the effectiveness of internal controls and initiates necessary changes arising out of inadequacies, if any. All financial and audit controls are also reviewed by the Audit Committee of the Board of Directors.

RISK MANAGEMENT

Risk management at Suven is an integral part of the business model and focuses on making the organisation emerge stronger and profitable business growth becomes sustainable. The risk management framework encompasses strategy and operations and seeks to proactively identify, address and mitigate existing and emerging risks. The risk management framework goes beyond traditional boundaries and seeks to involve all key managers of the Company.

Growth risk: Maintaining the historical growth momentum could appear a challenge going forward.

Mitigation: Although the base CRAMS projects is the bread-earner for Suven, it has created multiple revenue verticals which have started yielding interesting returns namely the commercial supplies for approved products and revenue from formulated products. Going forward, revenue from these verticals should increase – leading to stronger growth in the Company's performance.

Contract risk: Inability to secure contract research projects could jeopardise the Company's growth.

Mitigation: From a sectoral perspective, global pharmaceutical companies have minimised their research pipeline due to prohibitive costs, but continue to remain committed on select promising molecules. As such, research outsourcing will continue to be robust for serious players with established credentials in the contract research space. Having successfully undertaken more than 800 projects over two decades for 70+ global pharmaceuticals companies, Suven has earned the respect of global innovators and pharmaceutical players as a reliable research partner. These credentials and strong business relations will facilitate the Company in securing a larger number of CRAMS projects.

Profitability risk: Maintaining the high profitability margin could be challenging for the Company.

Mitigation: Altering project mix in favour of more complex projects and the growing incidence of projects moving up the development cycle (from Phase I to Phase II) will facilitate in improving business returns. Moreover, the Company's unwavering focus on cost optimisation across its operating matrix should also contribute in reporting improved profitability numbers.

Cash flow risk: Generating an increased cash flow is necessary for sustaining the Company's NCE pipeline

Mitigation: The Company's cash and bank balance of ₹291 crore as on March 31, 2018 reflects robust organisational liquidity. Moreover, increasing supplies intermediates for approved molecules (due to repeat orders) will further boost the cash flow for the Company. In addition, approvals and marketing tie-up for its formulated products over the medium term should further strengthen organisational liquidity.

People risk: Attrition of it knowledge pool could jeopardise project delivery in the short term and the Company's prospects over the medium term.

Mitigation: The growth opportunity (in terms of knowledge enhancement, exposure and chemistry skills) provided by Suven to its research team through its diverse projects for global innovator companies is largely unparalleled to other pharmaceutical companies. Moreover, the Company gives adequate authority to its people, which provides an enabling ecosystem.

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

SUVEN recognises that business enterprises are economic organs of society and part of society and draw on societal resources for their growth. Consequently, they have a duty towards society and the communities and neighbourhoods in whose vicinity they operate. SUVEN too subscribes to the belief that a company should contribute to the communities and neighbourhoods in which it operates. In line with this, SUVEN's CSR policy focuses on building economic, social and environmental capital while ensuring greater value for the stake-holder. Its aim is to conduct business in a socially responsible, responsive and ethical manner while ensuring economic and social sustainability and promoting healthcare initiatives, environment, and providing for inclusive growth.

Suven has Initiated CSR activity in the year 2014 and till March ended 2018 Suven has spent ₹ 7.19 crores towards the following activities in different regions of Telangana & Andhra Pradesh.

- Educational Scholarships, Tuition support/sports and promotion of Road safety awareness
- Providing Safe Drinking water to community, installing RO plant, Maintenance and water supply.
- Rural Development project & environmental sustainability
- Mid-Day Meal Program.
- Supplementing of State Govt. Schemes for drinking water, health and education.

Suven Organised Mobile Science Lab(MSL) to Increase access to practical, hands-on Science education , to spark Curiosity, Creativity and build leadership among underprivileged children. MSL travelled to doorstep of 63 remote schools with science models covering a wide range of topics in Physics, Chemistry and Biology. The demonstration sessions emphasise interaction and questioning. Exposure was given to 9,620 Children and 278 school teachers. MSL's are highly effective in delivering science fairs and also reaching community members through night community visits.

Suven has supported 6793 government school children with Education materials and school infrastructure. Distributed School Fees for 267 students of economically weaker section.

Suven has set up 4 Purified drinking water plants and also supplies drinking water to communities due to scarcity of water resources.

ecovadis
SUSTAINABLE SUPPLY MANAGEMENT
Corporate Social Responsibility (CSR)

SUVEN LIFE SCIENCES LTD (GROUP)
has been granted a
Silver Recognition Level
Based on their EcoVadis CSR rating
April 2018

2018
CSR Rating
SILVER
ecovadis

Valid until : April 2019
EcoVadis® is a registered trademark- Document subject to license rights

Suven has launched an important sustainability initiative to integrate Corporate Social Responsibility (CSR*) standards and best practices into its business.
EcoVadis provides leading solutions for monitoring sustainability in global supply chains and produce reliable assessment on companies CSR performance by following international sustainable development standards (Global reporting initiative, united nations global compact, ISO26000) , supervised by a scientific committee of CSR and supply chain experts to ensure reliable third party assessment.
Suven has been awarded a silver recognition level based EcoVadis CSR rating.

BOARD'S REPORT

To the Members of
Suven Life Sciences Limited

Your Company's Board of Directors has pleasure in presenting this 29th Annual Report together with Ind AS compliant Audited Financial Statements of the Company for the financial year ended 31st March, 2018.

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from operations	**62,525.84**	**54,447.78**	**62,525.84**	**54,447.78**
Operating expenditure	39,234.24	37,913.45	42,706.55	41,540.33
Depreciation and amortisation	2,130.99	2,141.31	2,130.99	2,141.31
Operating profit	21,160.61	14,393.02	17,688.30	10,766.14
Finance cost	461.11	566.58	462.78	568.34
Other income	2,327.07	2,109.25	2,327.07	2,109.25
Profit before Tax	23,026.57	15,935.69	19,552.59	12,307.05
Tax expenses	7,183.84	3,588.32	7,183.84	3,588.32
Profit for the year	**15,842.73**	**12,347.37**	**12,368.75**	**8,718.73**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss	(42.33)	(14.90)	(42.33)	(14.90)
Income tax relating to items that will not be reclassified to profit or loss	14.65	5.15	14.65	5.16
Total Other Comprehensive Income	(27.68)	(9.75)	(27.68)	(9.74)
Total Comprehensive Income	**15,815.05**	**12,337.62**	**12,341.07**	**8,708.99**
Retained earnings - opening balance	39,531.80	29,926.12	33,080.04	27,102.99
Add:				
Profit for the year	15,815.05	12,337.62	12,341.07	8,708.99
Less:				
Dividend including dividend tax	(2,297.99)	(1,531.94)	(2,297.99)	(1,531.94)
Transfer to General Reserve	(1,500.00)	(1,200.00)	(1,500.00)	(1,200.00)
Retained earnings - closing balance	51,548.85	39,531.80	41,623.12	33,080.04

REVIEW OF OPERATIONS

Your Company has performed well during the year under review and registered standalone revenue from operations of Rs 62,526 lakhs as against Rs 54,448 lakhs in the previous year. Profit after Tax (PAT) of the Company has gone up by 28% to Rs 15,815 lakhs from Rs 12,338 lakhs in the previous financial year. The Earnings per Share (EPS) of your Company has improved to Rs 12.43 in fiscal 2017-18 per share from the previous year EPS of Rs 9.69 in fiscal 2016-17 per share.

Your Company's consolidated revenue from operations for the year 2017-2018 remained the same as that of standalone revenue. The consolidated profit after tax decreased to Rs 12,341 lakhs mainly due to clinical development expenditure incurred by Suven Neurosciences, Inc., (formerly Suven Inc.,) on SUVN-502.

EXPORTS

The exports of the Company continue to be a major chunk of revenue accounting for a volume of Rs 57,651 lakhs, representing 92% of the total revenue of Rs. 62,526 lakhs during the year under review.

DIVIDEND

Your Board of Directors has declared an interim dividend of Rs. 1.50 per equity share during January, 2018. The total cash outflow on account of dividends including dividend tax paid is Rs. 2,298 lakhs. The Company has paid the interim dividend to the shareholders who are on the Register of Members of the Company as on the Record Date 07th February, 2018 and notified to the stock exchanges in terms of SEBI (LODR) Regulations, 2015. Keeping the funding requirements for meeting the expansion plans in view, the Board recommends that interim dividend already paid may please be treated as the final dividend for the year 2017-2018.

TRANSFER TO RESERVES

The Company transferred Rs. 1,500 lakhs to the general reserve during the current financial year.

RESEARCH AND DEVELOPMENT

During the year your company has spent Rs 6,390 lakhs on innovative R&D in CNS therapies accounting for 10% on sales. Suven is a biopharmaceutical company focused on discovering, developing and commercialising novel pharmaceutical products, which are first in class or best in class CNS therapies through the use of GPCR targets. Suven has 4 clinical stage compounds, a Phase 2 undergoing SUVN-502, Phase 2 ready SUVN-G3031, Phase 1 completed SUVN-D4010 and Phase 1 commenced SUVN-911.

In addition to these clinical compounds the Company has nine (9) internally-discovered therapeutic drug candidates currently in various stages of pre-clinical development targeting conditions such as ADHD, dementia, depression, Huntington's disease, Parkinson's disease and pain.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2018 was Rs.1272.82 lakhs. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options or sweat equity shares.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2018 forms part of this report as "Annexure – A".

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review four Board Meetings were convened and held and four Audit Committee Meetings were convened and held. The details of Board meetings and Audit Committee meetings are presented in the Corporate Governance report, which forms a part of this Annual Report.

The Audit Committee composed of all independent directors. Shri D. G. Prasad is the Chairman of the Audit Committee and Dr. M. R. Naidu and Shri M. Gopalakrishna are members of the Audit Committee. The time gap between the said meetings was within the period prescribed under the provisions of the Companies Act, 2013 and the SEBI guidelines thereof.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors state that:

i) The applicable accounting standards have been followed in the preparation of the Annual Accounts.

ii) Such Accounting policies have been selected and applied consistently and judgments and estimates made when required that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) The Directors have prepared the Annual Accounts on a going concern basis.

v) Proper internal financial controls were in place to be followed by the Company and that the financial controls were adequate and were operating effectively.

vi) Proper systems devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

DIVIDEND POLICY

The Board has adopted a suitable Policy for Dividend Distribution as per the requirements of SEBI Guidelines. The policy is stated in the Annual Report and has been uploaded on the Company's website and can be accessed at http://www.suven.com/pdf/Policy-for-Dividend-Distribution.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has invested a sum of Rs 10,223 lakhs in Suven Neurosciences, Inc., (formerly Suven Inc.,) a wholly owned subsidiary as at 31st March, 2018 for its business purpose. Apart from the investment, the Company did not give any Loans, or provided Guarantees or any security during the year under the provisions of Section 186 of the Companies Act, 2013.

SUBSIDIARY

The Company has one international wholly owned subsidiary company by name Suven Neurosciences, Inc., (formerly Suven Inc.,) in USA. The consolidated financial statements of the Company prepared in accordance with Indian Accounting Standards as specified in the Companies (Indian Accounting Standards) Rules, 2015, form part of the annual report.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary in Form AOC-1 forms part of Board's Report as "Annexure B". The separate audited financial statements in respect of the subsidiary company shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of the subsidiary company is also available on the website of your Company at http://www.suven.com/annual-reports.html

RELATED PARTY TRANSACTIONS

The Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed Form AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, forms part of this report as "Annexure – C".

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2018 and the date of the Directors' report i.e. 15th May, 2018.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, forms part of this report as "Annexure – D".

RISK MANAGEMENT POLICY

The Board formulated a suitable risk policy to take care of unique business models of your Company: Contract Technical Services (CTS) and CRAMS. Suven is an IP creating and protecting company, strictly adheres to and harmonise with the global patent regime. To ensure the security and confidentiality of client data access to client data, is restricted to the senior most team leader working on the respective project and observes strict standards of confidentiality by entering into an internal CDA. We believe that strict compliances to the non-disclosure requirements insulate our company against risks relating to IPR infringement claims of our clients. In addition to these practices, your company regularly conducts safety and preventive audits in all plants and ensures that necessary safeguards are in place to protect the work force and assets against all perils with appropriate insurance policies.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee composed of Shri M. Gopalakrishna as Chairperson, Shri D. G. Prasad, Prof. Seyed E. Hasnain, Shri Venkateswarlu Jasti and Smt. Sudharani Jasti as members. The committee is responsible for formulating and monitoring the CSR policy of the Company. Annual Report on CSR Activities forms part of this Report as "Annexure – E".

PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and as per the SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

APPOINTMENTS/ RESIGNATIONS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL

The Company did not appoint any directors or Key Managerial Personnel during the year under review. All Independent Directors have given declarations confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. None of the Directors or Key Managerial Personnel has resigned during the year under review.

CHANGES IN DIRECTORS

Dr. K.V. Raghavan, Independent Director, passed away on 12th October, 2017. Your Directors deeply mourn the sudden demise of Dr. Raghavan and place on record their appreciation for the valuable contribution made by Dr. Raghavan during his tenure as Director on the Board of your Company.

DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of the Companies Act, 2013, Shri Venkateswarlu Jasti, Chairman & CEO retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The brief profile(s) of the director(s) seeking appointment/ re-appointment at the ensuing Annual General Meeting are presented in the Annual Report.

PUBLIC DEPOSITS

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has laid down set of standards which enables to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively (1) to provide reasonable assurances that: transactions are executed in conformity with generally accepted accounting principles/ standards or any other criteria applicable to such statements, (2) to maintain accountability for assets; access to assets is permitted only in accordance with management's general or specific authorisation and the maintenance of records that are in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the assets that could have a material effect on the financial statements.

VIGIL MECHANISM

The Company has put in place Whistle Blower Policy a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company

PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as "Annexure – F".

INVESTOR SERVICE

Your Company's share registry operations (physical as well as electronic form of holdings) will continue with Karvy Computershare Private Limited, Registrars and Transfer Agents. They can be contacted at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Phone No. 040-6716 1565 Fax No. 040 -2300 1153 for any query relating to Shares.

The shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance prepared in substantial compliance with the provisions of SEBI (LODR) Regulations, 2015 with the Stock Exchanges together with the Auditors' Certificate regarding the compliance of conditions of corporate governance, is presented in a separate section forming part of the Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder the Company in its Annual General Meeting (AGM) held on 14th August 2017 has appointed M/s. TUKARAM & Co., Chartered Accountants (Firm Registration No. 004436S), as statutory auditors of the Company, from the conclusion of the 28th Annual General Meeting till the conclusion of the 33rd Annual General Meeting to be held in the year 2022. The Companies (Amendment) Act, 2017 dispensed the ratification of auditor's appointment at every Annual General Meeting. Accordingly the Ordinary Business Agenda Item relating to ratification of statutory auditors appointment is not placed in the AGM. The Auditors' Report does not contain any qualifications.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. dvmgopal & associates, a Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report forms part of this report as "Annexure – G". The Secretarial Audit Report does not contain any qualifications.

COST AUDIT

In terms of Cost (Records and Audit) Amendment Rules, 2014 dated 31st December 2014 issued by the Central Government, the requirement for Cost Audit is not applicable to the Company based on the export turnover criteria prescribed under Cost Audit Rules.

BUSINESS RESPONSIBILITY REPORT

A detailed Business Responsibility Report (BRR) is prepared. As a green initiative the BRR is placed on website of your company and can be accessed at web link at http://www.suven.com/annual-reports.html

EMPLOYEES STOCK OPTION SCHEMES

During the year, there has been no material change in the 'Suven Employees Stock Option Scheme, 2004' (referred as 'the scheme'). The scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. The details are available on the company's web link at: http://suven.com/pdf/ESOP-Annexure_to_the_Board's_Report.pdf

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, declared dividends which remained unpaid or unclaimed for a period of seven years have been transferred by the company to the IEPF, which has been established by the central government.

The above referred rules now mandate transfer of dividends lying unpaid and unclaimed for a period of seven years as well as the underlying equity shares to IEPF. The company shall accordingly follow the prescribed procedures in this regard.

GENERAL

During the FY2018, there is no change in the nature of business of the company or of its wholly owned subsidiary (WoS) Suven Neurosciences, Inc., (formerly Suven Inc.,) in USA. There are no companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

The Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India during the year under review.

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their gratitude to Shareholders for the confidence reposed by them and thank all the shareholders, customers, dealers, suppliers and other business associates for their contribution to your Company's growth. The Directors also wish to place on record their appreciation of the valuable services rendered by the executives, staff and workers of the Company.

Your Directors also thank the Central Government and State Government, the Financial Institutions and Banks for their support during the year and we look forward to its continuance.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 15 May, 2018

ANNEXURE –A TO THE BOARD'S REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i).	CIN	**L24110TG1989PLC009713**
(ii).	Registration Date	**09-03-1989**
(iii).	Name of the Company	**SUVEN LIFE SCIENCES LIMITED**
(iv).	Category / Sub-Category of the Company	**Company limited by shares / Public company**
(v).	Address of the Registered office and contact details	**# 8-2-334, SDE Serene Chambers 6th Floor, Avenue 7, Road No. 5 Banjara Hills, Hyderabad – 500 034 Telangana, India Tel: 91-40-2354 1142/ 3311**
(vi).	Whether listed company	**Yes**
(vii).	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Karvy Computershare Pvt. Ltd.** Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Ph: 91-40-6716 1559 Contact Person: Ms. **C Shobha Anand**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY
All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Pharmaceuticals	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	holding/ subsidiary/ associate	% of shares held	Applicable Section
1	Jasti Property and Equity Holdings Private Limited * Plot No. 396, Road No. 22B Jubilee Hills, Hyderabad – 500 033 Telangana, India	U74900TG2015PTC097580	holding	60%	2(46)
2	Suven Neurosciences Inc., 1100 Cornwall Road, Monmouth Junction, NJ08852, USA	NA	subsidiary	100%	2(87)

** In its capacity as sole trustee of the Jasti Family Trust.*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**PROMOTER AND PROMOTER GROUP**									
(1)	**Indian**									
(a)	Individual/HUF	5000	-	5000	-	5000	-	5000	-	-
(b)	Central Govt.	-	-	-	-	-	-	-	-	-
(c)	State Govt.(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	76365000	-	76365000	60.00	76365000	-	76365000	60.00	-
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	76370000	-	76370000	60.00	76370000	0	76370000	60.00	-
(2)	**Foreign**									
(a)	NRIs ¬Individuals	-	-	-	-	-	-	-	-	-
(b)	Other -Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total(A)(2):	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total shareholding of Promoter (A)= (A)(1)+ (A)(2)	**76370000**	**-**	**76370000**	**60.00**	**76370000**	**-**	**76370000**	**60.00**	**0.00**
B.	**PUBLIC SHAREHOLDING**									
(1)	**Institutions**									
(a)	Mutual Funds	5842187	18000	5860187	4.60	5633388	18000	5651388	4.44	-0.16
(b)	Banks / FI	199436	-	199436	0.16	131479	-	131479	0.10	-0.05
(c)	Central Govt.	-	-	-	-	-	-	-	-	-
(d)	State Govt.(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	652755	-	652755	0.51	384196	-	384196	0.30	-0.21
(g)	FIIs	2505578	-	2505578	1.97	3182470	-	3182470	2.50	0.53
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total(B)(1):	**9199956**	**18000**	**9217956**	**7.24**	**9331533**	**18000**	**9349533**	**7.35**	**0.10**

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	**Non-Institutions**									
(a)	Bodies Corp.									
	(i). Indian	3450416	9000	3459416	2.72	4929569	7000	4936569	3.88	1.16
	(ii). Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
	(i). Individual shareholders holding nominal share capital upto ₹ 1 lakh	28322458	815985	29138443	22.89	27305275	548231	27853506	21.88	-1.01
	(ii). Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3673159	120000	3793159	2.98	3058665	0	3058665	2.40	-0.58
(c)	Others									
i)	Non Resident Indians	4605582	112200	4717782	3.70	4848614	112200	4960814	3.90	0.19
ii)	NRI Non-Repatriation	376252	-	376252	0.30	437521	-	437521	0.34	0.05
iii)	Clearing Members	169375	-	169375	0.13	132937	-	132937	0.10	-0.03
iv)	NBFC	40095	-	40095	0.03	33164	-	33164	0.03	-0.01
v)	Trusts	-	-	-	0.00	1215	-	1215	0.00	0.00
vi)	I E P F	-	-	-	0.00	148554	-	148554	0.12	0.12
	Sub-total (B)(2):	**40637337**	**1057185**	**41694522**	**32.76**	**40895514**	**667431**	**41562945**	**32.65**	**-0.10**
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	**49837293**	**1075185**	**50912478**	**40.00**	**50227047**	**685431**	**50912478**	**40.00**	**0.00**
C.	**Shares held by Custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	**126207293**	**1075185**	**127282478**	**100.00**	**126597047**	**685431**	**127282478**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Jasti Property and Equity Holdings Private Limited *	76365000	60.00	0.00	76365000	60.00	0.00	0.00
2.	Venkateswarlu Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
3.	Sudharani Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
4.	Madhavi Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
5.	Kalyani Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
6.	Sirisha Jasti	1000	0.00	0.00	1000	0.00	0.00	0.00
	Total	**76370000**	**60.00**	**0.00**	**76370000**	**60.00**	**0.00**	**0.00**

** In its capacity as sole trustee of the Jasti Family Trust.*

(iii) Change in Promoters' Shareholding (please specify, if there is no change

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	76370000	60.00	76370000	60.00
2.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3.	At the end of the year			76370000	60.00

(iv). Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	IDFC PREMIER EQUITY FUND	4400000	3.46	01/04/2017			4400000	3.46
				28/04/2017	-150000	Transfer	4250000	3.34
				20/10/2017	-25654	Transfer	4224346	3.32
				27/10/2017	-3878	Transfer	4220468	3.32
				12/01/2018	-73468	Transfer	4147000	3.26
				19/01/2018	-35420	Transfer	4111580	3.23
				02/02/2018	-362622	Transfer	3748958	2.95
		3748958	2.95	31/03/2018			3748958	2.95
2	RAMBABU CHIRUMAMILLA	3184188	2.50	01/04/2017			3184188	2.50
		3184188	2.50	31/03/2018			3184188	2.50

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
3	FINQUEST SECURITIES PVT. LTD - CLIENT BENEFICIARY A/C	0	0.00	01/04/2017			0	0.00
				13/10/2017	450000	Transfer	450000	0.35
				24/11/2017	-20000	Transfer	430000	0.34
				08/12/2017	-430000	Transfer	0	0.00
				23/03/2018	1299000	Transfer	1299000	1.02
		1299000	1.02	31/03/2018			1299000	1.02
4	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING	0	0.00	01/04/2017			0	0.00
				21/04/2017	24565	Transfer	24565	0.02
				28/04/2017	351800	Transfer	376365	0.30
				05/05/2017	89167	Transfer	465532	0.37
				12/05/2017	221526	Transfer	687058	0.54
				19/05/2017	300000	Transfer	987058	0.78
				26/05/2017	53493	Transfer	1040551	0.82
				13/10/2017	100000	Transfer	1140551	0.90
				27/10/2017	57000	Transfer	1197551	0.94
				22/12/2017	20000	Transfer	1217551	0.96
		1217551	0.96	31/03/2018			1217551	0.96
5	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C	769400	0.60	01/04/2017			769400	0.60
				28/04/2017	-189400	Transfer	580000	0.46
				14/07/2017	65000	Transfer	645000	0.51
				20/10/2017	-45000	Transfer	600000	0.47
				22/12/2017	-282000	Transfer	318000	0.25
				29/12/2017	-143000	Transfer	175000	0.14
				05/01/2018	-175000	Transfer	0	0.00
		0	0.00	31/03/2018			0	0.00
6	VENKATA VAJRAMMA U	694044	0.55	01/04/2017			694044	0.55
		694044	0.55	31/03/2018			694044	0.55
7	SBI LIFE INSURANCE CO. LTD	652755	0.51	01/04/2017			652755	0.51
				07/04/2017	29465	Transfer	682220	0.54
				14/04/2017	1943	Transfer	684163	0.54
				21/04/2017	958	Transfer	685121	0.54
				09/06/2017	-37487	Transfer	647634	0.51
				16/06/2017	-44343	Transfer	603291	0.47

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				18/08/2017	-45812	Transfer	557479	0.44
				29/09/2017	-25000	Transfer	532479	0.42
				20/10/2017	-17978	Transfer	514501	0.40
				22/12/2017	-27834	Transfer	486667	0.38
				19/01/2018	-20000	Transfer	466667	0.37
				02/02/2018	-20000	Transfer	446667	0.35
				09/02/2018	-30000	Transfer	416667	0.33
				16/02/2018	-12471	Transfer	404196	0.32
				02/03/2018	-20000	Transfer	384196	0.30
		384196	0.30	31/03/2018			384196	0.30
8	SHIVANI TEJAS TRIVEDI	613051	0.48	01/04/2017			613051	0.48
				13/10/2017	-579400	Transfer	33651	0.03
				08/12/2017	579400	Transfer	613051	0.48
				02/02/2018	261000	Transfer	874051	0.69
				23/03/2018	-874000	Transfer	51	0.00
		51	0.00	31/03/2018			51	0.00
9	IL & FS SECURITIES SERVICES LIMITED	142517	0.11	01/04/2017			142517	0.11
				07/04/2017	1500	Transfer	144017	0.11
				07/04/2017	-13106	Transfer	130911	0.10
				14/04/2017	14673	Transfer	145584	0.11
				21/04/2017	1544	Transfer	147128	0.12
				28/04/2017	6535	Transfer	153663	0.12
				05/05/2017	-2420	Transfer	151243	0.12
				12/05/2017	827	Transfer	152070	0.12
				12/05/2017	-5363	Transfer	146707	0.12
				19/05/2017	-2240	Transfer	144467	0.11
				26/05/2017	-10261	Transfer	134206	0.11
				02/06/2017	3732	Transfer	137938	0.11
				09/06/2017	642	Transfer	138580	0.11
				16/06/2017	-1380	Transfer	137200	0.11
				23/06/2017	260	Transfer	137460	0.11
				30/06/2017	-4421	Transfer	133039	0.10
				07/07/2017	1671	Transfer	134710	0.11
				14/07/2017	2214	Transfer	136924	0.11
				21/07/2017	248	Transfer	137172	0.11
				28/07/2017	4901	Transfer	142073	0.11

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				28/07/2017	-3000	Transfer	139073	0.11
				04/08/2017	-15573	Transfer	123500	0.10
				11/08/2017	4371	Transfer	127871	0.10
				11/08/2017	-3000	Transfer	124871	0.10
				18/08/2017	-612	Transfer	124259	0.10
				25/08/2017	-75	Transfer	124184	0.10
				01/09/2017	1505	Transfer	125689	0.10
				08/09/2017	263	Transfer	125952	0.10
				15/09/2017	808	Transfer	126760	0.10
				15/09/2017	-527	Transfer	126233	0.10
				22/09/2017	-10027	Transfer	116206	0.09
				29/09/2017	655	Transfer	116861	0.09
				29/09/2017	-13500	Transfer	103361	0.08
				06/10/2017	351	Transfer	103712	0.08
				13/10/2017	-2654	Transfer	101058	0.08
				20/10/2017	76767	Transfer	177825	0.14
				20/10/2017	-6000	Transfer	171825	0.13
				27/10/2017	136998	Transfer	308823	0.24
				31/10/2017	444	Transfer	309267	0.24
				03/11/2017	19745	Transfer	329012	0.26
				03/11/2017	-19249	Transfer	309763	0.24
				10/11/2017	2766	Transfer	312529	0.25
				17/11/2017	10906	Transfer	323435	0.25
				24/11/2017	7572	Transfer	331007	0.26
				24/11/2017	-690	Transfer	330317	0.26
				01/12/2017	2384	Transfer	332701	0.26
				08/12/2017	36029	Transfer	368730	0.29
				08/12/2017	-38281	Transfer	330449	0.26
				15/12/2017	19742	Transfer	350191	0.28
				22/12/2017	-17040	Transfer	333151	0.26
				29/12/2017	400	Transfer	333551	0.26
				29/12/2017	-6767	Transfer	326784	0.26
				30/12/2017	-2940	Transfer	323844	0.25
				05/01/2018	6456	Transfer	330300	0.26
				05/01/2018	-2273	Transfer	328027	0.26
				12/01/2018	153485	Transfer	481512	0.38

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				19/01/2018	10610	Transfer	491462	0.39
				26/01/2018	-17753	Transfer	473709	0.37
				02/02/2018	26362	Transfer	500071	0.39
				02/02/2018	-56560	Transfer	443511	0.35
				09/02/2018	27126	Transfer	470637	0.37
				16/02/2018	2493	Transfer	473130	0.37
				16/02/2018	-597	Transfer	472533	0.37
				23/02/2018	-24311	Transfer	448222	0.35
				02/03/2018	77187	Transfer	525409	0.41
				02/03/2018	-78023	Transfer	447386	0.35
				09/03/2018	-8473	Transfer	438913	0.34
				16/03/2018	17140	Transfer	456053	0.36
				23/03/2018	-5196	Transfer	450857	0.35
				30/03/2018	21178	Transfer	472035	0.37
				31/03/2018	-717	Transfer	471318	0.37
		471318	0.37	31/03/2018			471318	0.37
10	MV SCIF MAURITIUS	470210	0.37	01/04/2017			470210	0.37
				07/04/2017	10652	Transfer	480862	0.38
				14/04/2017	5326	Transfer	486188	0.38
				21/04/2017	5323	Transfer	491511	0.39
				28/04/2017	53230	Transfer	544741	0.43
				05/05/2017	10646	Transfer	555387	0.44
				19/05/2017	53210	Transfer	608597	0.48
				02/06/2017	5321	Transfer	613918	0.48
				16/06/2017	10816	Transfer	624734	0.49
				23/06/2017	22324	Transfer	647058	0.51
				07/07/2017	-33120	Transfer	613938	0.48
				21/07/2017	-11042	Transfer	602896	0.47
				11/08/2017	7495	Transfer	610391	0.48
				15/09/2017	-22224	Transfer	588167	0.46
				22/09/2017	-23481	Transfer	564686	0.44
				29/09/2017	1838	Transfer	566524	0.45
				06/10/2017	582	Transfer	567106	0.45
				27/10/2017	8560	Transfer	575666	0.45
				31/10/2017	10622	Transfer	586288	0.46
				03/11/2017	15933	Transfer	602221	0.47

Sl. No.	Name of the Share Holder	Shareholding at the beginning/end of the Year		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
				15/12/2017	5298	Transfer	628735	0.49
				22/12/2017	-7546	Transfer	621189	0.49
				12/01/2018	-5255	Transfer	615934	0.48
				09/02/2018	-26259	Transfer	589675	0.46
				16/02/2018	2729	Transfer	592404	0.47
				16/03/2018	-10518	Transfer	581886	0.46
				23/03/2018	-28180	Transfer	553706	0.44
		553706	0.44	31/03/2018			553706	0.44

(v). Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**SHRI VENKATESWARLU JASTI**				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	1000	0.00
2	**SMT SUDHARANI JASTI**				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	1000	0.00
3	**DR. M R NAIDU**				
	At the beginning of the year	5800	0.00	5800	0.00
	Transfer on 20/10/2017	(300)	0.00	5500	0.00
	At the end of the year			5500	0.00
4	**DR. K V RAGHAVAN (upto 11th October, 2017)**				
	At the beginning of the year	2000	0.00	2000	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	2000	0.00

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**SHRI. D G PRASAD**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	0	0.00
6	**PROF. SEYED E. HASNAIN**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	0	0.00
7	**SHRI M GOPALAKRISHNA**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	0	0.00

Sl. No.	Name of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mr. K HANUMANTHA RAO**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	0	0.00
2.	**Mr. P SUBBA RAO**				
	At the beginning of the year	56,000	0.04	56,000	0.04
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the end of the year	-	-	56,000	0.04

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year				
(i). Principal Amount	6749.65	328.65	0	7078.30
(ii). Interest accrued but not	0	0	0	0
(iii). Interest accrued but not due	0	71.80	0	71.80
Total (i+ii+iii)	**6749.65**	**400.45**	**0**	**7150.10**
Change in Indebtedness during the financial year				
• Addition	0.00	12.18	0	12.18
• Reduction	4230.62	95.73	0	4326.35
Net Change	(4230.62)	(83.55)	0	(4314.17)
Indebtedness at the end of the financial year				
(i). Principal Amount	2519.03	232.92	0	2751.95
(ii). Interest due but not paid	0	0	0	0
(iii). Interest accrued but not due	0	83.97	0	83.97
Total (i+ii+iii)	**2519.03**	**316.89**	**0**	**2835.92**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A.Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD & CEO	Name of WTD	Total Amount
		Venkateswarlu Jasti	**Sudharani Jasti**	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	252.93	126.46	379.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16.53	8.27	24.80
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	165.73	82.87	248.60
	- Others, specify...	-	-	-
5.	Others, please specify – PF	30.35	15.18	45.53
	Total (A)	465.54	232.77	**698.31**
	Ceiling as per the Act	'Refer Note'		

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to MD & CEO and WTD shall not exceed 10% of the net profit of the Company. The remuneration paid to MD & CEO and WTD is well within the said limit.

B. Remuneration to other directors:

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dr. M R Naidu	Dr. K V Raghavan (upto 11 October, 2017)	Shri D G Prasad	Shri M Gopala krishna	
1.	Independent Directors					
	• Fee for attending board / committee meetings	1.00	0.70	1.70	1.80	5.20
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	**1.00**	**0.70**	**1.70**	**1.80**	**5.20**
2.	Other Non-Executive Directors	**Prof. Seyed E. Hasnain**				
	• Fee for attending board / committee meetings	0.80	-	-	-	0.80
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	**0.80**	**-**	**-**	**-**	**0.80**
	Total (B)=(1+2)	**1.80**	**0.70**	**1.70**	**1.80**	**6.00**
	Total Managerial Remuneration				**Total (A+B)**	**704.31**
	Overall Ceiling as per the Act					'Refer Note'

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Non-executive and Independent Directors shall not exceed 1% of the net profit of the Company. The Company is paying only sitting fee to all Non-executive and Independent Directors for attending Board/Committee meetings.

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
1.	Gross salary	Company Secretary	Chief Financial Officer	Total Amount
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.47	29.46	50.93
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	**21.47**	**29.46**	**50.93**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NA	NA	NA	NA
Punishment	NIL	NA	NA	NA	NA
Compounding	NIL	NA	NA	NA	NA
B. DIRECTORS					
Penalty	**NIL**	**NA**	**NA**	**NA**	**NA**
Punishment	**NIL**	**NA**	**NA**	**NA**	**NA**
Compounding	**NIL**	**NA**	**NA**	**NA**	**NA**
C. OTHER OFFICERS IN DEFAULT					
Penalty	**NIL**	**NA**	**NA**	**NA**	**NA**
Punishment	**NIL**	**NA**	**NA**	**NA**	**NA**
Compounding	**NIL**	**NA**	**NA**	**NA**	**NA**

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 15 May, 2018

ANNEXURE –B TO THE BOARD'S REPORT

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Name of the Subsidiary	Suven Neurosciences Inc., *(formerly Suven Inc.,)*
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Uniform reporting period
Reporting currency	USD
Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	₹ 65.04
Share capital	15,430,000
Reserves & surplus	(14,979,135)
Total assets	1,062,186
Total Liabilities	611,321
Investments	NIL
Turnover	NIL
Profit before taxation	(5,372,587)
Provision for taxation	NIL
Profit after taxation	(5,372,587)
Proposed Dividend	NIL
% of shareholding	100.00

1. Names of subsidiaries which are yet to commence operations : NIL
2. Names of subsidiaries which have been liquidated or sold during the year : NIL

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 15 May, 2018

ANNEXURE –C TO THE BOARD'S REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. There are no contracts/ arrangements/ transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis.

2. The following are the contracts/ arrangements/ transactions entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Ms. Kalyani Jasti – daughter of Shri Venkateswarlu Jasti, Chairman and CEO and Smt. Sudharani Jasti, Whole-time Director	Serving the company as President (US Operations)	5 Years	Looks after US Operations, co-ordination with international customers and review of technical contracts of the Company.	22nd Sept, 2014	Monthly salary of 22,813 USD being paid in terms of approval given by the members in EGM held on 21st October 2014 and with the approval of the Audit Committee.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 15 May, 2018

ANNEXURE –D TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i). the steps taken or impact on conservation of energy;

1. Installed closed loop Chilled water Pump Circulation system for Air handling units instead of Open Loop system and there by eliminated Chiller primary circulation pumps. Estimated saving of 2.5-3 lakh units /annum
2. Installed Cooling tower & Circulation pumps on the roof and eliminated the need for high head pumps. Estimated saving 1.7-2 lakh units /annum
3. Automatic Chiller tube Cleaning System – Due to Chiller high discharge temperature Dissolved solids in cooling water gets precipitated there by Chiller approach temp increases. Automated tube cleaning system keeps the approach temp constant. Estimated savings 1.4 -1.6 lakh units/ annum
4. Selection of high efficient pumps with Right duty & right capacity for Cooling tower, Chilled water for Process and & HVAC duty. Pump efficiency improved by 5-10% motor rating reduced. Capex reduced. Estimated saving 2-2.5 lakh units/ annum
5. Automation of multiple pumps vs single fixed speed pumps based on load demand there by improved efficiency at part load. Estimated saving 2 lakh units/ annum
6. High efficiency agitator-Procured high efficiency agitators thereby reduce power consumption, the savings envisaged at 70% average load and 50% average occupancy is 0.8 - 1 lakh units/annum
7. High efficiency chillers –
   a. Procured efficiency Screw chillers for Chilled brine vs reciprocating Chiller there by reduction in power consumption from 2.56 IKW/TR to 1.97 IKW/ TR. The savings envisaged at 70% average load and 50% average occupancy. Estimated power savings 2-2 to 2.6 lakh units/annum
   b. Procured efficiency chillers for Chilled water Chiller vs reciprocating chiller there by reduction in power consumption from 0.70 IKW/TR to 0.61 IKW/ TR. The savings envisaged at 70% average load and 50% average occupancy. Estimated saving 2.5-3.0 lakh units/annum
8. Use Air Compressors screw type instead of Reciprocating compressor. Estimated 30,000-40,000 units/annum
9. Use high efficiency LED Light fixtures instead of CFL - Estimated saving -15,000- 20,000 units /annum
10. Use of IE3 high energy efficient Motors instead of IE2 motors–1 lakh units/ annum
11. Natural light utilised in the 90% area there by reduced day light power consumption by 70% in day time. Estimated savings 12,000-15,000 units/annum
12. DCS System proposed to install there by improves product quality & yield consistency. Less human intervention and reduces errors, High degree of control means improved safety of Operations. Many intangible benefits.
13. Dry Vacuum systems vs Conventional system expected savings app 1.2- 1.5 lakh units

(ii). the steps taken by the company for utilising alternate sources of energy;

Proposed to use Group Captive power (Wind/ Solar) and reduce Grid power

(iii).the capital investment on energy conservation equipment's;

Over all 50 lakhs additionally capex spent on Chillers, Air Compressors and High efficient drives. Vacuum systems which in turn estimated savings of app 1.0-1.3 Cr /annum

(B) TECHNOLOGY ABSORPTION

(i). Efforts made towards technology absorption;

Your company has its own process R&D Centre which develops new processes for API's and drug intermediates and these technologies are absorbed and implemented

(ii). Benefits derived like product improvement, cost reduction, product development, import substitution;

Your company constantly has been executing process developments and with that process optimisation has been achieved in Production, which resulted in lower cost of production. The developments implemented by reducing reagents, minimising wastes and increasing recoveries.

(iii).In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year).

a)	Technology imported	NIL
b)	Year of import	NA
c)	Whether the technology been fully absorbed	NA
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	NA

(iv). Expenditure incurred in the R&D centers and innovation centers of Suven during Financial Year (FY) 2017-18 are given below

	Expenditure on R&D and Innovation	Standalone		Consolidated	
		FY 2018	FY 2017	FY 2018	FY 2017
(a)	Capital	543.40	478.83	543.40	478.83
(b)	Recurring	5,846.66	6,494.09	9,021.54	9,914.54
(c)	Total R&D expenditure	6,390.06	6,972.92	9,564.94	10,393.37
(d)	Total R&D and innovation expenditure as a percentage of total turnover	10%	13%	15%	19%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

		Year ended 31st March, 2018	Year ended 31st March, 2017
(a)	Foreign Exchange earned	50,660.96	49,431.64
(b)	Foreign Exchange outgo	20,012.17	18,570.38

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 15 May, 2018

ANNEXURE –E TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	CSR Policy is stated herein below: Web link: http://www.suven.com/corporate-social-responsibility.html
2.	Composition of the CSR Committee	Shri M Gopalakrishna – Chairman of CSR committee (Independent Director) Shri D. G. Prasad (Independent Director) Prof Seyed E. Hasnain (Non-executive Director) Shri Venkateswarlu Jasti (Chairman & CEO) Smt. Sudharani Jasti (Whole-time Director)
3.	Average net profit of the Company for last three financial years	**15,128.87 lakhs**
4.	Prescribed CSR Expenditure *(two percent of the amount as in item 3 above)*	**302.58 lakhs**
5.	Details of CSR spend for the financial year a. Total amount spent by SUVEN TRUST for the financial year b. Amount unspent as per Trust books	**283.89 lakhs** **18.69 lakhs** *(Funds are earmarked for the identified Projects which are under implementation)*

(c) Manner in which the amount spent by Suven Trust during the financial year is detailed below:

(₹ in lakhs)

Sr. No.	Projects / Activities	Sector	Projects or Programmes District and State	Amount Outlay (Budget) Project or Programs Wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount Spent: Direct/ through implementing agency.
1.	Educational Scholarship, Tuition Support	education	Sanga Reddy, Suryapet, Hyderabad and Vizag	58.00	57.39	235.14	Direct & JVM Rural evelopment Trust
2.	Training to promote rural sports and nationally recognised sports	training to promote rural sports, nationally recognised sports	Hyderabad	50.00	50.00	50.00	Through implementing agency
3.	Vocational Training & Skill Development	promoting education and employment enhancing vocation skills	Hyderabad	50.00	50.00	50.00	Through implementing agency

Sr. No.	Projects / Activities	Sector	Projects or Programmes District and State	Amount Outlay (Budget) Project or Programs Wise	Amount Spent on the project or programs	Cumulative Expenditure upto reporting period	Amount Spent: Direct/ through implementing agency.
4.	Providing safe drinking water to community, installing RO Plant, Maintenance and water supply	safe drinking water	Suryapet Dist. Telangana	22.00	21.93	55.52	Direct
5.	Rural Development Project & environmental sustainability	Rural Development & environmental sustainability	Hyderabad, Suryapet, Sanga Reddy Dist.	11.00	10.50	115.47	Through implementing agency
6.	Mid-Day Meal programme	poverty and malnutrition	Guntur Dist, AP	3.00	3.00	8.00	Direct
7.	promoting health care including preventive health care	promoting health care including preventive health care	Hyderabad	92.00	91.07	205.04	Through implementing agency
	TOTAL				**283.89**	**719.17**	

Place: Hyderabad,
Date: 15 May, 2018

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

M. Gopalakrishna
Chairman – CSR Committee
DIN: 00088454

Brief contents of the CSR policy as approved by the Board

Our Company recognises that business enterprises are economic organs of society and part of society and draw on societal resources for their growth. We have a duty towards society and the communities and neighborhoods in whose vicinity we operate

The Company undertake the following CSR Projects/ Programs in any of the following areas:

(a) Promoting preventive health care and sanitation and making available safe drinking water to the communities where SUVEN operates;

(b) Promoting education, including special education and employment enhancing vocational skills among children, literacy and digital literacy among women, elderly, and the differently abled and enhance livelihood opportunities through projects.

(c) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources, promotion of art, culture and heritage sites and maintaining quality of soil, air and water.

ANNEXURE –F TO THE BOARD'S REPORT

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i). the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sl. No.	Name of the Director	ratio of the remuneration to the median remuneration of the employees
1.	Shri Venkateswarlu Jasti – Chairman &CEO	18.27 : 1
2.	Smt. Sudharani Jasti – Whole-time Director	9.13 : 1

Dr. M. R. Naidu, Shri D. G. Prasad, Shri M Gopalakrishna, Independent Directors and Prof Seyed E. Hasnain, Non-executive Director were paid only sitting fees for attending the Board/ Committee Meetings.

(ii). the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sl. No.	Name of the Director	ratio of the remuneration to the median remuneration of the employees
1.	Chairman & CEO	26.20%
2.	Whole-time Director	26.20%
3.	Chief Financial Officer	10.17%
4.	Company Secretary	8.70%

Dr. M. R. Naidu, Shri D. G. Prasad, Shri M. Gopalakrishna, Independent Directors and Prof. Seyed E. Hasnain, Non-executive Director were paid only sitting fees for attending the Board/ Committee Meetings.

(iii).the percentage increase in the median remuneration of employees in the financial year;

10.69%

(iv).the number of permanent employees on the rolls of company;

There were 1072 permanent employees as on 31st March 2018

(v). average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 10.69%. Whereas the remuneration of managerial personnel was increased by 26.20% for the same financial year.

(vi).Affirmation that the remuneration is as per the remuneration policy of the company. Yes

Statement of particulars of employees pursuant to the provision of Sec 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. List of top ten employees in terms of remuneration drawn will be provided upon request by any Member of the Company interested in obtaining the same.

name of the employee	the age of employee	designation of the employee	gross remuneration received (Rs. in lakhs	nature of employment, whether contractual or otherwise	qualifications of the employee	experience of the employee	date of commencement of employment	the last employment held by such employee before joining the company
Shri Venkateswarlu Jasti	68 years	Chairman & CEO	465.54	Regular	M. Pharma; M.S. (Indus. Pharmacy)	44 years	09-03-1989	Business in USA
Smt Sudharani Jasti	64 years	Whole-time Director	232.77	Regular	B. Sc.	37 years	09-03-1989	Business in USA
Dr. NVS Ramakrishna	56 years	Vice President (Discovery Research)	208.97	Regular	M. Sc., Ph. D	29 years	04-03-2002	Zydus Cadila

None of the employee is related to the Directors except Shri Venkateswarlu Jasti who is spouse of Smt. Sudharani Jasti.

For and on behalf of the Board of Directors

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

Place: Hyderabad,
Date: 15 May, 2018

ANNEXURE –G TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended 31stMarch, 2018

FORM NO. MR-3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
M/s. Suven Life Sciences Limited
Hyderabad.

We have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable Statutory Provisions and the adherence to good corporate practices by M/s. Suven Life Sciences Limited (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the Audit Period covering the Financial Year ended on 31st March 2018 complied with the Statutory Provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March 2018 ("Audit Period") and we report that during the period under review the Company has complied with the provisions of the following Acts, Rules, Regulations, Guidelines and Standards:

    1.1. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act) and the Rules made thereunder;

    1.2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

    1.3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

    1.4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

    1.5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

        1.5.1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

        1.5.2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

        1.5.3. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

        regarding the Companies Act and dealing with client;

        1.5.4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

        1.5.5. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

    1.6. The Secretarial Standards on the Meetings of the Board of Directors, Committees and General Meetings issued by the Institute of Company Secretaries of India.

2. The Company is engaged in the business of manufacture and sale of bulk drugs and intermediaries. In view of the Management and on the basis of the Guidance Note issued by the ICSI, the following Industry Specific Acts are applicable.

    (i) Drugs and Cosmetics Act, 1940 read with the Drugs and Cosmetics Rules, 1945;

    (ii) Narcotic Drugs and Psychotropic Substances Act, 1985 read with the Narcotic Drugs and Psychotropic Substances Rules, 1985;

(iii) Petroleum act, 1934;

(iv) Inflammable substances act, 1952;

(v) Explosives act, 1884 read with Explosives Rules, 1983;

(vi) Poisons act, 1919;

(vii) Indian boilers act, 1923.

Based on our verification and also reliance on the Compliance Certificates given by the respective Department Heads, the Company has complied with the said Industry Specific Laws.

3. We further report that:

3.1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. There were no changes in the composition of the Board of Directors during the period under review.

3.2. Adequate Notice along with agenda and detailed notes on agenda is given to all the Directors electronically to schedule the Board Meetings.

3.3. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

3.4. The Company has authorised RTA to approve the transfer of shares and also Shareholders Grievances, from time to time and the Board has been taking note of the same.

3.5. The Company is regularly carrying doing its CSR activities through its Suven Trust. Company is providing reasons for not spending full amount in the Directors Report.

3.6. The Company has provided the information as sought for by the SEBI under PIT Regulations.

3.7. Decisions at the meetings of the Board of Directors and Committees of the Board of the Company were taken unanimously.

3.8. It is to be noted that for the Audit Period the following acts are not applicable:

i. SEBI (Issue and Listing of Debt Securities) Regulations, 2008.

ii. SEBI (Delisting of Equity Shares) Regulations, 2009.

iii. SEBI (Buyback of Securities) Regulations, 1998.

iv. SEBI (Issue of capital and disclosure requirements) Regulations, 2009

3.9. There exist adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

4. We further report that during the audit period, there were no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **dvmgopal & associates**
Company Secretaries

DVM Gopal
Proprietor
M No: F 6280
CP No: 6798

Place: Hyderabad
Date: 15 May, 2018

Note: This letter is to be read with our letter of even date, which is annexed, and form an integral part of this report.

ANNEXURE

To
The Members,
M/s. Suven Life Sciences Limited
Hyderabad.

Our Report of even date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **dvmgopal & associates**
Company Secretaries

DVM Gopal
Proprietor
M No: F 6280
CP No: 6798

Place: Hyderabad
Date: 15 May, 2018

POLICY FOR DIVIDEND DISTRIBUTION

POLICY:

The company may pay dividends only out of its profits in the year in which the dividend is declared or out of the undistributed profits or free reserves of prior fiscal years or out of both upon recommendation by its board of directors and approval by the requisite majority of its shareholders at the annual general meeting in accordance with the applicable provisions of Companies Act, SEBI Regulations and standards. Shareholders may decrease, but shall not increase the amount of dividend recommended by the Board. In addition, as is permitted by the Articles of Association of our Company the Board may declare and pay interim/special dividends at its discretion during the fiscal year and may recommend the interim/special dividends paid as final dividends.

(a) The circumstances under which the shareholders of the company may or may not expect dividend

Suven is an R&D Company with a consistent dividend paying track record and endeavors for its continuance unless constrained to declare dividend due to any exigency beyond its control.

The form, frequency and amount of future dividends will depend on performance of Company's high-risk; high-return business verticals where revenues and cash flows reported in a year cannot represent a base for the next year. Hence amounts paid as dividends in the past are not reflective of any future dividends and the Company may propose lower dividend after analysis of various financial parameters.

(b) The financial parameters that shall be considered while declaring dividend

The Company considers finance costs, net profits available for distribution, total dividend outgo including dividend distribution tax, dividend payout ratio and EPS while declaring dividend for the year under consideration.

(c) Internal and external factors that shall be considered for declaration of dividend

Dividend payments are subject to recommendations of the Board based on the growth prospects and profitability of the Company which are dependent on the internal and external factors listed below:

Internal

- Past dividend track record
- Cash balance position
- Funding needs for capital expenditure & NCE programs

External

- Challenging business environment.
- R&D budgets of global innovator companies.
- Changes in government policies
- Implications of fiscal laws on dividend distribution
- Shareholders aspirations for the dividends
- Our lending arrangements governing our indebtedness with the lenders contain certain restrictive covenant that restricts declaration of dividends without the consent of the lenders

(d) How the retained earnings shall be utilised

The company may plough back its profits available for distribution looking to its working capital needs, capital expenditure plans towards R&D, expansion, modernisation and upgrading of plant facilities and/ or to pay debt.

(e) Parameters that shall be adopted with regard to various classes of shares

The Company has at present only one class of shares i.e., fully paid up Equity Shares with voting rights ranking pari passu in all respects. The policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

REPORT ON CORPORATE GOVERNANCE

I. STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company firmly believes that good corporate governance practices are ingredients for the balanced development of an organisation which would not only maximise the shareholder's value but also contributed to sustained and long lasting development of the organisation. The Board of Directors believes in ethical values and high moral standards in achieving the highest standards of corporate governance. All the **SUVEN** activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices.

Simultaneously, in keeping with best practices, your Company committed to provide full spectrum of quality services and products in Contract Technical Services (**CTS**) and Contract Research and Manufacturing Services (**CRAMS**) by fulfilling customer's satisfaction.

II. BOARD OF DIRECTORS

Composition of Board

The Board represents an optimum mix of professionalism, knowledge and experience. As on March 31, 2018, we had a total strength of six (6) Directors on the Board, comprising of: two (2) Executive Directors, one (1) Non-executive Director (i.e. 20%) and three (3) Independent Directors (i.e. 50%). The Company immensely benefits from the professional expertise of the Independent Directors. The Board has an adequate combination of Executive Directors, Non-Executive and Independent Directors.

None of the Directors on the Board is Member of more than ten Committees or Chairman of more than five Committees across all the public companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors.

Key information pertaining to Directors as on 31st March, 2018

Name of the Director	Category	No. of Board Meetings		Attendance at the last AGM held on August 14, 2017	Directorship in other Public Companies	No. of Committee positions held in all companies	
		held	attended			Chairman	Member
Shri Venkateswarlu Jasti	Chairman & CEO Promoter	4	4	Yes	-	-	-
Smt. Sudharani Jasti	Whole-time Director Promoter	4	3	Yes	-	-	1
Dr. M. R. Naidu	Independent Non-Executive Director	4	2	Yes	-	-	2
Dr. K. V. Raghavan *	Independent Non-Executive Director	4	2	No	-	-	-
Shri D. G. Prasad	Independent Non-Executive Director	4	4	Yes	2	2	1
Prof Seyed E. Hasnain	Non-Executive Director	4	2	No	1	-	-
Shri M Gopalakrishna	Independent Non-Executive Director	4	4	Yes	7	3	5

**Ceased to be Director as he passed away on 12th October, 2017.*

Board Meetings

The Board met four times during the Financial Year 2017–18, on 13th May 2017, 14th August 2017, 11th November 2017 and 30th January 2018.

The time gap between any two meetings did not exceed one hundred and twenty days as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the required information was suitably placed before the board meetings. The details relating to financial and commercial transactions where directors may have a potential interest, if any, were provided to the Board and interested directors abstained from the proceedings.

Disclosure of relationships between directors inter-se
None of the Directors is related to other Directors, except Shri Venkateswarlu Jasti who is spouse of Smt. Sudharani Jasti.

Sl. No.	Name of Director	No. of equity shares held as on 31st March 2018
1.	Dr. M. R. Naidu	5,500
2.	Dr. K. V. Raghavan (upto 11th October, 2017)	2,000
3.	Shri D. G. Prasad	NIL
4.	Prof Seyed E. Hasnain	NIL
5.	Shri M Gopalakrishna	NIL

There were no convertible instruments held by non-executive directors

Board Committees
The Board had constituted various committees under the regulatory framework to monitor the activities within the terms of reference and to take informed decisions in the best interest of the Company. The Board reconstituted the committees on 11th November 2017 due to sad and sudden demise of Dr. K V Raghavan in which he was the Chairman/member. Hence the attendance of late Dr. K V Raghavan was not reported in the committees as reconstituted.

III. AUDIT COMMITTEE

Composition and terms of reference

The present Audit Committee comprises of all Independent Directors. All of whom possess accounting and financial management expertise/ exposure.

The terms of reference to the Audit committee given by the Board shall be as per the provisions of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Committee reviews the information as specified under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The composition of the Audit Committee is as follows

Name of Director & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri D G Prasad – Chairman	Independent & Non-Executive Director	4	4
Dr M R Naidu – Member	Independent & Non-Executive Director	4	2
Shri M Gopalakrishna – Member	Independent & Non-Executive Director	4	4

In addition to the members of the audit committee, these meetings are attended by the Heads of Accounts & Finance, Internal Auditors and Statutory Auditors of the Company and the Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee Shri D. G. Prasad attended the annual general meeting (AGM) held on 14th August 2017.

Meetings held during the year
During the year Audit Committee met four times on 13th May 2017, 14th August 2017, 11th November 2017 and 30th January 2018. The attendance of the Committee Members was presented in the above table.

IV. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) comprises of Independent Non-executive and Executive Directors. The terms of reference of the NRC given by the Board covers all aspects specified under the provisions of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time:

The composition of the Nomination and Remuneration Committee is as follows

Name of Directors & Designation	Category of Director	No. of Meetings	
		Held	Attended
Shri D G Prasad – Chairman *	Independent & Non-executive Director	1	1
Dr M R Naidu – Member	Independent & Non-executive Director	1	1
Shri M Gopalakrishna – Member	Independent & Non-executive Director	1	1
Prof Seyed E. Hasnain – Member *	Non-Executive Director	1	-
Shri Venkateswarlu Jasti - Member	Executive Director	1	1

** w.e.f. 11th November 2017*

During the year Nomination and Remuneration Committee met on 11th November, 2017. The attendance of the Committee Members was presented in the above table.

The Ex-Chairman of the Nomination and Remuneration Committee late Dr. K. V. Raghavan could not attend the annual general meeting (AGM) held on 14th August 2017 as he was unwell.

Remuneration Policy for selection and appointment of directors/ senior management and their remuneration

The Nomination and Remuneration (N&R) Committee has adopted a policy which, inter alia, deals with the manner of selection of all Directors and Senior management personnel and their remuneration as under: Policy enables the management to engage HR consultants whenever external advise needed in this behalf.

Criteria of selection of all categories of Directors and Senior Management Personnel

- The incumbent must be a graduate or above with ability to understand the Board procedures and having rudimentary knowledge over financial statements.
- Must possess reasonable experience at the Board/senior management level.
- Must have ethical behavior and willingness to comply with all applicable statutory requirements like declaring their interests in the companies/ entities, following the requirements of Board procedures, attending Board/ Committee meetings and active participation in all matters placed before the Board.
- Must be able to exercise independent judgment over the matters reported to the Board.
- Where necessary recommend to the Board for an increase in the remuneration of non-executive directors subject to provisions of Companies Act, 2013.
- The Committee may review and give a guidance note on all salary increases and bonus payments for all direct reports to the CEO in line with the industry standards. The Committee may review and give a general guidance note on the quantum of salary increases and bonus payments for all other staff in line with the industry standards
- For criteria of making payments to non-executive directors please refer to web link at: http://www.suven.com/pdf/composition-of-various-committees-of-board-of-directors-2018.pdf

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance and of the independent directors on parameters such as level of engagement, contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process as well as the evaluation of the working of its Committees, information needs of the Board, execution and performance of specific duties, obligations and governance.

Remuneration paid to the Executive Directors and sitting fees paid to Non-Executive Directors during 2017-2018 is as under:

Executive Directors *(₹ In Lakhs)*

Name of the Director	Salary & Allowances	Commission	Contribution to Provident Fund	Perquisites	Total
Shri. Venkateswarlu Jasti Chairman & CEO	252.93	165.73	30.35	16.53	465.54
Smt. Sudharani Jasti Whole-time Director	126.46	82.87	15.18	8.27	232.77

For details of other elements of remuneration please refer to Form MGT-9 (Extract of Annual Return) marked as Annexure-A to the Board's Report. The services of Chairman & CEO and Whole-time Director are governed by the resolutions as approved by the shareholders in the general meeting. There is no separate provision for payment of severance fee and notice period for termination of services.

Non-Executive Directors

Name of the Director	Sitting fee (₹) #
Dr. M. R. Naidu	1,00,000.00
Dr. K. V. Raghavan *	70,000.00
Shri D. G. Prasad	1,70,000.00
Prof Seyed E. Hasnain	80,000.00
Shri M Gopalakrishna	1,80,000.00

** Up to 11th October 2017*
 # Net of taxes

V. I. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Stakeholders' Relationship Committee of Directors reviews the following:
Expeditious redressal of investor's grievances, Transfer of shares, Dematerialisation/ Re-materialisation, Non receipt of Annual Reports and declared dividend, all other matters related to shares.

The Constitution of Stakeholders' Relationship Committee is as follows:

Name of the Director	Category of Director	No. of Meetings	
		Held	Attended
Shri M Gopalakrishna – Chairman (w.e.f. 11th November 2017)	Independent & Non-executive Director	-	-
Dr. K V Raghavan – Chairman *	Independent & Non-executive Director	1	1
Dr. M R Naidu – Member	Independent & Non-executive Director	1	1
Smt. Sudharani Jasti – Member	Executive Director	1	1

**passed away on 12th October, 2017.*

During the year Stakeholders' Relationship Committee met on 14th August, 2017. The attendance of the committee members was presented in the above table.

Name and Address of Compliance Officer
CS K. HANUMANTHA RAO
Company Secretary & Compliance Officer
Suven Life Sciences Limited
SDE Serene Chambers, 6th Floor, Road No. 5
Avenue 7, Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713
Tel: +91 40-2354 1142/ 3311, Fax: +91 40-2354 1152

During the year 2017-2018, 199 complaints were received pertaining to the dividends, annual reports, change of bank/ address details and split shares etc. from shareholders and the complaints have been resolved to the satisfaction of the Complainants. As on 31/03/2018 there were no complaints pending to be resolved.

V. II. SHARE TRANSFERS COMMITTEE

To ensure quicker investor services and expeditious disposal of the share transfer approvals, this Committee has been constituted with the following members of the Board.

Shri Venkateswarlu Jasti, Chairman & CEO is heading the Committee and
Smt. Sudharani Jasti, Whole-time Director is a member

The Committee meets as and when the memorandum of transfers date is intimated by the Karvy Computershare Pvt. Ltd. (Registrars and Transfer Agents) and accords its approvals accordingly.

The Committee met one time during the financial year 2017-18.

VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress

The composition of the Corporate Social Responsibility Committee and the details of Members' participation at the Meeting of the Committee held on 13th May, 2017 are as under:

Name of the Director	Category of Director	No. of Meetings	
		Held	Attended
Shri M Gopalakrishna – Chairman	Independent & Non-executive Director	1	1
Shri D. G. Prasad – Member *	Independent & Non-executive Director	-	-
Prof Seyed E. Hasnain – Member **	Non-executive Director	-	-
Shri Venkateswarlu Jasti – Member	Executive Director	1	1
Smt. Sudharani Jasti – Member	Executive Director	1	-

** w.e.f. 14th August, 2017*
*** w.e.f. 11th November, 2017*

VII. ESOP COMPENSATION COMMITTEE

The Committee has been authorised to frame suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India including, The Securities and Exchange Board of India (Insider Trading) Regulations 2015; and perform such functions required to be performed by the Compensation Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014.

The reconstituted ESOP Compensation Committee composed of Dr. M R Naidu as Chairman, Shri M Gopalakrishna as Member and Shri Venkateswarlu Jasti as Member of the Committee.

VIII. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 09th March, 2018, carried out inter alia, the following process:

Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole; evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors and evaluation of the quality, content and time lines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

The present independent directors were re-appointed on the Board w.e.f. 1st April 2014 for one term of 5 years. The Company has organised familiarisation programmes with respect to their duties, roles, responsibilities, business models and operations of the Company and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company will organise necessary familiarisation programmes as and when required. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. The information on the familiarisation programmes can be accessed from our Company's website at Web link: http://www.suven.com/pdf/familiarisation-program-for-independent-directors.pdf

IX. GENERAL BODY MEETINGS

Annual General Meeting: Location, date and time of last three Annual General Meetings (AGMs) and Special Resolutions passed there at:

Year	Venue	Date and Time	No. of Special Resolutions passed
2016-17	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce & Industry [FAPCCI], 11-6-841, Red Hills, Hyderabad –500 004	14/08/2017 11:30 AM	NIL
2015-16	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce & Industry [FAPCCI], 11-6-841, Red Hills, Hyderabad –500 004	10/08/2016 10:30 AM	NIL
2014-15	KLN Prasad Auditorium, The Federation of Andhra Pradesh Chambers of Commerce & Industry [FAPCCI], 11-6-841, Red Hills, Hyderabad –500 004	14/08/2015 3:00 PM	NIL

Postal Ballot:
No item of business relating to matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the provisions contained in section 110 of the Companies Act 2013, requiring voting by postal ballot is included in the Notice Convening the 29th Annual General Meeting of the Company.

X. MEANS OF COMMUNICATION

Quarterly Results, Press Releases, Presentations and Publications:

The quarterly results are generally published in widely circulated national newspapers the Business Standard and in one vernacular Language newspaper Andhra Prabha (Telugu Daily). And also the half yearly and Annual Audited Financial Results are published in the same manner.

The Financial Results are also displayed on the Company's website www.suven.com official news releases; presentations made to the institutional investors/ analysts/ media are also displayed on the Company's website.

Management Discussion and Analysis detailed report is forming part of this Annual Report.

The Company is filing/ submitting its Shareholding Pattern, Financial Results, Report on Corporate Governance on quarterly/ half-yearly /yearly basis and are posted on the website of the Company as well as on the website of BSE/ NSE in accordance with the SEBI Regulations which may be accessed by the shareholders.

XI. GENERAL INFORMATION FOR SHAREHOLDERS

(i) Annual General Meeting:

Financial Year	:	2017 – 2018
Day and Date	:	Tuesday, 14th day of August, 2018
Time	:	11:30 a.m.
Venue	:	KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004

(ii) Financial Calendar (tentative)

Financial Year April 1, 2018 to March 31, 2019	
Quarter Ending	**Release of Results**
June 30, 2018	latest by August 14, 2018
September 30, 2018	latest by November 14, 2018
December 31, 2018	latest by February 14, 2019
March 31, 2019	May 15, 2019*

**instead of publishing quarterly un-audited results, the Company may opt to publish Audited Annual within 60 days from the end of the financial year as per SEBI Regulations.*

iii. Dates of Book Closure: from 11th August, 2018 to 14th August, 2018 (both days inclusive)

iv. Dividend Disclosure: The Board of Directors declared an interim dividend of Rs. 1.50 per equity share face value of Re 1.00 each for the financial year 2017-2018 to the shareholders whose names appeared on 07th February, 2018 being the Record date notified to the Stock Exchanges. Your Directors recommend that the interim dividend paid will be treated as final dividend for the year 2017-2018.

Mode of Dividend payment and date

The said Dividend paid on 15th February, 2018 through National Electronic Clearing Service (NECS) at approved locations, wherever NECS details are available with the Company; and in all other cases, through warrants payable at par. These warrants shall be valid for a period of 90 days. Post expiry of validity period, these may be sent to the Company's Office at # 8-2-334, SDE Serene Chambers, 6th Floor, Avenue 7, Road No. 5, Banjara Hills, Hyderabad – 500 034 for issue of demand drafts in lieu of expired dividend warrants.

(v) Listing on Stock Exchanges

The shares of the Company are listed on

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

The Company confirms that it has paid annual listing fees due to the stock exchanges for the financial year 2018-2019.

(vi) Stock Code

Stock Exchanges	Scrip Code	Scrip ID
BSE Limited	**530239**	**SUVEN**
National Stock Exchange of India Limited	**SUVEN-EQ**	**SUVEN**

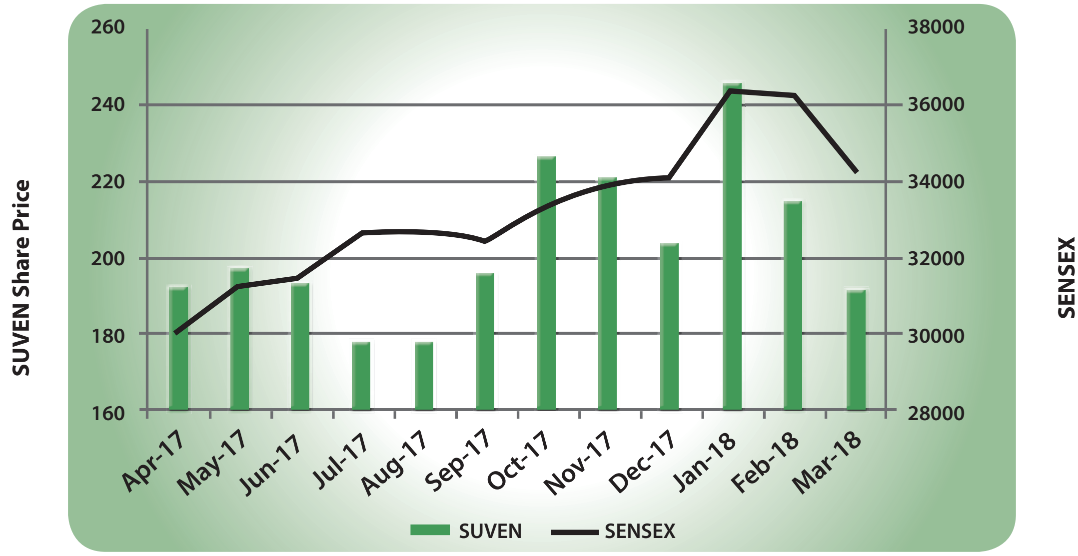
Depository for Equity Shares : NSDL and CDSL

Demat ISIN Number : INE495B01038

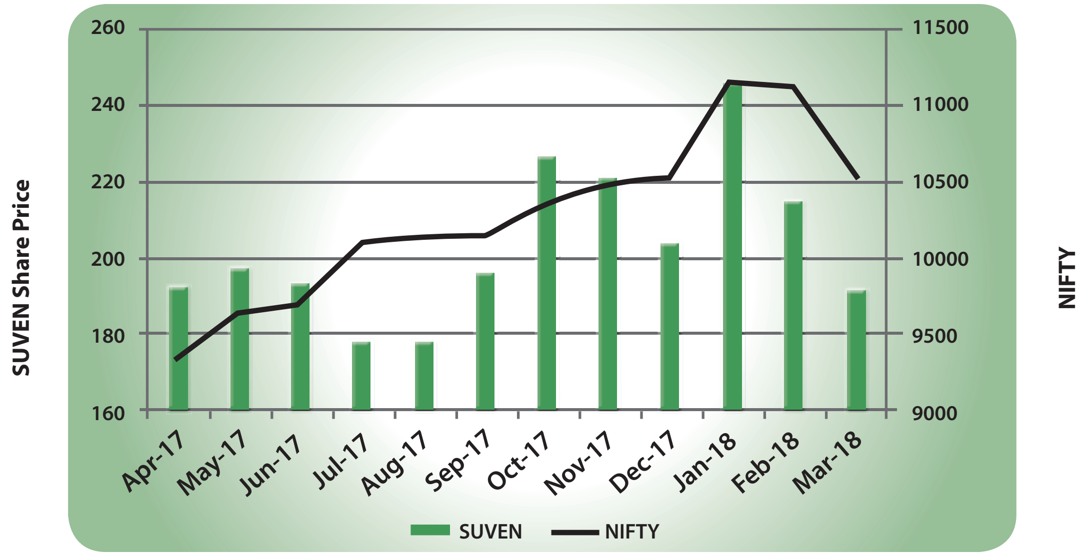
(vii) Stock Market Price Data NSE and BSE

Month		National Stock Exchange (NSE)			BSE Limited (BSE)		
		High ₹	Low ₹	Volume (No.)	High ₹	Low ₹	Volume (No.)
2017	April	194.40	165.05	8,193,596	194.25	165.65	2,298,640
	May	199.35	172.50	7,674,626	199.50	172.50	1,429,867
	June	193.30	171.00	3,086,199	195.00	171.00	509,294
	July	180.00	166.00	3,974,961	177.90	165.00	706,230
	August	173.25	155.00	4,174,649	173.50	155.00	931,087
	September	198.20	157.50	7,863,253	197.95	157.10	1,297,463
	October	230.40	177.00	21,121,811	230.00	177.05	3,565,149
	November	224.90	189.10	6,736,967	225.00	188.85	1,205,617
	December	205.00	180.25	7,606,840	206.75	180.00	1,078,426
2018	January	250.80	196.05	22,765,345	250.80	196.65	3,541,838
	February	218.00	182.00	7,138,195	218.00	184.00	1,646,755
	March	193.00	161.00	4,047,627	193.30	163.30	828,645

Stock Price Performance in comparison with BSE SENSEX



Stock Price Performance in comparison with NSE NIFTY



(viii) Registrar and Transfer Agents : (RTA)
Karvy Computershare Private Limited
Unit: Suven Life Sciences Ltd
Karvy Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Ph: 91-40-6716 1565/1559, Fax No 91-40 2300 1153
Email: einward.ris@karvy.com

(ix) Share Transfer System

Karvy Computershare Pvt. Ltd, (RTA) has been authorised to process all the valid transfer requisitions on a weekly basis and a memorandum of transfers, if any, will be submitted to the Company. The share certificates duly transferred will be dispatched to the transferees. For this purpose the Company has authorised the Company Secretary of the Company to monitor the Memorandum of Share Transfers (MOT) as and when reported by RTA and he will report to Share transfer Committee for its approval.

The Company has obtained and filed with the Stock Exchange(s), the half-yearly certificates from Company secretary in practice for due Compliance with the share transfer formalities as required under regulation 40(9)&(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(x) Distribution Shareholding Pattern as on 31st March 2018

Category (Amount)	Shareholders		Share Amount	
	Number	% to total	Amount	% to total
1 – 5000	63169	98.54	19546813.00	15.36
5001 – 10000	483	0.75	3564094.00	2.80
10001 – 20000	234	0.37	3363552.00	2.64
20001 – 30000	76	0.12	1847283.00	1.45
30001 – 40000	37	0.06	1342351.00	1.05
40001 – 50000	20	0.03	934114.00	0.73
50001 – 100000	46	0.07	3192257.00	2.51
100001 – and above	37	0.06	93492014.00	73.45
TOTAL	**64102**	**100.00**	**127282478.00**	**100.00**

(xi) Categories of shareholders as on 31st March 2018

Sl. No	Category	Cases	Holding	%To Equity
1	Promoters	6	76370000	60.00
2	Resident Individuals	61710	30770171	24.17
3	Mutual Funds	5	5651388	4.44
4	Non Resident Indians	1589	5540335	4.35
5	Corporate Bodies	631	5320765	4.18
6	Foreign Institutional Investors	54	3182470	2.50
7	Others	107	447349	0.35
	TOTAL	**64102**	**127282478**	**100.00**

(xii) Dematerialisation of shares and liquidity

As on 31st March, 2018, 99.46% of the paid up equity capital of the Company has been dematerialised and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialisation.

Members are encouraged to opt for dematerialisation of shares to eliminate bad deliveries, forgery, fake transfers etc., in the market.

(xiii) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible instruments in the past and hence as on March 31, 2018, the Company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

(xiv) Commodity price risk or foreign exchange risk and hedging activities

Our Company is following the natural hedging only as our receipts are more than the payments and also some of the exports are covered under forward cover as such there are no foreign exchange risks.

(xv) Plant Locations

Unit – 1 Dasaigudem Village, Suryapet Mandal Suryapet Dist. Telangana – 508 213	**Research and Development Centre(s)** **Research Centre – I** Plot No.18, Phase III, IDA Jeedimetla Hyderabad – 500 055 Telangana **Research Centre – II** **Bio-Pharmaceutical Lab** Plot No(s). 267- 268, IDA Pashamylaram Sanga Reddy Dist. Telangana – 502 307 **Research Centre – III** **Formulation Development Centre** Plot No(s). 265 to 268, IDA Pashamylaram Sanga Reddy Dist., Telangana – 502 307
Unit – 2 Plot No. 18, Phase III, IDA, Jeedimetla, Hyderabad Telangana –500 055	
Unit – 3 Plot No(s). 262 - 264 & 269 - 271, IDA, Pashamylaram, Sanga Reddy Dist. Telangana – 502 307	
Unit – 4 Plot No(s). 65, 66 and 67, JN Pharmacity Parwada, Visakhapatnam, Andhra Pradesh – 531 019	

(xvi) Address for Correspondence

Regd. Office: 8-2-334, SDE Serene Chambers,
6th Floor, Road No. 5, Avenue 7,
Banjara Hills, Hyderabad – 500 034 Telangana
CIN: L24110TG1989PLC009713
Tel: +91 40-2354 3311 / 2354 1142, Fax: +91 40-2354 1152
E-mail: info@suven.com, investorservices@suven.com
Website: www.suven.com

(xvii) Unpaid / Unclaimed Dividend

Pursuant to the provisions of Section 123 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by Company to the Investor Education and Protection Fund, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. Pursuant to Section 124 of the Companies Act, 2013 the shares forming part of unclaimed dividends of the shareholders were transferred to IEPF Authority as per IEPF Rules.

Shareholders of the Company who have either not received or have not en-cashed their dividend warrants, for the financial years 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 are requested to claim the unpaid/ unclaimed dividend from the Company before transfer to the fund.

(xviii) Reconciliation of Share Capital Audit Report

A qualified practicing Company Secretary carried out a quarterly share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

XII. DISCLOSURES

(i) Related party transactions

All related party transactions with related parties during the financial year were done in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No materially significant transactions with related parties were entered during the financial year which was in conflict with the interest of the Company. None of the Non-Executive Directors has any pecuniary material relationship or material transactions with the Company for the year ended March 31, 2018. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at Web link http://www.suven.com/pdf/policy-on-related-party-transactions.pdf

(ii) Legal Compliance

There were no instances of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

(iii) Whistle Blower Policy

The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, anyone can approach directly Chairman of the Audit Committee or through Company Secretary to report any suspected or confirmed incident of fraud/ misconduct it is affirmed that no personnel has been denied access to the audit committee and can be accessed at Web link http://www.suven.com/pdf/suven-whistle-blower-policy.pdf

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Mandatory requirements

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is being reviewed from time to time.

Non-mandatory requirements

1. **The Board:**

Office for non-executive Chairman at Company's expense: Not Applicable

2. **Shareholder Rights:**

Half-yearly declaration of financial performance to each household of shareholders: Not complied

3. **Audit qualifications:**

Complied as there are no audit qualifications

4. **Separate posts of Chairman & CEO:** Not Applicable
5. **Reporting of Internal Auditor:**

The Internal auditors report directly to Audit Committee: Complied

(v) web link policy for determining 'material' subsidiaries

The Board has approved a policy for determining 'material' subsidiaries which has been uploaded on the Company's website and it can be accessed at Web link: http://www.suven.com/pdf/Policy_On_Determining_Material_Subsidiaries.pdf

(vi) disclosure of commodity price risks and commodity hedging activities :

The Company did not undertake any commodity hedging activities during the year hence there were no commodity price risks involved.

Non-compliance of any requirement of corporate governance report

Our company has complied with all requirements of corporate governance report for the year 2017-2018.

The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report

Our Company has complied with all the provisions of the above said Regulations of SEBI for the year 2017-2018

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To
The Members of
Suven Life Sciences Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2018.

For **Suven Life Sciences Limited**

Place: Hyderabad
Date: 15 May, 2018

Venkateswarlu Jasti
Chairman &CEO
DIN: 00278028

INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To **The Members of**
SUVEN LIFE SCIENCES LIMITED

1. We, M/s. TUKARAM & Co., Chartered Accountants, the Statutory Auditors of **SUVEN LIFE SCIENCES LIMITED** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **TUKARAM & CO.,**
Chartered Accountants
(Firm Registration No. 004436S)

Place: Hyderabad
Date: 15 May, 2018

Rajender Reddy K
Partner
Membership No. 231834

STANDALONE
FINANCIAL STATEMENTS

INDEPENDENT AUDITORS` REPORT

To the Members of
Suven Life Sciences Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Suven Life Sciences Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements 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 standalone 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 standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at 31 March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Others Matters

We did not audit the financial statements of Suven USA branch included in the standalone financial statements of the company whose financial statements of the Company reflect total assets of Rs 106.88 lakhs as at 31st March, 2018 and total revenue of Rs.- Nil- for the year ended on that date.

The financial statements of this branch have been audited by the branch auditor, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditor.

Our opinion on the consolidated financial statements, 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 financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by section 143 (3) of the Act, based on our audit we report that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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 of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the 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 Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer Note 34 to the financial statements.

      ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For TUKARAM & CO.
Chartered Accountants
Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834

Place: Hyderabad
Date : 15th May, 2018

ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

Re: Suven Life Sciences Limited ('the Company')

i. In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the management has physically verified a substantial portion of the fixed assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of fixed assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.

(c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the company except 21.18 acres of freehold land acquired and taken possession and yet to be registered for Vishakhapatnam Plant amounting to ₹ 513.22 lakhs.

ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the books of account were not material and have been properly dealt with in the books of accounts.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grants of loans, making investments and providing guarantees and securities ,as applicable

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.

vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act in respect of production and processing activities of the Company and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory dues:

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, Goods & Service Tax ,duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the dues outstanding of income-tax on account of dispute as follows:

Nature of the Statute	Nature of the Dues	Amount Rs. in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Income Tax	7.64	A.Y 2011-12	Income Tax Appellate Tribunal -Hyderabad

viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks, governments and financial institutions. The Company did not have any debentures outstanding as at the year end.

ix. Based on the information and explanations given to us by the management, the company has raised moneys by way of QIP offer amounting to Rs.200.00 crores in F.Y 2014-2015 of which Rs.178.67 crores was utilized for the purposes it was raised and balance amounting to Rs.21.33 crores yet to be utilized. No term loans were taken during the year by the Company.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud, by the Company or on the Company by its officers or employees, has been noticed or reported during the year.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

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

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For TUKARAM & CO.
Chartered Accountants
Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834

Place: Hyderabad
Date : 15th May, 2018

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Infosys Limited 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")

We have audited the internal financial controls over financial reporting of **Suven Life Sciences Limited** ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is 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 ('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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

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.

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.

Opinion

In our opinion, the 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 31st March 2018, 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.

For TUKARAM & CO.
Chartered Accountants
Firm Regn. No.004436S

Rajender Reddy K.
Partner
Membership No.231834

Place: Hyderabad
Date : 15th May, 2018

STANDALONE BALANCE SHEET as at 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	30,494.24	30,447.57
Capital work-in-progress		2,474.38	971.64
Other intangible assets	4	278.31	124.83
Financial assets			
(i) Investments	5 (a) (i)	10,229.64	6,507.72
(ii) Loans	5 (c)	3.79	3.35
(iii) Other financial assets	5 (e)	610.53	583.93
Deferred tax assets (net)	6	-	189.54
Other non-current assets	7	1,259.73	69.62
Total Non-current assets		**45,350.62**	**38,898.20**
Current assets			
Inventories	8	13,946.62	9,251.14
Financial assets			
(i) Investments	5 (a) (ii)	27,872.56	30,088.91
(ii) Trade receivables	5 (b)	6,153.81	4,583.32
(iii) Cash and cash equivalents	5 (d) (i)	1,342.59	414.16
(iv) Bank balances other than (iii) above	5 (d) (ii)	51.13	48.21
(v) Loans	5 (c)	10.20	7.57
(vi) Other financial assets	5 (e)	0.28	0.71
Current Tax Asset(net)	9	340.34	642.41
Other current assets	10	5,816.28	3,682.32
Total Current assets		**55,533.81**	**48,718.75**
TOTAL ASSETS		**100,884.43**	**87,616.95**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11 (a)	1,272.82	1,272.82
Other equity	11 (b)	85,397.15	71,880.10
Total Equity		**86,669.97**	**73,152.92**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	12 (a)	138.52	2,593.22
Provisions	13	368.69	283.50
Deferred tax liabilities (net)	6	2,323.70	-
Other non-current liabilities	14	104.76	133.82
Total Non-current financial liabilities		**2,935.67**	**3,010.54**
Current liabilities			
Financial liabilities			
(i) Borrowings	12 (b)	2,494.19	3,048.52
(ii) Trade payables	12 (c)	5,681.58	3,793.97
(iii) Other financial liabilities	12 (d)	1,587.68	3,257.02
Other current liabilities	15	1,041.33	950.13
Provisions	13	474.01	403.85
Total current liabilities		**11,278.79**	**11,453.49**
Total liabilities		**14,214.46**	**14,464.03**
TOTAL EQUITY AND LIABILITIES		**100,884.43**	**87,616.95**

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

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 15th May 2018

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	16	62,525.84	54,447.78
Other income	17	2,327.07	2,109.25
Total Income		**64,852.91**	**56,557.03**
Expenses			
Cost of materials consumed	18	17,490.30	15,480.66
Changes in inventories of work-in-progress and finished goods	19	(2,120.13)	(295.94)
Manufacturing expenses	20	8,821.54	8,062.76
Excise duty		-	94.61
Employee benefits expense	21	5,873.50	5,064.46
Research & Development Expenses	22	5,846.66	6,494.09
Finance costs	23	461.11	566.58
Depreciation and amortization expense	24	2,130.99	2,141.31
Other expenses	25	3,322.37	3,012.81
Total Expenses		**41,826.34**	**40,621.34**
Profit before tax		**23,026.57**	**15,935.69**
Tax expense			
Current tax		4,756.49	3,283.70
Deferred tax		2,527.90	313.25
Tax of earlier years		(100.55)	(8.63)
Profit for the year		**15,842.73**	**12,347.37**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurements gains (losses) on defined benefit plans		(42.33)	(14.90)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		14.65	5.15
Other Comprehensive Income (Expense) for the year, net of taxes		**(27.68)**	**(9.75)**
Total Comprehensive Income for the year		**15,815.05**	**12,337.62**
Earnings per Equity share (Par value of Rs.1 each) Basic and Diluted		**12.43**	**9.69**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

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Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL		
Particulars	Number of Shares	Equity share capital
As at April 01, 2016	127,282,478	1,272.82
Changes in equity share capital during the year	-	-
As at March 31, 2017	**127,282,478**	**1,272.82**
Changes in equity share capital during the year	-	-
As at March 31, 2018	**127,282,478**	**1,272.82**

B. OTHER EQUITY		Reserves & surplus			
Particulars	Notes	Securities Premium	General reserve	Retained earnings	Total Equity
Balance at April 1, 2016		23,311.69	7,836.61	29,926.12	61,074.42
Profit for the year	11(b)	-	-	12,347.37	12,347.37
Other comprehensive income	11(b)	-	-	(14.90)	(14.90)
Income tax relating to items of other comprehensive income				5.15	5.15
Total comprehensive income for the year		**-**	**-**	**12,337.62**	**12,337.62**
Transfer to General Reserve	11(b)	-	-	(1,200.00)	(1,200.00)
Transfer from Retained Earnings	11(b)	-	1,200.00	-	1,200.00
Transaction with owners in their capacity as owners:					
Dividend paid	11(b)	-	-	(1,272.82)	(1,272.82)
Tax on distributed profit		-	-	(259.12)	(259.12)
Balance at March 31, 2017		**23,311.69**	**9,036.61**	**39,531.80**	**71,880.10**
Balance at April 1, 2017		23,311.69	9,036.61	39,531.80	71,880.10
Profit for the year	11(b)	-	-	15,842.73	15,842.73
Other comprehensive income	11(b)	-	-	(42.33)	(42.33)
Income tax relating to items of other comprehensive income		-	-	14.65	14.65
Transfer to General Reserve	11(b)	-	-	(1,500.00)	(1,500.00)
Transfer from Retained Earnings	11(b)	-	1,500.00	-	1,500.00
Total comprehensive income for the year		**-**	**-**	**14,315.05**	**14,315.05**
Dividend paid	11(b)	-	-	(1,909.30)	(1,909.30)
Tax on distributed profit				(388.69)	(388.69)
Balance at March 31, 2018		**23,311.69**	**10,536.61**	**51,548.85**	**85,397.15**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

STANDALONE CASH FLOW STATEMENT for the year ended 31st March, 2018
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Cash flow from operating activities		
Profit before tax	23,026.57	15,935.69
Adjustments :		
Depreciation and amortisation expense	2,476.36	2,764.62
Interest Income	(89.15)	(68.87)
Finance Cost	461.11	566.58
Gain on sale of Current Investment	(1,816.03)	(1,971.81)
(Gain)/Loss on Sale of Assets	(2.00)	(1.00)
Operating Profit before working capital changes	**24,056.85**	**17,225.21**
Movements in Working Capital		
(Increase) / Decrease in Trade Receivables	(1,570.49)	773.16
(Increase) / Decrease in Inventories	(4,695.48)	(904.70)
(Increase / (Decrease) in Trade Payables	1,887.61	233.48
(Increase)/ Decrease in other non current financial assets	(27.04)	(84.30)
(Increase)/ Decrease in other non current assets	(1,190.12)	41.83
(Increase)/ Decrease in other current financial assets	(2.20)	5.80
(Increase)/ Decrease in other current assets	(2,133.96)	784.56
Increase / (Decrease) in long term provisions	85.19	44.01
Increase / (Decrease) in other non-current liabilities	(29.06)	(14.39)
Increase/(decrease) in short term provision	27.83	114.45
Increase/(Decrease) in other financial liabilities	(1,669.35)	(331.92)
Increase/(Decrease) in other current liabilities	91.20	311.77
Net cash from generated from operating activities	**14,831.00**	**18,198.93**
Income taxes paid (net of refunds)	4,353.87	3,471.45
Cash flows from/ (used in) investing activities	**10,477.13**	**14,727.48**
Cash flows from investing activities		
Payments for Purchase of property, plant and equipment	(4,003.42)	(2,951.54)
Payment for Purchase of Intangible assets	(175.84)	(102.05)
Payments for Purchase of investments	(1,505.57)	(34,286.16)
(Gain)/Loss on Sale of Assets	2.00	1.00
Proceeds from sale of Investments	1,816.03	1,971.81
Bank balances not considered as cash and cash equivalents	(2.92)	36.81
Interest received	89.15	68.87
Net cash from /(used in) investing activities	**(3,780.57)**	**(35,261.25)**
Cash flows from/(used in) in financing activities		
(Repayment)/Proceeds from short term borrowings	(2,454.70)	(1,570.63)
(Repayment)/Proceeds from short term borrowings	(554.33)	632.15
Finance Cost	(461.11)	(566.58)
Dividends paid to company's shareholders	(1,909.30)	(1,272.82)
Dividend distribution tax paid to company's shareholders	(388.69)	(259.12)
Net cash (used In) / from financing activities	**(5,768.13)**	**(3,037.00)**

(Contd.)

STANDALONE CASH FLOW STATEMENT *(Contd...)*

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Net increase (decrease) in cash and cash equivalents	928.43	(23,570.77)
Cash and cash equivalents at the beginning of the year (Refer Note 5(d)(i))	414.16	23,984.93
Cash and cash equivalents at the end of the year	**1,342.59**	**414.16**
Cash and cash equivalents at (Refer Note 5(d)(i))	1,342.59	414.16
Cash and cash equivalents in cash flow statement	**1,342.59**	**414.16**

This is the cash flow statement referred to in our report of even date.

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 Company overview

Suven Life Sciences Limited (Suven) is a bio-pharmaceutical company, began operations in 1989 as specialty chemicals provider about 28 years ago and went on to create a NCE based CRAMS (Contract Research And Manufacturing Services) business model in 1995, providing building blocks (bulk actives, drug intermediates and speciality chemicals) for global life science companies. Suven has made in-roads into drug discovery in the year 2005 with a specialisation on CNS (Central Nervous System) based programs targeting unmet medical need and 4 of the molecules in pipeline are into clinical phase of development. The Company is targeting CNS indications where there is a high unmet medical need, patient populations are identifiable, clinical endpoints can be well-defined and with possible commercialisation options. Suven Neurosciences, Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of Suven, is a clinical-stage bio-pharmaceutical company commenced activities in October 2015, focused on the acquisition, development and commercialisation of novel therapeutics for the treatment of neurodegenerative disorders. The near-term focus for Suven Neurosciences Inc., is to develop Suven product candidate, which we refer to as SUVN-502, for the treatment of Alzheimer's disease and other forms of dementia.

2 Significant accounting policies

a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013(the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2018 were prepared in accordance with the relevant accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets are measured either at fair value or at amortised cost depending on the classification
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and
- Share-based payments which are measured at fair value of the options

b) Current versus non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents. The Company has identified twelve months as its operating cycle.

c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as being the Chief Operating Decision Maker. Refer note 31 for the segment information presented.

d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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

e) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement.

i) Sale of goods:

Timing of recognition - Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the inco-terms.

Measurement of revenue- The products are often sold with volume discounts and customer's having a right to return faulty products. Revenue from sales is based on the price specified in the sales contracts, net of estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit term of 30 days, which is consistent with market prices.

ii) Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges:

Timing of recognition - Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided(percentage of completion method).

Measurement of revenue- Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

iii) Income from Investments

(a) The Company recognises Interest on investments on accrual basis.

(b) Dividend income on investments is accounted for when the right to receive the payment is established.

g) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

The benefit of Government loan at a below market rate of interest is treated as Government grant , measured as the difference between proceeds received and the fair value of loan based on prevailing market interest rates.

h) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

i) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

l) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to indiviual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

m) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

n) Provisions, Contingent liabilities, Contingent assets and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

o) Investments and other financial assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

p) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

q) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

r) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

s) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised.

ESTIMATED USEFUL LIFE :	
- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- Furniture ,fittings and equipment	3 - 10 years
- Vehicles	8 - 10 years

t) Intangible assets

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available and;
- the expenditure attributable to the software during its development can be reliably measured

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

(ii) Amortization methods and periods

The Company amortizes intangible assets on written down value basis over their estimated useful life not exceeding 10 years.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

Estimated useful life :	
Software	5 - 10 years

u) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

v) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at

amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized

over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

w) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get 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 cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

x) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet."

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Share-based payments

Shared-based compensation benefits are provided to employees via the Suven Employee Stock Option Scheme -2004

Employee Options:

The fair value of options granted under the Suven Employee Stock Option Scheme -2004 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

- including any market performance conditions (eg. the entity's share price)
- excluding the impact of any service and non market performance vesting conditions(eg. profitability, sales growth targets and remaining an employee of the entity for a specified time period and;
- including the impact of any non-vesting conditions (eg. the requirement for employees to save or holding shares for a specific time period)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

y) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries , the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Investments in units of mutual funds

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds

z) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

aa) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ab) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

ac) Cash flow statement

Cash flows are reported using the direct method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows . The cash flows from operating , financing activities of the company are segregated.

ad) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

ae) Critical estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of Depreciable assets / intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairment of assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Free Hold	Buildings - Office at Factory	Buildings - Factory(including roads)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Laboratory Equipments	ETP Works	EDP Equipments	R&D Equipments	Total	Capital work-in-progress
Gross carrying amount													
At 1st April,2016	1,068.98	31.20	9,156.69	16,932.17	342.40	109.33	105.74	1,372.67	475.58	102.73	2,785.33	32,482.82	719.73
Exchange differences	-	-	-	(74.75)	-	-	-	-	-	-	-	(74.75)	-
Additions	29.26	-	600.53	1,166.29	51.22	14.03	46.89	15.60	281.92	89.82	478.83	2,774.37	251.91
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Balance as at 31st March,2017	**1,098.23**	31.20	9,757.22	17,638.96	393.62	116.03	152.63	1,388.27	757.49	159.24	3,264.16	34,757.06	971.64
Accumulated depreciation													
Upto 1st April,2016	-	0.75	319.46	592.14	58.67	18.59	18.43	243.60	64.13	35.95	625.46	1,977.17	-
Charge for the year	-	0.75	382.25	1,402.41	39.07	19.31	24.97	168.46	49.18	48.00	623.31	2,757.70	-
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Exhange difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March,2017	-	1.51	701.71	1,609.80	97.74	30.57	43.40	412.07	113.31	50.64	1,248.76	4,309.49	-
Net Book Value as at March 31, 2017	1,098.23	29.69	9,055.51	16,029.16	295.88	85.46	109.23	976.20	644.19	108.60	2,015.40	30,447.57	971.64
Gross carrying amount													
At 1st April,2017	1,098.23	31.20	9,757.22	17,638.96	393.62	116.03	152.63	1,388.27	757.49	159.24	3,264.16	34,757.04	971.64
Exchange difference	-	-	-	4.89	-	-	-	-	-	-	-	4.89	-
Additions	423.88	-	49.76	434.05	58.38	25.46	24.77	830.02	19.45	86.63	543.40	2,495.79	1,502.74
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March,2018	**1,522.11**	**31.20**	**9,806.98**	**18,077.90**	**452.00**	**141.49**	**177.40**	**2,218.29**	**776.94**	**245.87**	**3,807.56**	**37,257.72**	**2,474.38**
Accumulated depreciation and impairment													
Upto 1st April,2017	-	1.51	701.71	1,609.80	97.74	30.57	43.40	412.07	113.31	50.64	1,248.76	4,309.49	-
Charge for the year	-	0.75	416.15	1,243.27	53.55	19.47	33.76	213.89	57.57	70.21	345.37	2,453.99	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March,2018	-	**2.26**	**1,117.86**	**2,853.07**	**151.29**	**50.04**	**77.16**	**625.96**	**170.88**	**120.85**	**1,594.13**	**6,763.48**	-
Net Book Value as at March 31, 2018	**1,522.11**	**28.94**	**8,689.12**	**15,224.83**	**300.71**	**91.45**	**100.24**	**1,592.33**	**606.06**	**125.02**	**2,213.43**	**30,494.24**	**2,474.38**

Note **(i) Property, plant and equipment pledged as security**

Refer Note 38 for information on property, plant and equipment pledged as security by the group

(ii) Contractual obligation

Refer Note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment

(iii) Capital Work in progress

Capital-work-in-progress mainly comprises of Plant& Machinery, Factory Building and Software

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 4: OTHER INTANGIBLE ASSETS

	Software	Total
Gross carrying amount		
At 1st April,2016	32.39	32.39
Additions	102.05	102.05
Disposals	-	-
Balance as at 31st March,2017	134.44	134.44
Accumulated amortisation		
Upto 1st April,2016	9.60	9.60
Disposals	-	-
Balance as at 31st March,2017	**9.60**	**9.60**
Net Book Value as at March 31, 2017	124.83	124.83
Gross carrying amount		
At 1st April,2017	134.44	134.44
Additions	175.84	175.84
Balance as at 31st March,2018	**310.28**	**310.28**
Accumulated amortisation and impairment		
Upto 1st April,2017	9.60	9.60
Charge for the year	22.37	22.37
Balance as at 31st March,2018	31.97	31.97
Net Book Value as at March 31, 2018	278.31	278.31

* Software consist of microsoft licenses and server software, pdf converter,SAP software, GMPPro software

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 5: FINANCIAL ASSETS

5 (a) (i) Non-current investments				
Particulars	**31 March 2018**		**31 March 2017**	
	Shares	Amount	Shares	Amount
Investment carried at cost				
Unquoted Equity Instruments - (Fully paid up)				
a) In Subsidiary Company				
Equity shares of Suven Neurosciences Inc. At par value USD 0.0001	1,000,000	0.07	1,000,000	0.07
Additional paid-in capital in Suven Neurosciences Inc.	-	10,222.52	-	6,500.60
b) Other Investments				
Jeedimetla Effluent Treatment Ltd	1,000	6.00	1,000	6.00
Patancheru Envirotech Pvt Ltd	10,487	1.05	10,487	1.05
Total Investment carried at cost	**10,11,487**	**10,229.64**	**10,11,487**	**6,507.72**
Total Non-Current investments		**10,229.64**		**6,507.72**
Aggregate book value of quoted investments		-		-
Aggregate market value of quoted Invsetments		-		-
Aggregate value of unquoted investments		10,229.64		6,507.72
Aggregate amount of impairement in value of Investment in unquoted investments		-		-

5 (a) (ii) Current investments				
Particulars	**31 March 2018**		**31 March 2017**	
	Units	Amount	Units	Amount
Investment in Mutual Funds- Quoted,Trade (Fully paid up)				
SBI Infrastructure Fund	50,000	6.80	50,000	6.82
HDFC Liquid Fund	30,082,443	5,768.22	30,082,443	5,411.23
Reliance Liquid Fund	15,839,384	5,771.95	15,854,574	6,005.71
IDFC Mutual Fund	44,563,533	10,973.90	44,563,533	10,262.58
SBI Premier Liquid Fund	190,182	5,164.58	395,031	8,402.57
SBI Ultra short term fund	8,347	187.11	-	-
Total Current Investment	**90,733,889**	**27,872.56**	**90,945,581**	**30,088.91**
Aggregate book value of quoted investments		27,872.56		30,088.91
Aggregate market value of quoted Invsetments		27,872.56		30,088.91
Aggregate value of unquoted investments		-		-
Aggregate amount of impairement in value of Investment in unquoted investments		-		-

5(b) Trade receivables		
Particulars	**31 March 2018**	**31 March 2017**
Trade receivables from other parties	6,153.81	4,583.32
Total receivables	**6,153.81**	**4,583.32**
Current portion	6,153.81	4,583.32
Non-current portion	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Break-up of security details		
Particulars	31 March 2018	31 March 2017
Secured, considered good	-	-
Unsecured, considered good	6,153.81	4,583.32
Doubtful	-	-
Total	**6,153.81**	**4,583.32**
Allowance for doubtful debts	-	-
Total trade receivables	**6,153.81**	**4,583.32**

5(c) Loans				
Particulars	31 March 2018		31 March 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Others				
Loan to employees	10.20	3.79	7.57	3.35
Total loans	**10.20**	**3.79**	**7.57**	**3.35**

5(d) (i) Cash and cash equivalents		
Particulars	31 March 2018	31 March 2017
Balances with banks		-
-in current accounts	55.61	85.95
-in EEFC account	148.43	319.17
Deposits with maturity of less than three months	1,126.92	-
Cash on hand	11.63	9.03
Total cash and cash equivalents	**1,342.59**	**414.16**

5(d) (ii) Other Bank Balances		
Particulars	31 March 2018	31 March 2017
In unclaimed dividend accounts	51.13	48.21
Total Other Bank Balances	**51.13**	**48.21**

5(e) Other financial assets				
Particulars	31 March 2018		31 March 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security Deposits	0.28	413.92	0.71	394.64
Interest accrued on deposit	-	20.29	-	20.28
Others assets				
Deposits -LC & BG	-	176.25	-	168.97
Interest accrued on LC & BG	-	0.07	-	0.04
Total Other Financial assets	**0.28**	**610.53**	**0.71**	**583.93**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 6: DEFERRED TAX ASSETS /(LIABILITIES)

The balances comprises temporary differences attributable to :

Particulars	31 March 2018	31 March 2017
Defined benefit obligations	291.64	237.88
Other items		
QIP Expenses	41.93	83.87
Others-MAT credit	2,980.62	4,711.39
Total Deferred tax assets	**3,314.19**	**5,033.14**
Set-off of deferred tax liabilities pursuant to set-off provisions		
- Depreciation	4,574.10	4,363.69
- Unrealised capital gains on MF	1,063.79	479.91
Total Deferred tax Liabilities	**5,637.89**	**4,843.60**
Total deferred tax assets/(Liabilities) (net)	**(2,323.70)**	**189.54**

Significant estimates:

During the previous years, the Company has recognised deferred tax assets on carried forward tax losses recoverable using estimated future taxable income based on approved business plans and budgets. In the current year, the deferred tax assets created on those carried forward tax losses have been charged to the statement of profit and loss on expiry of a period of 8 years from the year in which those tax losses arise.

Movement in Deferred tax assets						
Particulars	**Tax Losses**	**Defined benefit obligations**	**Other items**	**Total**	**DFL on eprectiation and others**	**Deferred Tax Asset (DTA) Net**
As at March 31, 2017	**-**	**237.88**	**4,795.26**	**5,033.14**	**4,843.60**	**189.54**
(Charged)/credited:						
-to profit or loss	-	39.11	(1,772.71)	(1,733.60)	794.29	(2,527.89)
-to other comprehensive income	-	14.65	-	14.65	-	14.65
As at March 31, 2018	**-**	**291.64**	**3,022.55**	**3,314.19**	**5,637.89**	**(2,323.70)**

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	31 March 2018	31 March 2017
Capital advances	1,259.73	69.62
Total other non-current assets	**1,259.73**	**69.62**

NOTE 8: INVENTORIES

Particulars	31 March 2018	31 March 2017
Raw materials	3,630.13	2,066.24
Work-in-progress	3,712.76	3,716.28
Finished goods	4,415.31	2,291.67
Packing materials	272.22	255.37
Stores and spares	1,916.20	921.59
Total inventories	**13,946.62**	**9,251.14**

The Company recorded inventory write-down of Rs.699.17 (31 March 2017: Rs.245.75). This is included as part of cost of materials consumed.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 9: CURRENT TAX ASSET (NET)

Particulars	31 March 2018	31 March 2017
Advance tax balance	10,767.47	9,587.35
Less: Provision for income tax	10,427.13	8,944.94
Total Current tax asset/(Liability) net	**340.34**	**642.41**

	31 March 2018	31 March 2017
Opening advance tax(net of provision for tax)	(642.41)	(446.03)
Add: Current tax payable for the year	4,756.49	3,283.70
Less: Taxes paid	4,454.41	3,480.09
Closing Balance	**(340.34)**	**(642.41)**

NOTE 10: OTHER CURRENT ASSETS

Particulars	31 March 2018	31 March 2017
Unsecured, considered good		
VAT credit receivable	695.04	924.26
CENVAT credit receivable	1.49	868.01
Service tax credit receivable	19.36	700.62
MEIS Receivable	1,003.83	470.90
GST Receivable	2,869.42	-
Pre paid expenses	445.40	303.48
Advances to Material Suppliers	741.65	130.01
Advances to service providers	12.08	261.50
Others advances	28.00	23.54
Total other current assets	**5,816.28**	**3,682.32**

NOTE 11: EQUITY SHARE CAPITAL AND OTHER EQUITY

11(a) Equity share capital		
	31 March 2018	31 March 2017
Authorised Shares		
400,000,000 Equity shares of ₹ 1 /- each	4,000.00	4,000.00
(400,000,000 Equity shares of ₹ 1 /- each)		
	4,000.00	**4,000.00**
Issued, Subscibed and fully paid up		
127,282,478 Equity shares of ₹ 1 /- each	1,272.82	1,272.82
(127,282,478 Equity shares of ₹ 1 /- each)		
	1,272.82	**1,272.82**

11(a).1 Reconciliation of the shares outstanding at the beginning and at the end of the year				
Particulars	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	127,282,478	1,272.82	127,282,478	1,272.82
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**127,282,478**	**1,272.82**	**127,282,478**	**1,272.82**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

11(a).2 Terms/ rights attached to equity shares
Equity shares have a par value of ₹ 1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.
Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.
The Board of Directors has declared and paid an interim dividend of ₹ 1.50/- per equity share (31 March 2017: ₹ 1.00/-).

11(a).3 Shares of the Company held by holding company		
Particulars	**31 March 2018**	**31 March 2017**
M/s. Jasti Property and Equity Holdings Private Limited		
76,365,000 Equity shares of ₹ 1/- each (Previous year: 76,365,000)	76,365,000	76,365,000

11(a).4 Details of shareholders holding more than 5% shares in the Company				
Particulars	**31 March 2018**		**31 March 2017**	
	Number of Shares	**% of Holding**	**Number of Shares**	**% of Holding**
M/s. Jasti Property and Equity Holdings Private Limited	76,365,000	60.00%	76,365,000	60.00%

11(a).5 Shares reserved for issue under Options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company,refer note no 36

11(b) Other Equity		
Particulars	**31 March 2018**	**31 March 2017**
Reserve & Surplus		
Securities premium reserve	23,311.69	23,311.69
General reserve	10,536.61	9,036.61
Retained earnings	51,586.28	39,541.55
Total reserves and surplus	**85,434.58**	**71,889.85**
Other Reserve		
Re measurement of define benefit	(37.43)	(9.75)
Total other Equity	**85,397.15**	**71,880.10**

(i) Securities premium reserve		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	23,311.69	23,311.69
Add: On issue of shares	-	-
Closing Balance	**23,311.69**	**23,311.69**

(ii) General Reserve		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	9,036.61	7,836.61
Transferred from Retained Earnings	1,500.00	1,200.00
Closing Balance	**10,536.61**	**9,036.61**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

(iii) Retained earning		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	39,541.55	29,926.12
Net profit for the year	15,842.73	12,347.37
Transferred to General reserve	(1,500.00)	(1,200.00)
Dividend paid	(1,909.30)	(1,272.82)
Tax on distributed profit	(388.69)	(259.12)
Closing balance	**51,586.28**	**39,541.55**

(iv) Other Reserve		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	(9.75)	-
- Re-measurement of post employment benefit obligation, net of tax	(27.68)	(9.75)
Closing balance	**(37.43)**	**(9.75)**

Nature and purpose of reserves

Securities premium reserve:
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of companies Act 2013.

General Reserve:
General reseve is used from time to time to transfer the profits from retained earnings for appropriation purpose.

Retained Earnings:
Retained earnings are the profits of the company earned till date net of appropriations

NOTE 12: FINANCIAL LIABILITIES

12(a) Non-current borrowings				
Secured	**Maturity Date**	**Coupon/ Interest rate**	**31 March 2018**	**31 March 2017**
Foreign currency term loan from State Bank of India Terms of repayment: The term loan is repayable in 20 quarterly installments after roll over commencing from March'2016.	March 2021	LIBOR + 4%	24.84	3,214.85
Foreign currency corporate loan from Bank of Bahrain & Kuwait Terms of repayment: The term loan is repayable in 16 quarterly installments of USD 0.375 Million. Commencing from December 2013	September 2017	LIBOR + 3.50%	-	486.29
Unsecured				
Loan from Department of Science & Technology, Government of India-I Terms of repayment: 10 Annual instalments of ₹ 50 Lakhs each commencing from October 2013	September 2022	3.00%	139.63	189.63
Loan from Department of Science & Technology, Government of India-II Terms of repayment: 10 Annual instalments of ₹ 44.40 Lakhs each commencing from February 2013	March 2021	3.00%	93.30	139.03
Total non-current borrowings			**257.76**	**4,029.80**
Less: Current maturities of Non-current borrowings (included in note 11(c))			119.24	1,436.58
Non-current borrowings			**138.52**	**2,593.22**

12(b) Current borrowings - at amortised cost					
Particulars	**Maturity Date**	**Terms of repayment**	**Coupon/ Interest rate**	**31 March 2018**	**31 March 2017**
Secured					
Working Capital Loans from State Bank of India	Payable on demand	Payable on demand	Libor+1.50%	1,915.42	2,461.20
Working Capital Loans from Bank of Bahrain & Kuwait	Payable on demand	Payable on demand	Libor+2.25%	578.77	587.32
Total Current Borrowings				**2,494.19**	**3,048.52**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Secured borrowings and assets pledged as security

Non-current borrowings are secured by first and pari-passu charge on Land, Buildings, Plant & Machinery and Second charge on stocks, receivables and other current assets

Current borrowings are secured by pari-passu first charge on inventories, receivables and other current assets of the company and pari-passu second charge on movable and immovable fixed assets of the company and equitable mortgage of the properties belonging to the company, both present and future.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 38.

12(c) Trade payables		
Particulars	**31 March 2018**	**31 March 2017**
Current		
Trade payables to third parties	5,681.58	3,793.97
Total trade payables	**5,681.58**	**3,793.97**

12(d) Other Financial liabilities		
Particulars	**31 March 2018**	**31 March 2017**
Current		
Current maturities of non-current borrowings(Refer Note 12(a))	119.24	1,436.58
Interest accrued but not due	83.97	71.80
Liabilities for expenses	1,156.18	1,519.37
Capital creditors	177.15	181.07
Unpaid dividend	51.13	48.21
Total other current financial liabilities	**1,587.68**	**3,257.02**

NOTE 13: PROVISIONS

Particulars	**31 March 2018**		**31 March 2017**	
	Current	Non-Current	Current	Non-Current
Leave obligations	107.02	368.69	203.69	194.81
Gratuity	366.99	-	200.16	88.69
	474.01	**368.69**	**403.85**	**283.50**

(i) Post-employment obligations
a) Gratuity- Defined benefit plan

The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(ii) Defined Contribution plans

Particulars	**31 March 2018**	**31 March 2017**
Provident Fund	261.52	199.46
State Defined Contribution Plans		
I Employees State Insurance	40.73	20.70
ii Employees Pension Scheme,1995	125.87	111.32

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-17	**783.73**	**494.87**	**288.86**
Current service cost	112.96	0.00	112.96
Interest expense/(income)	62.70	43.94	18.76
Total amount recognized in profit or loss	**959.39**	**538.81**	**420.58**
Re-measurements			
Return on plant assets, excluding interest expense/(income)	0.00	(12.82)	12.82
Experience (gains)/loss	42.33	0.00	42.33
Total amount recognized in other comprehensive income	**1001.71**	**525.99**	**475.73**
Employer contributions	0.00	108.74	(108.74)
Benefit payments	0.00	0.00	0.00
31-Mar-18	**1001.71**	**634.73**	**366.99**

(iii) Post-employment benefits (pension and gratuity)

Significant estimates: Actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	31 March 2018	31 March 2017
Discount rate	8.00%	8.00%
Salary growth rate	9.00%	9.00%
Attrition rate	6.50%	6.50%

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on Defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Discount rate	1%	1%	926.81	712.18	1088.02	867.28
Salary growth rate	1%	1%	1079.68	784.53	929.13	782.90
Attrition rate	1%	1%	997.16	712.18	1006.78	867.28

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk exposure
Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by re-balancing the portfolio. The company intends to maintain the investment mix in the continuing years.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

A large portion of assets in 2018 consists of government and corporate bonds, although the company also invests in equities, cash and mutual funds. The company believes that equities offer the best returns over the long term with an acceptable level of risk. The majority of equities are in a globally diversified portfolio of international blue chip entities, with a target of 60% equities held in India. The plan asset mix is in compliance with the requirements of the respective local regulations.

(vi) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rate set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The weighted average duration of the defined benefit obligation is 13.24 years . The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Amount
Year 1	99.88
Year 2	80.35
Year 3	111.89
Year 4	86.33
Year 5	86.90
Thereafter	444.43

NOTE 14: GOVERNMENT GRANTS

Particulars	31 March 2018	31 March 2017
Opening Balance	162.88	177.28
Less: Provision recognised/(reversed) during the year	29.06	14.39
Closing Balance	**133.82**	**162.88**

Particulars	31 March 2018	31 March 2017
Current portion	29.06	29.06
Non-current portion	104.76	133.82

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 15: OTHER CURRENT LIABILITIES

Particulars	31 March 2018	31 March 2017
Government grants	29.06	29.06
Payroll taxes	30.51	21.28
Advance from customers	823.52	764.79
Statutory dues payable	158.24	134.99
Total other current liabilities	**1,041.33**	**950.13**

NOTE 16: REVENUE FROM OPERATIONS

Particulars	31 March 2018	31 March 2017
Sale of Products	58,420.02	51,139.03
Sale of Services	2,838.20	2,777.71
	61,258.22	**53,916.74**
Other Operating Income		
Export Incentives (MEIS)	1,267.62	482.85
Service Tax Rebate Claims Received	-	48.19
	1,267.62	**531.04**
	62,525.84	**54,447.78**

NOTE 17: OTHER INCOME

Particulars	31 March 2018	31 March 2017
Interest income		
On fixed deposits	8.38	46.34
Others	80.77	22.53
Government Grants	29.06	14.39
Non-operating Income	5.29	19.55
Foreign Exchange Gain (Net)	385.54	33.62
Gain on Financial Assets	1,816.03	1,971.81
Profit/(Loss) due to sale of asset	2.00	1.00
Total other Income	**2,327.07**	**2,109.25**

NOTE 18: COST OF RAW MATERIALS & PACKING MATERIALS CONSUMED

Particulars	31 March 2018	31 March 2017
Raw Materials		
Raw Material at the beginning of the year	2,066.24	2,996.25
Purchases during the year	18,775.09	14,071.97
Less: Raw Material at the end of the year	3,630.13	2,066.24
	17,211.20	**15,001.98**
Packing Materials		
Packing Material at the beginning of the year	255.37	224.95
Purchases during the year	295.95	509.10
Less: Packing Material at the end of the year	272.22	255.37
	279.10	**478.68**
Total	**17,490.30**	**15,480.66**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 19: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

Particulars	31 March 2018	31 March 2017
Opening Balance:		
Work-in-progress	3,716.28	2,284.76
Finished Goods	2,291.67	3,427.25
Total opening balance	**6,007.95**	**5,712.01**
Closing Balance:		
Work-in-progress	3,712.76	3,716.28
Finished Goods	4,415.31	2,291.67
Total closing balance	**8,128.07**	**6,007.95**
Total changes in inventories of work-in-progress and finished goods	**(2,120.13)**	**(295.94)**

NOTE 20: MANUFACTURING EXPENSES

Particulars	31 March 2018	31 March 2017
Power & Fuel	3,355.96	3,150.46
Consumable Stores	110.23	70.06
Factory Upkeep Expenses	1,974.90	1,733.65
Environment Management Expenses	637.97	533.73
Safety Expenses	70.43	161.77
Quality Control Expenses	456.20	540.67
Repairs & Maintenance:		
Buildings	164.73	228.12
Plant & Machinery	2,051.12	1,644.31
	8,821.54	**8,062.76**

NOTE 21: EMPLOYEE BENEFIT EXPENSES

Particulars	31 March 2018	31 March 2017
Salary, Wages, Allowances & other Benefits	4,953.88	4,290.71
Contribution to Provident & other funds	428.12	331.48
Gratuity Expense	166.70	87.64
Staff Welfare Expenses	324.80	354.63
	5,873.50	**5,064.46**

NOTE 22: RESEARCH & DEVELOPMENT EXPENSES

Particulars	31 March 2018	31 March 2017
R & D Salaries	1,679.95	1,548.59
R & D Materials	551.28	470.85
Patent Related Expenses	752.87	759.97
Lab Maintenance	707.48	1,040.40
R & D Other Expenses	1,809.71	2,050.98
Depreciation	345.37	623.31
	5,846.66	**6,494.09**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 23: FINANCE COSTS

Particulars	31 March 2018	31 March 2017
Interest on borrowings	281.60	376.38
Bank Charges	179.51	190.20
	461.11	**566.58**

NOTE 24: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2018	31 March 2017
Depreciation of property, plant and equipment (Refer Note 3)	2,108.62	2,134.40
Amortisation of intangible assets (Refer Note 4)	22.37	6.91
Total depreciation and amortisation expense	**2,130.99**	**2,141.31**

NOTE 25: OTHER EXPENSES

Particulars	31 March 2018	31 March 2017
Rent	75.33	74.33
Rates & Taxes	46.58	84.59
Service Tax	6.24	30.39
Insurance	265.03	245.73
Communication Charges	128.63	102.02
Travelling & Conveyance	624.88	565.92
Printing & Stationery	64.09	109.43
Professional Charges	348.40	287.92
Payments to Auditors (Refer note 25(a)below)	16.81	15.99
Security Charges	190.41	184.57
Donations	0.75	3.53
Repairs & Maintenance		
-Vehicles	29.16	27.84
- Others	82.81	52.79
Loss on Foreign Exchange Fluctuations	-	115.37
Corporate Social Responsibility	330.61	176.03
Sales Promotion	334.12	318.45
Clearing & Forwarding	346.02	270.02
Commission on Sales	177.02	157.99
General Expenses	255.48	189.93
Total Other Expenses	**3,322.37**	**3,012.81**

Note 25(a): Details of payments to auditors		
Particulars	**31 March 2018**	**31 March 2017**
Payment to auditors		
As auditor:		
Statutory Audit fee	12.00	12.00
Tax audit fee	-	2.50
In other capacity		
Taxation matters	4.00	1.00
Reimbursement of out -of- pocket expenses	0.81	0.49
	16.81	**15.99**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Note 25(b): Corporate social responsibility expenditure		
Particulars	**31 March 2018**	**31 March 2017**
Amount required to be spent as per section 135 of the Act	302.58	330.61
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	(330.61)	(176.03)

NOTE 26: INCOME TAX EXPENSE

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	31 March 2018	31 March 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	4,756.49	3,283.70
Adjustments for current tax of prior periods	(100.55)	(8.63)
Total current tax expense	**4,655.94**	**3,275.07**
Deferred tax		
Decrease(increase) in deferred tax assets	-	-
Increase(decrease) in deferred tax liabilities	2,527.90	313.25
Total Deferred tax expense/(benefit)	**2,527.90**	**313.25**
Income tax expense	**7,183.84**	**3,588.32**
Income tax expense is attributable to:		
Profit from operations	**7,183.84**	**3,588.32**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Particulars	**31 March 2018**	**31 March 2017**
Profit from operations before income tax expenses	23,026.57	15,935.69
Tax at the Indian tax rate of 34.608% (2016-17 -34.608%)	**7,969.04**	**5,515.02**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	(1,303.79)	(1,271.03)
weighted deduction on Investment	-	-
Corporate social responsibility expenditure	114.42	60.92
Income tax paid at special rate	(241.63)	(325.87)
Dividend Income	-	-
Donations	0.26	1.22
Others	645.54	(391.95)
Income tax expenses	**7,183.84**	**3,588.32**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 27: FAIR VALUE MEASUREMENTS

	31 March 2018			31 March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments						
-Equity Investment	-	-	7.05	-	-	7.05
-Mutual funds	27,872.56	-	-	30,088.91	-	-
Trade Receivables	-	-	6,153.81	-	-	4,583.32
Loans	-	-	13.99	-	-	10.92
Security deposits	-	-	434.48	-	-	415.63
Cash and Cash equivalents	-	-	1,342.59	-	-	414.16
Bank Balances	-	-	51.13	-	-	48.21
Fixed Deposits with Banks and Interest thereon	-	-	176.31	-	-	169.01
Total Financial Assets	**27,872.56**	**-**	**8,179.36**	**30,088.91**	**-**	**5,648.29**
Financial Liabilities						
Borrowings	-	-	2,632.71	-	-	5,641.73
Current maturities of long-term debt	-	-	119.24	-	-	1,436.58
Interest accrued but not due	-	-	83.97	-	-	71.80
Unpaid dividends	-	-	51.13	-	-	48.21
Trade Payables	-	-	5,681.58	-	-	3,793.97
Capital creditors	-	-	177.15	-	-	181.07
Total Financial Liabilities	**-**	**-**	**8,745.78**	**-**	**-**	**11,173.36**

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial assets					
Equity Investment		-	-	7.05	7.05
Investment in mutual funds	5(a)(ii)	27,872.56	-	-	27,872.56
Trade Receivables		-	-	6,153.81	6,153.81
Loans		-	-	13.99	13.99
Security deposits		-	-	434.48	434.48
Fixed Deposits with Banks and Interest thereon		-	-	176.31	176.31
Total Financial Assets		**27,872.56**	**-**	**6,785.64**	**34,658.20**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial Liabilities					
Borrowings		-	-	2,632.71	2,632.71
Current maturities of long-term debt		-	-	119.24	119.24
Interest accrued but not due		-	-	83.97	83.97
Unpaid dividends		-	-	51.13	51.13
Trade Payables		-	-	5,681.58	5,681.58
Capital creditors		-	-	177.15	177.15
Total Financial Liabilities		**-**	**-**	**8,745.78**	**8,745.78**

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial assets					
Equity Investment		-	-	7.05	7.05
Investment in mutual funds	5(a)(ii)	30,088.91	-	-	30,088.91
Trade Receivables		-	-	4,583.32	4,583.32
Loans		-	-	10.92	10.92
Security deposits		-	-	415.63	415.63
Fixed Deposits with Banks and Interest thereon		-	-	169.01	169.01
Total Financial Assets		**30,088.91**	**-**	**5,185.93**	**35,274.84**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial Liabilities					
Borrowings		-	-	5,641.73	5,641.73
Current maturities of long-term debt		-	-	1,436.58	1,436.58
Interest accrued but not due		-	-	71.80	71.80
Unpaid dividends		-	-	48.21	48.21
Trade Payables		-	-	3,793.97	3,793.97
Capital creditors		-	-	181.07	181.07
Total Financial Liabilities		**-**	**-**	**11,173.36**	**11,173.36**

Level 1: Level 1 hierarchy includes Mutual funds are valued using the closing NAV.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data(unobservable inputs).

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Fair Value of financial assets and liabilities measured at amortized cost

Particulars	31 March, 2018		31 March, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Equity Investment	7.05	7.05	7.05	7.05
Trade Receivables	6,153.81	6,153.81	4,583.32	4,583.32
Loans	13.99	13.99	10.92	10.92
Security deposits	434.48	434.48	415.63	415.63
Cash and Cash equivalents	1,342.59	1,342.59	414.15	414.15
Other Bank Balances	51.13	51.13	48.21	48.21
Other financials assets	176.31	176.31	169.01	169.01
Total Financial assets	**8,179.36**	**8,179.36**	**5,648.29**	**5,648.29**
Financial Liabilities				
Unpaid dividends	51.13	51.13	48.21	48.21
Capital creditors	177.15	177.15	181.07	181.07
Trade Payables	5,681.58	5,681.58	3,793.97	3,793.97
Total Financial liabilities	**5,909.86**	**5,909.86**	**4,023.25**	**4,023.25**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

The fair values of non-current borrowings are based on discounted cash-flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NOTE 28: FINANCIAL RISK MANAGEMENT

The company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity loss exposed to and how the entity manages the risk and the impact of them in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Aging analysis	Diversification of bank deposits and credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non derivative financial instruments and investment of excess liquidity.

(A) Credit Risk Management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

i) Financial instruments and cash deposits

For banks and financial institutions, only high rated banks/ institutions are accepted. Other Financial assets (excluding Bank deposits) majorily constitute deposits given to State electricity departments for supply of power, which the company considers to have negligible credit exposure. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

ii) Expected credit loss for trade receivables under simplified approach

For trade receivables , the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

Year ended 31 March 2018						
Ageing	**0-30 days**	**31-60 days**	**61-90 days**	**91-120 days**	**Morethan 120 days**	**Total**
Gross carrying amount	1046.36	2598.33	1893.84	289.84	325.45	6153.82
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables(net of impairment)	**1046.36**	**2598.33**	**1893.84**	**289.84**	**325.45**	**6153.82**

Year ended 31 March 2017						
Ageing	**0-30 days**	**31-60 days**	**61-90 days**	**91-120 days**	**Morethan 120 days**	**Total**
Gross carrying amount	3773.98	322.43	314.38	153.56	18.98	4583.32
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables(net of impairment)	**3773.98**	**322.43**	**314.38**	**153.56**	**18.98**	**4583.32**

(B) Liquidity Risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position(comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2018	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	2,494.19	203.21	138.52	2,835.92
(ii) Trade payables	-	5,681.58	-	5,681.58
(iii) Other financial liabilities	51.13	177.15	-	228.28
	2,545.32	**6,061.94**	**138.52**	**8,745.78**

Year ended March 31, 2017	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	3,048.52	1,508.38	2,593.22	7,150.11
(ii) Trade payables	-	3,793.97	-	3,793.97
(iii) Other financial liabilities	48.21	181.07	-	229.28
	3,096.73	**5,483.42**	**2,593.22**	**11,173.36**

C) Market risk - foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms . The imports were hedged naturally by payment through EEFC account.

Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	As at March 31, 2018			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	197.75	-	-	-
Trade receivables	5,313.53	-	-	-
Financial Liabilities				
Borrowings	3,082.24	-	-	-
Trade payables	1,248.78	17.71	14.00	7.66

Particulars	As at March 31, 2017			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	386.74	-	-	-
Trade receivables	4,070.12	-	-	-
Financial Liabilities				
Borrowings	7061.87	-	-	-
Trade payables	743.20	0.08	2.07	-

D) Market risk - interest risk

Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cash flow interest rate risk.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

(a) Interest rate risk exposure
The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

	31 March 2018	31 March 2017
Variable rate borrowings	2,835.92	7,150.12
Fixed rate borrowings	-	-
Total borrowings	2,835.92	7,150.12

(b) Sensitivity
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of increase/decrease in the fair value of cash flow hedges related to the borrowings if any

	Impact on Profit after tax		Impact on Other components of equity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Interest rates-increase by 100 basis points	302.77	257.56	-	-
Interest rates-decrease by 100 basis points	176.68	155.60	-	-

NOTE 29: CAPITAL MANAGEMENT

(a) Risk management
The Company's objective when managing capital are to:

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

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

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: -Net debt (total borrowings net of cash and cash equivalents) divided by total equity (as shown in the balance sheet)

	31 March 2018	31 March 2017
Net debt	2,835.92	7,150.12
Total Equity	86,669.97	73,152.92
Net debt to equity ratio	3%	10%

(i) Loan covenants:
During the tenor of the facility with the bank , the following financial covenant should be complied with:

Current Ratio	Minimum of 1.33 times
TOL/TNW	Maximum of 1.75 times
Interest Coverage Ratio	Minimum of 2.00 times
Debt Service Coverage Ratio	Minimum of 1.50 times

Borrower to maintain the above financial indicators at the stipulated levels during the currency of the facility. In case of non-compliance of any covenant or other terms and conditions of sanction, penal interest @ 2% per annum above the applicable rate on the utilized facilities shall be charged. Such Interest shall be charged for the period of default/ noncompliance on the amount outstanding under the facility. Such interest shall also be payable/ compounded on monthly basis

(b) Dividends (on equity instruments)

	31 March 2018	31 March 2017
(i) Equity shares		
Interim dividend for the year ended March 31, 2018 of ₹ 1.50 (31-March 2017-₹ 1) per fully paid share	1,909.30	1,272.82
(ii) Dividends not recognised at the end of the reporting period		
The interim dividend paid has been declared as final dividend in the board meeting held on 15/05/2018	-	-

NOTE 30: UTILIZATION OF FUND RAISED THROUGH QIP

During the year ended 31st March 2015 the company has raised Rs. 20,000 lakhs primarily for clinical development expenses, capital expenditure and general corporate purposes and any other purposes as may be permissible under applicable law.

Utilisation of QIP Funds:		
Particulars	**31 March 2018**	**31 March 2017**
Amount Raised in QIP	-	-
Unutilsed amount at the beginning of the year	7,781.20	14,556.18
Amount utilised during the year :	5,648.04	6,774.98
Investment in wholly owned subsidiary - Suven Neurosciences Inc.,	3,721.93	4,202.56
Investment in Capex	1,926.11	2,572.41
Unutilsed amount at the end of the year	**2,133.16**	**7,781.20**

NOTE 31: SEGMENT INFORMATION

Description of segments and principal activities

The Chief Executive Officer has been identified as being the chief operating decision maker(CODM). The CODM examines the Company's performance both from a product and a geographic perspective and has identified two reportable segments:

Business Segment

Segments have been identified and reported taking into account the nature of products, the differing risk and returns,the organisation structure,and the internal financial reporting scheme. The company has identified the following segments as its reportable segments:

(a) Manufacturing (CRAMS)

(b) Services (DDDSS)

(c) Research and Development

I. Manufacturing (CRAMS) - Bulk Drugs & Intermediates under contract services products are developed and produced on an exclusive basis under contract Manufacturing services

II. Services (DDDSS) - Which consists of Collaborative Research Projects (CRP), Clinical Trials and Testing and Analysis services

Geographical Segment

The Company has identified the following geographical reportable segments:

(a) India-The company sells Bulk Drugs and Intermediates and Fine Chemicals.

(b) USA -The company sells Intermediates

(c) Europe-The company sells Bulk Drugs and Intermediates

(d) Others -The company sells Bulk Drugs and Intermediates

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Un-allocated		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Segment Result-Operating profits(EBIT)	28,031.87	21,634.85	1,428.77	1,476.81	(5,846.66)	(6,494.09)	(394.97)	(374.37)	23,219.01	16,243.20
Interest Expense	-	-	-	-	-	-	(281.60)	(376.38)	(281.60)	(376.38)
Interest Income	-	-	-	-	-	-	89.15	68.87	89.15	68.87
Income Taxes	-	-	-	-	-	-	(7,183.84)	(3,588.32)	(7,183.84)	(3,588.32)
Net profit	**28,031.87**	**21,634.85**	**1,428.77**	**1,476.81**	**(5,846.66)**	**(6,494.09)**	**(7,771.26)**	**(4,270.20)**	**15,842.73**	**12,347.37**

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Un-allocated		Total	
	31 March 2018	31 March 2017	31 March , 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Segment Revenue	59,687.64	51,670.07	2,838.20	2,777.71	-	-	2,327.07	2,109.25	64,852.91	56,557.03
Segment Result-Operating profits	28,031.87	21,634.85	1,428.77	1,476.81	(5,846.66)	(6,494.09)	(394.97)	(374.37)	23,219.01	16,243.20
Segment Assets	52,557.03	43,886.93	4,061.14	2,828.60	3,031.96	2,609.60	41,234.30	38,291.82	100,884.43	87,616.95
Segment Liabilities	8,594.07	8,547.86	382.64	370.23	1,587.28	1,848.18	714.79	687.22	11,278.78	11,453.49
Capital Expenditure	1,257.22	2,801.67	636.68	-	571.26	-	211.36	-	2,676.52	2,801.67
Depreciation	1,930.88	2,002.30	100.06	69.51	345.37	623.31	100.06	69.51	2,476.36	2,764.62

Particulars	Revenue		Location of Asset		Additions to Fixed Assets	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
INDIA	4,874.67	5,016.14	37,509.84	34,835.63	2,674.22	2,799.70
U S A	6,725.96	5,541.33	58.16	55.87	2.29	1.98
EUROPE	45,985.35	40,250.99	-	-	-	-
OTHERS	4,939.86	3,639.32	-	-	-	-
	62,525.84	**54,447.78**	**37,568.00**	**34,891.50**	**2,676.51**	**2,801.68**

NOTE 32: INTEREST IN OTHER ENTITIES

The Company's subsidiaries as at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company

Particulars	Place of Business/ Country of incorporation	Ownership interest held by the Company		Ownership interest held by Non-Controlling interests		
		31 March 2018	31 March 2017	31 March 2018	31 March 2017	Principal activity
Suven Neuro-sciences Inc	USA	100%	100%	0%	0%	Development of API

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 33: RELATED PARTY TRANSACTIONS

(a) Holding Company	:	M/s. Jasti Property and Equity Holdings Private Limited *(In its capacity as sole trustee of the Jasti Family Trust)*
(b) Subsidiaries:	:	M/s. Suven Neurosciences Inc. (Formerly Suven Inc.)
(c) Key Management personnel (KMP)	:	Mr. Venkateswarlu Jasti (Chairman & CEO) Mrs. Sudharani Jasti (Whole-time Director) Mr. P. Subba Rao (Chief Financial Officer) Mr. K. Hanumantha Rao (Company Secretary)
(d) Relative of Key Management personnel	:	Ms. Kalyani Jasti (Daughter of Mr.Venkateswarlu Jasti) Ms. Sirisha Jasti (Daughter of Mr. Venkateswarlu Jasti)
(e) Jointly controlled entity	:	Suven Trust

(a) Parent entities

Name	Type	Place of Incorporation	Ownership Interest	
			31 March 2018	31 March 2017
M/s. Jasti Property and Equity Holdings Private Limited	Immediate and Ultimate parent entity	India	60.00%	60.00%

(b) Subsidiaries

	31 March 2018	31 March 2017
Opening	6,500.67	2,298.10
Investment in subsidiary	3,721.92	4,202.57
Balance outstanding	**10,222.59**	**6,500.67**

(c) Key Management Personnel compensation

	31 March 2018	31 March 2017
Short term employee benefits	858.18	684.63
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**858.18**	**684.63**
Balance outstanding	**357.54**	**248.60**

(d) Relative of Key Management Personnel compensation

	31 March 2018	31 March 2017
Short term employee benefits	158.37	156.89
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**158.37**	**156.89**

(e) Jointly Controlled Entity

	31 March 2018	31 March 2017
Corporate Social Responsibility	330.61	176.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 34: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	31 March 2018	31 March 2017
Claims against the company not acknowledged as debts		
a)Income tax appeal for Asst.year 2011-12	7.64	7.64
b)Income tax appeal for Asst.year 2012-13	-	20.94
c) Letter of credit for imports	1,013.00	905.44
d) Bank Guarantee	8.50	-
	1,029.14	**934.02**

NOTE 35: COMMITMENTS

	31 March 2018	31 March 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for , net of Payments(including advances)	2,820.08	243.06
	2,820.08	**243.06**

NOTE 36: SHARE BASED PAYMENTS

(a) Employee option plan

Suven Employee Stock Option Scheme -2004 was approved by shareholders at the 2004 annual general meeting. Each option entitles the holder thereof to apply for and be allotted one equity share of the Company of Re.1.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting in respect of Options granted under the Suven Employee Stock Option Scheme -2004

The vesting period for conversion of Options is as follows:

On completion of 24 months from the date of grant of the Options: 25% vests

On completion of 36 months from the date of grant of the Options: 35% vests

On completion of 48 months from the date of grant of the Options: 40% vests

The Options have been granted at the 'market price' as defined from time to time under the Securities and Exchange Board of India (Share based employee benefits) regulations, 2014.

Set out below is a summary of option granted under the plan:

	31 March 2018		31 March 2017	
	Average exercise price per share option ₹	Number of Options	Average exercise price per share option ₹	Number of Options
Opening balance	**23.61**	**455,000**	**23.61**	**650,000**
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited/ Expired during the year	**23.61**	**255,000**	**23.61**	**195,000**
Closing balance	**22.30**	**200,000**	**23.61**	**455,000**
Vested and exercisable		**200,000**		**455,000**

Share options outstanding at the end of the year having the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price ₹	Share options 31 March 2018	Share options 31 March 2017
12-Jul-2010	11-Jul-2017	29.75	0	80000
30-May-2011	29-May-2018	22.30	200000	375000
Total			**200000**	**455000**
Weighted average remaining contractual life of options outstanding at the end of the period			**0.16 years**	**0.96 years**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

(i) Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was ₹ NIL per option(31 March 2017- ₹ NIL). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Expenses arising from share-based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	31 March 2018	31 March 2017
Employee option plan	Nil	Nil
Share appreciation rights	Nil	Nil
Total employee share based payment expense	Nil	Nil

NOTE 37: EARNINGS PER SHARE

	31 March 2018	31 March 2017
(a) Basic EPS		
Profit from operations attributable to the equity holders of the Company	12.43	9.69
Total basic earnings per share attributable to the equity holders of the company	**12.43**	**9.69**
(b) Diluted EPS		
Profit from operations attributable to the equity holders of the Company	12.43	9.69
Total diluted earnings per share attributable to the equity holders of the company	**12.43**	**9.69**

(c) Reconciliation of earnings used in calculating earnings per share

	31 March 2018	31 March 2017
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share		
Profit from operations	15,815.05	12,337.62
	15,815.05	**12,337.62**
Diluted earnings per share		
Profit from operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	15,815.05	12,337.62
Add: Interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	15,815.05	12,337.62
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**15,815.05**	**12,337.62**

(d) Weighted average number of shares used as the denominator

	31 March 2018	31 March 2017
Basic earnings per share		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	127,282,478	127,282,478
Adjustments for calculation of diluted earnings per share:		
Options	**-**	**-**
Convertible bonds	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**127,282,478**	**127,282,478**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 38: ASSETS PLEDGED AS SECURITY
The carrying amounts of Company's assets pledged as security for current and non current borrowings are

	31 March 2018	31 March 2017
Non-Current		
First charge of mortgage on land & building and Plant & Machinery		
Land & building	10,240.17	10,183.43
Plant & Machinery	15,224.83	16,029.16
	25,465.00	**26,212.60**
Current		
Second charge on stocks, receivables and current assets		
Inventories	13,946.62	9,251.14
Trade receivables	6,153.81	4,583.32
Cash and cash equivalents	1,342.59	414.16
Bank balances	51.13	48.21
Loans	10.20	7.57
Other financial assets	0.28	0.71
Other current assets	5,816.28	3,682.32
	27,320.91	**17,987.43**
Total assets pledge as security	**52,785.91**	**44,200.03**

NOTE 39 :
Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

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

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

CONSOLIDATED
FINANCIAL STATEMENTS

INDEPENDENT AUDITORS` REPORT

To the Members of
Suven Life Sciences Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Suven Life Sciences Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"),comprising the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and 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 financial statements").

Management's Responsibility for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for the preparation of these consolidated 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 consolidated Statement of changes in equity of the Group in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies 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 consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility.

Our responsibility is to express an opinion on these consolidated 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 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 financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Matters

We did not audit the financial statements of Suven Neurosciences, Inc, wholly owned subsidiary included in the consolidated financial statements of the company whose financial statements of the Company reflect total assets of ` 690.89 lakhs as at 31st March, 2018, total expenses of ` 3473.98 lakhs and total revenue of ` -Nil- for the year ended on that date.

Suven Neurosciences, Inc ,wholly owned subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements, 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 financial statements certified by the Management.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2018 and its consolidated profit ,consolidated total comprehensive income, its consolidated cash flows and the consolidated Statement of changes in equity for the year then ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act based on our audit, we report, that:

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

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   (c) the consolidated balance sheet, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of cash flows 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 financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the 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 31 March 2018 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 31 March 2018 from being appointed as a Director of that company in terms of Section 164(2) of the Act.

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

      i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 34 to the consolidated financial statements;

      ii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For TUKARAM & CO.
Chartered Accountants
Firm Regn. No.004436S

Rajender Reddy K
Partner
Membership No.231834

Place: Hyderabad
Date : 15th May, 2018

CONSOLIDATED BALANCE SHEET as at 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	30,494.24	30,447.57
Capital work-in-progress		2,474.38	971.64
Other intangible assets	4	278.31	124.83
Financial assets			
(i) Investments	5 (a) (i)	7.05	7.05
(ii) Loans	5 (c)	3.79	3.35
(iii) Other financial assets	5 (e)	612.33	583.93
Deferred tax assets (net)	6	-	189.54
Other non-current assets	7	1,259.73	71.62
Total Non-current assets		**35,129.83**	**32,399.53**
Current assets			
Inventories	8	13,946.62	9,251.14
Financial assets			
(i) Investments	5 (a) (ii)	27,872.56	30,088.91
(ii) Trade receivables	5 (b)	6,153.81	4,583.32
(iii) Cash and cash equivalents	5 (d) (i)	2,031.68	868.80
(iv) Bank balances other than (iii) above	5 (d) (ii)	51.13	48.21
(v) Loans	5 (c)	10.20	7.57
(vi) Other financial assets	5 (e)	0.28	0.71
Current Tax Asset(net)	9	340.34	642.41
Other current assets	10	5,816.28	3680.32
Total Current assets		**56,222.90**	**49,171.40**
TOTAL ASSETS		**91,352.73**	**81,570.93**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11 (a)	1,272.82	1,272.82
Other equity	11 (b)	75,467.83	65,427.06
Total Equity		**76,740.65**	**66,699.88**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	12 (a)	138.52	2,593.22
Provisions	13	368.69	283.50
Deferred tax liabilities (net)	6	2,323.70	-
Other non-current liabilities	14	104.76	133.82
Total Non-current financial liabilities		**2,935.67**	**3,010.54**
Current liabilities			
Financial liabilities			
(i) Borrowings	12 (b)	2,494.19	3,048.52
(ii) Trade payables	12 (c)	5,681.58	3,793.97
(iii) Other financial liabilities	12 (d)	1,985.30	3,664.04
Other current liabilities	15	1,041.33	950.13
Provisions	13	474.01	403.85
Total current liabilities		**11,676.41**	**11,860.51**
Total liabilities		**14,612.08**	**14,871.05**
TOTAL EQUITY AND LIABILITIES		**91,352.73**	**81,570.93**

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

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

Place : Hyderabad
Date : 15th May 2018

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	16	62,525.84	54,447.78
Other income	17	2,327.07	2,109.25
Total Income		**64,852.91**	**56,557.03**
Expenses			
Cost of materials consumed	18	17,490.30	15,480.66
Changes in inventories of work-in-progress and finished goods	19	(2,120.13)	(295.94)
Manufacturing expenses	20	8,821.54	8,062.76
Excise duty		-	94.61
Employee benefits expense	21	6,126.58	5,216.57
Research & Development Expenses	22	9,021.54	9,914.54
Finance costs	23	462.78	568.34
Depreciation and amortization expense	24	2,130.99	2,141.31
Other expenses	25	3,366.72	3,067.13
Total Expenses		**45,300.32**	**44,249.98**
Profit before tax		**19,552.59**	**12,307.05**
Tax expense			
Current tax		4,756.49	3,283.70
Deferred tax		2,527.90	313.25
Tax of earlier years		(100.55)	(8.63)
Profit for the year		**12,368.75**	**8,718.73**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurements gains (losses) on defined benefit plans		(42.33)	(14.90)
Income tax relating to items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		14.65	5.16
Other Comprehensive Income (Expense) for the year, net of taxes		**(27.68)**	**(9.74)**
Total Comprehensive Income for the year		**12,341.07**	**8,708.99**
Earnings per Equity share (Par value of Rs.1 each) Basic and Diluted		**9.70**	**6.84**

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

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL		
Particulars	Number of Shares	Equity share capital
As at April 01, 2016	**127,282,478**	**1,272.82**
Changes in equity share capital during the year	-	-
As at March 31, 2017	**127,282,478**	**1,272.82**
Changes in equity share capital during the year	-	-
As at March 31, 2018	**127,282,478**	**1,272.82**

B. OTHER EQUITY		Reserves & surplus				
Particulars	Notes	Securities Premium	General reserve	Retained earnings	Exchange differences on translating the financial statement of a foreign operations	Total Equity
Balance at April 1, 2016		23,311.69	7,836.61	27,102.99	4.36	58,255.65
Profit for the year	11(b)	-	-	8,718.73	-	8,718.73
Other comprehensive income	11(b)	-	-	(14.90)	-	(14.90)
Income tax relating to items of other comprehensive income		-	-	5.16	-	5.16
Total comprehensive income for the year		**-**	**-**	**35,811.98**	**-**	**66,964.64**
Transfer to General Reserve	11(b)	-	-	(1,200.00)	-	(1,200.00)
Transfer from Retained Earnings	11(b)	-	1,200.00	-	-	1,200.00
Transaction with owners in their capacity as owners:						
Foreign Exchange Translation Reserve		-	-	-	(5.65)	(5.65)
Payment of dividends(including tax)	11(b)	-	-	(1,272.82)	-	(1,272.82)
Tax on distributed profit			-	(259.12)	-	(259.12)
Balance at March 31, 2017		**23,311.69**	**9,036.61**	**33,080.04**	**(1.28)**	**65,427.06**
Balance at April 1, 2017		23,311.69	9,036.61	33,080.04	(1.28)	65,427.06
Profit for the year	11(b)	-	-	12,368.75	-	12,368.75
Other comprehensive income	11(b)	-	-	(42.33)	-	(42.33)
Income tax relating to items of other comprehensive income		-	-	14.65	-	14.65
Transfer to General Reserve	11(b)	-	-	(1,500.00)	-	(1,500.00)
Transfer from Retained Earnings	11(b)		1,500.00	-	-	1,500.00
Total comprehensive income for the year		**-**	**-**	**43,921.11**	**-**	**77,768.13**
Foreign Exchange Translation Reserve			-	-	(2.31)	(2.31)
Dividend paid	11(b)	-	-	(1,909.30)	-	(1,909.30)
Tax on distributed profit			-	(388.69)	-	(388.69)
Balance at March 31, 2018		**23,311.69**	**10,536.61**	**41,623.12**	**(3.59)**	**75,467.83**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2018

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars		For the year ended 31st March 2018	For the year ended 31st March 2017
Cash flow from operating activities			
Profit before tax		**19,552.59**	**12,307.05**
Adjustments :			
Depreciation and amortisation expense		2,476.36	2,764.62
Interest Income		(89.15)	(68.87)
Finance Cost		462.78	568.34
Gain on sale of Current Investment		(1,816.03)	(1,971.81)
(Gain)/Loss on Sale of Assets		(2.00)	(1.00)
Operating Profit before working capital changes		**20,584.55**	**13,598.32**
Movements in Working Capital			
(Increase) / Decrease in Trade Receivables		(1,570.49)	773.16
(Increase) / Decrease in Inventories		(4,695.47)	(904.70)
Increase / (Decrease) in Trade Payables		1,887.61	233.48
(Increase)/ Decrease in other non current financial assets		(28.84)	(84.30)
(Increase)/ Decrease in other non current assets		(1,188.12)	41.83
(Increase)/ Decrease in other current financial assets		(2.20)	5.80
(Increase)/ Decrease in other current assets		(2,135.96)	784.56
Increase / (Decrease) in long term provisions		85.19	44.01
Increase / (Decrease) in other non-current liabilities		(29.06)	(14.39)
Increase/(Decrease) in short term provision		27.83	114.45
Increase/(Decrease) in other financial liabilities		(1,678.74)	(515.50)
Increase/(Decrease) in other current liabilities		91.20	311.77
Net cash from generated from operating activities		**11,347.50**	**14,388.47**
Income taxes paid (net of refunds)		4,353.86	3,471.45
Cash flows from/ (used in) investing activities	**(A)**	**6,993.64**	**10,917.02**
Cash flows from investing activities			
Payments for Purchase of property, plant and equipment		(4,003.42)	(2,951.53)
Payment for Purchase of Intangible assets		(175.85)	(102.05)
Payments for Purchase of investments		2,216.35	(30,083.60)
Foreign currency translation reserve		(2.31)	(5.65)
(Gain)/Loss on Sale of Assets		2.00	1.00
Proceeds from sale of Investments		1,816.03	1,971.81
Bank balances not considered as cash and cash equivalents		(2.92)	36.81
Interest received		89.15	68.87
Net cash from /(used in) investing activities	**(B)**	**(60.96)**	**(31,064.33)**
Cash flows from/(used in) in financing activities			
(Repayment)/Proceeds from short term borrowings		(2,454.70)	(1,570.63)
(Repayment)/Proceeds from short term borrowings		(554.33)	632.15
Finance Cost		(462.78)	(568.34)
Dividends paid to company's shareholders		(1,909.30)	(1,272.82)
Dividend distribution tax paid to company's shareholders		(388.69)	(259.12)
Net cash (used In) / from financing activities	**(C)**	**(5,769.80)**	**(3,038.76)**

CONSOLIDATED CASH FLOW STATEMENT *(Contd...)*

Particulars		For the year ended 31st March 2018	For the year ended 31st March 2017
Net increase (decrease) in cash and cash equivalents	**(A+B+C)**	1,162.88	(23,186.07)
Cash and cash equivalents as at the beginning of the year (Refer Note 5(d) (i))		868.80	24,054.87
Cash and cash equivalents at the end of the year		**2,031.68**	**868.80**
Cash and cash equivalents (Refer Note 5(d)(i))		2,031.68	868.80
Cash and cash equivalents in cash flow statement		**2,031.68**	**868.80**

This is the cash flow statement referred to in our report of even date.

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Company overview

Suven Life Sciences Limited (Suven) is a bio-pharmaceutical company, began operations in 1989 as specialty chemicals provider about 28 years ago and went on to create a NCE based CRAMS (Contract Research And Manufacturing Services) business model in 1995, providing building blocks (bulk actives, drug intermediates and specialty chemicals) for global life science companies. Suven has made in-roads into drug discovery in the year 2005 with a specialisation on CNS (Central Nervous System) based programs targeting unmet medical need and 4 of the molecules in pipeline are into clinical phase of development. The Company is targeting CNS indications where there is a high unmet medical need, patient populations are identifiable, clinical endpoints can be well-defined and with possible commercialisation options. Suven Neurosciences, Inc., a Delaware Company, is a WOS (wholly owned subsidiary) of Suven, is a clinical-stage biopharmaceutical company commenced activities in October 2015, focused on the acquisition, development and commercialisation of novel therapeutics for the treatment of neurodegenerative disorders. The near-term focus for Suven Neurosciences Inc., is to develop Suven product candidate, which we refer to as SUVN-502, for the treatment of Alzheimer's disease and other forms of dementia.

2 Significant accounting policies

a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards(Ind AS) notified under section 133 of the Companies Act, 2013(the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2018 were prepared in accordance with the relevant accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets are measured either at fair value or at amortised cost depending on the classification
- employee defined benefit assets/(liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and
- Share-based payments which are measured at fair value of the options

b) Consolidation

(i) Principles of Consolidation:

The consolidated financial statements relatIng to Suven Life Sciences Limited and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

i. The Financial statements of the company and its subsidiary are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions, except wherever otherwise stated in accordance with Ind AS -110 "Consolidated Financial Statements "notified under the Companies (Accounts) Rules, 2015.

ii. The difference between the costs of investments in the subsidiaries, over the net assets at the time of acquisition of the shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

iii. Non-controlling Interest in the net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separately from liabilities and equity of company's shareholders.

iv. Non-controlling Interest in the assets of consolidated subsidiaries consists of:

a) The amount of equity attributable to Non-controlling at the date on which investment in subsidiaries is made; and
b) The Non-controlling share of movements in equity since the date parent subsidiary relationship came into existence.

v. The group's accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Profit and Loss Account to the extent such change is attributable to the associates' Profit and Loss account and through its reserves for the balance, based on available information.

vi. The difference between the costs of investments in the associates and the share of net assets at the time of acquisition of the shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

vii. The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar and are presented in the same manner as the Company's separate financial statements.

The Consolidated financial statements include the accounts of Suven Life Sciences Limited and wholly owned subsidiary.

Name of Subsidiary	:	Suven Neurosciences Inc.
Country of Incorporation	:	USA
Company's Interest	:	100%
Financial Year of the Subsidiary Ended on	:	31st March, 2018

c) Current versus non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group's classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in Cash and Cash equivalents. The group has identified twelve months as its operating cycle.

d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as being the Chief Operating Decision Maker. Refer note 31 for the segment information presented.

e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is value Ind as limited functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

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

f) Fair value measurement

The group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and specifics of each arrangement.

1. Sale of goods:
   Timing of recognition- Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the inco-terms.

   Measurement of revenue- The products are often sold with volume discounts and customer's having a right to return faulty products. Revenue from sales is based on the price specified in the sales contracts, net of estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit term of 30 days, which is consistent with market prices.

2. Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges
   Timing of recognition: Revenue from Contract Technical Services, Process Development Services and Formulation Development Charges is recognised in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided(percentage of completion method).

   Measurement of revenue- Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

3. Income from Investments
   (a) The group recognises Interest on investments on accrual basis.
   (b) Dividend income on investments is accounted for when the right to receive the payment is established.

h) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

The benefit of Government loan at a below market rate of interest is treated as Government grant , measured as the diffrence between proceeds received and the fair value of loan based on prevailing market interest rates.

i) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Dividend distribution tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

j) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

k) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

l) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

m) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to indiviual items of inventory on the basis of first-in-first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

n) Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognised in the statement of profit and loss, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

o) Provisions, Contingent liabilities, Contingent assets and commitments

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

p) Investments and other financial assets

i) Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The group reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28 details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) Income recognition

Interest income

Interest income from the debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

q) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

r) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

s) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

t) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property , Plant & Equipment is provided on straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit or loss when the assets is derecognised .

ESTIMATED USEFUL LIFE :	
- Factory buildings	25 - 30 years
- Roads	3 - 10 years
- Machinery	8 - 20 years
- Furniture ,fittings and equipment	3 - 10 years
- Vehicles	8 - 10 years

u) Intangible assets

(i) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available and;
- the expenditure attributable to the software during its development can be reliably measured

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

(ii) Amortization methods and periods

The Company amortizes intangible assets on written down value basis over their estimated useful life not exceeding 10 years.

(iii) Research and development

Research expenditure and development expenditure that do not meet the criteria in (i) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent period.

Estimated useful life :	
Software	5 - 10 years

v) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

w) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

x) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get 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 cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

y) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and

(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the current in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The group recognizes a liability and an expense for bonuses. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Share-based payments

Shared-based compensation benefits are provided to employees via the Suven Employee Stock Option Scheme -2004.

Employee Options:

The fair value of options granted under the Suven Employee Stock Option Scheme -2004 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

- including any market performance conditions (eg. the entity's share price)
- excluding the impact of any service and non market performance vesting conditions(eg. profitability, sales growth targets and remaining an employee of the entity for a specified time period) and;
- including the impact of any non-vesting conditions (eg. the requirement for employees to save or holding shares for a specific time period)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

z) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The objective of the group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the company's statement of financial position) when:

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Investment in subsidiaries

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

Investments in units of mutual funds

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds

aa) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

ab) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

ac) Earning per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

ad) Cash flow statement

Cash flows are reported using the direct method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows . The cash flows from operating , financing activities of the company are segregated.

ae) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

af) Critical estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

1. Estimation of current tax expense and payable
2. Estimated Useful life of Depreciable assets / intangible assets
3. Estimation of defined benefit obligation
4. Recognition of revenue
5. Recognition of deferred tax assets for carried forward losses
6. Recoverability of advances/receivable
7. Evaluation of indicators for Impairemnt of assets

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Free Hold	Buildings - Office at Factory	Buildings - Factory(including roads)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Laboratory Equipments	ETP Works	EDP Equipments	R&D Equipments	Total	Capital work-in-progress
Gross carrying amount													
At 1st April,2016	1,068.98	31.20	9,156.69	16,932.17	342.40	109.33	105.74	1,372.67	475.58	102.73	2,785.33	32,482.82	719.73
Exchange differences	-	-	-	(74.75)	-	-	-	-	-	-	-	(74.75)	-
Additions	29.26	-	600.53	1,166.29	51.22	14.03	46.89	15.60	281.92	89.82	478.83	2,774.37	251.91
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Balance as at 31st March,2017	**1,098.23**	31.20	9,757.22	17,638.96	393.62	116.03	152.63	1,388.27	757.49	159.24	3,264.16	34,757.06	971.64
Accumulated depreciation													
Upto 1st April,2016	-	0.75	319.46	592.14	58.67	18.59	18.43	243.60	64.13	35.95	625.46	1,977.17	-
Charge for the year	-	0.75	382.25	1,402.41	39.07	19.31	24.97	168.46	49.18	48.00	623.31	2,757.70	-
Disposals	-	-	-	(384.75)	-	(7.33)	-	-	-	(33.31)	-	(425.38)	-
Exhange difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March,2017	-	1.51	701.71	1,609.80	97.74	30.57	43.40	412.07	113.31	50.64	1,248.76	4,309.49	-
Net Book Value as at March 31, 2017	1,098.23	29.69	9,055.51	16,029.16	295.88	85.46	109.23	976.20	644.19	108.60	2,015.40	30,447.57	971.64
Gross carrying amount													
At 1st April,2017	1,098.23	31.20	9,757.22	17,638.96	393.62	116.03	152.63	1,388.27	757.49	159.24	3,264.16	34,757.04	971.64
Exchange difference	-	-	-	4.89	-	-	-	-	-	-	-	4.89	-
Additions	423.88	-	49.76	434.05	58.38	25.46	24.77	830.02	19.45	86.63	543.40	2,495.79	1,502.74
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March,2018	**1,522.11**	**31.20**	**9,806.98**	**18,077.90**	**452.00**	**141.49**	**177.40**	**2,218.29**	**776.94**	**245.87**	**3,807.56**	**37,257.72**	**2,474.38**
Accumulated depreciation and impairment													
Upto 1st April,2017	-	1.51	701.71	1,609.80	97.74	30.57	43.40	412.07	113.31	50.64	1,248.76	4,309.49	-
Charge for the year	-	0.75	416.15	1,243.27	53.55	19.47	33.76	213.89	57.57	70.21	345.37	2,453.99	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March,2018	-	**2.26**	**1,117.86**	**2,853.07**	**151.29**	**50.04**	**77.16**	**625.96**	**170.88**	**120.85**	**1,594.13**	**6,763.48**	-
Net Book Value as at March 31, 2018	**1,522.11**	**28.94**	**8,689.12**	**15,224.83**	**300.71**	**91.45**	**100.24**	**1,592.33**	**606.06**	**125.02**	**2,213.43**	**30,494.24**	**2,474.38**

Note **(i) Property, plant and equipment pledged as security**

Refer Note 38 for information on property, plant and equipment pledged as security by the group

(ii) Contractual obligation

Refer Note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment

(iii) Capital Work in progress

Capital-work-in-progress mainly comprises of Plant& Machinery, Factory Building and Software

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 4: OTHER INTANGIBLE ASSETS

	Software	Total
Gross carrying amount		
At 1st April,2016	32.39	32.39
Additions	102.05	102.05
Disposals	-	-
Balance as at 31st March,2017	**134.44**	**134.44**
Accumulated amortisation		
Upto 1st April,2016	9.60	9.60
Disposals	-	-
Balance as at 31st March,2017	**9.60**	**9.60**
Net Book Value as at March 31, 2017	124.83	124.83
Gross carrying amount		
At 1st April,2017	134.44	134.44
Additions	175.84	175.84
Balance as at 31st March,2018	**310.28**	**310.28**
Accumulated amortisation and impairment		
Upto 1st April,2017	9.60	9.60
Charge for the year	22.37	22.37
Balance as at 31st March,2018	**31.97**	**31.97**
Net Book Value as at March 31, 2018	278.31	278.31

* Software consist of microsoft licenses and server software, pdf converter,SAP software, GMPPro software

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 5: FINANCIAL ASSETS

5 (a) (i) Non-current investments				
Particulars	**31 March 2018**		**31 March 2017**	
	Shares	**Amount**	**Shares**	**Amount**
Investment in other equity instruments(fully paid up) unquoted				
Jeedimetla Effluent Treatment Ltd	1,000	6.00	1,000	6.00
Patancheru Envirotech Pvt Ltd	10,487	1.05	10,487	1.05
Total (equity instruments)	**11,487**	**7.05**	**11,487**	**7.05**
Total Non-Current investments		**7.05**		**7.05**
Aggregate market value of quoted Invsestments		-		-
Aggregate value of unquoted investments		7.05		7.05

5 (a) (ii) Current investments				
Particulars	**31 March 2018**		**31 March 2017**	
	Units	**Amount**	**Units**	**Amount**
IInvestment in Mutual Funds- Quoted,Trade (Fully paid up)				
SBI Infrastructure Fund	50,000	6.80	50,000	6.82
HDFC Liquid Fund	30,082,443	5,768.22	30,082,443	5,411.23
Reliance Liquid Fund	15,839,384	5,771.95	15,854,574	6,005.71
IDFC Mutual Fund	44,563,533	10,973.90	44,563,533	10,262.58
SBI Liquid fund	190,182	5,164.58	395,031	8,402.57
SBI Ultra short term fund	8,347	187.11	-	-
Total (mutual funds)	**90,733,889**	**27,872.56**	**90,945,581**	**30,088.91**
Aggregate book value of quoted investments		27,872.56		30,088.91
Aggregate market value of quoted Invsetments		27,872.56		30,088.91
Aggregate value of unquoted investments		-		-
Aggregate amount of impairement in value of Investment in unquoted investments		-		-

5(b) Trade receivables		
Particulars	**31 March 2018**	**31 March 2017**
Trade receivables from other parties	6,153.81	4,583.32
Total receivables	**6,153.81**	**4,583.32**
Current portion	6,153.81	4,583.32
Non-current portion	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Break-up of security details		
Particulars	31 March 2018	31 March 2017
Secured, considered good	-	-
Unsecured, considered good	6,153.81	4,583.32
Doubtful	-	-
Total	**6,153.81**	**4,583.32**
Allowance for doubtful debts	-	-
Total trade receivables	**6,153.81**	**4,583.32**

5(c) Loans				
Particulars	31 March 2018		31 March 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loan to employees	10.20	3.79	7.57	3.35
Total loans	**10.20**	**3.79**	**7.57**	**3.35**

5(d) (i) Cash and cash equivalents		
Particulars	31 March 2018	31 March 2017
Balances with banks		
-in current accounts	744.70	540.60
-in EEFC account	148.43	319.17
Deposits with maturity of less than three months	1,126.92	-
Cash on hand	11.63	9.03
Total cash and cash equivalents	**2,031.68**	**868.80**

5(d) (ii) Other Bank Balances		
Particulars	31 March 2018	31 March 2017
In unclaimed dividend accounts	51.13	48.21
Total Other Bank Balances	**51.13**	**48.21**

5(e) Other financial assets				
Particulars	31 March 2018		31 March 2017	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security Deposits	0.28	415.72	0.71	394.64
Interest accrued on deposit	-	20.29	-	20.28
Others assets				
Deposits -LC & BG	-	176.25	-	168.97
Interest accrued on LC & BG	-	0.07	-	0.04
Total Other Financial assets	**0.28**	**612.33**	**0.71**	**583.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 6: DEFERRED TAX ASSETS /(LIABILITIES)
The balances comprises temporary differences attributable to :

Particulars	31 March 2018	31 March 2017
Defined benefit obligations	291.64	237.88
Other items		
QIP Expenses	41.93	83.87
Others-MAT credit	2,980.62	4,711.39
Total Deferred tax assets	**3,314.19**	**5,033.14**
Set-off of deferred tax liabilities pursuant to set-off provisions		
- Depreciation	4,574.10	4,363.69
- Unrealised capital gains on MF	1,063.79	479.91
Total Deferred tax Liabilities	**5,637.89**	**4,843.60**
Total deferred tax assets/(Liabilities) (net)	**(2,323.70)**	**189.54**

Significant estimates:

During the previous years, the Company has recognised deferred tax assets on carried forward tax losses recoverable using estimated future taxable income based on approved business plans and budgets. In the current year, the deferred tax assets created on those carried forward tax losses have been charged to the statement of profit and loss on expiry of a period of 8 years from the year in which those tax losses arise.

Movement in Deferred tax assets						
Particulars	**Tax Losses**	**Defined benefit obligations**	**Other items**	**Total**	**DFL on Depreciation and others**	**Deferred Tax Asset (DTA) Net**
As at March 31, 2017	**-**	**237.88**	**4,795.26**	**5,033.14**	**4,843.60**	**189.54**
(Charged)/credited:						
-to profit or loss	-	39.11	(1,772.71)	(1,733.60)	794.29	(2,527.89)
-to other comprehensive income	-	14.65	-	14.65	-	14.65
As at March 31, 2018	**-**	**291.64**	**3,022.55**	**3,314.19**	**5,637.89**	**(2,323.70)**

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	31 March 2018	31 March 2017
Capital advances	1,259.73	71.62
Total other non-current assets	**1,259.73**	**71.62**

NOTE 8: INVENTORIES

Particulars	31 March 2018	31 March 2017
Raw materials	3,630.13	2,066.24
Work-in-progress	3,712.76	3,716.28
Finished goods	4,415.31	2,291.67
Packing materials	272.22	255.37
Stores and spares	1,916.20	921.59
Total inventories	**13,946.62**	**9,251.14**

The Company recorded inventory write-down of Rs.699.17 (31 March 2017: Rs.245.75). This is included as part of cost of materials consumed.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 9: CURRENT TAX ASSET (NET)

Particulars	31 March 2018	31 March 2017
Advance tax balance	10,767.47	9,587.35
Less: Provision for income tax	10,427.13	8,944.94
Total Current tax asset/(Liability) net	**340.34**	**642.41**

	31 March 2018	31 March 2017
Opening advance tax(net of provision for tax)	(642.41)	(446.03)
Add: Current tax payable for the year	4,756.49	3,283.70
Less: Taxes paid	4,454.41	3,480.09
Closing Balance	**(340.34)**	**(642.41)**

NOTE 10: OTHER CURRENT ASSETS

Particulars	31 March 2018	31 March 2017
Unsecured, considered good		
VAT credit receivable	695.04	924.26
CENVAT credit receivable	1.49	868.01
Service tax credit receivable	19.36	700.62
MEIS Receivable	1,003.83	470.90
GST Receivable	2,869.42	-
Pre paid expenses	445.40	303.48
Advances to Material Suppliers	741.65	130.01
Advances to service providers	12.08	261.50
Others advances	28.00	21.54
Total other current assets	**5,816.28**	**3,680.32**

NOTE 11: EQUITY SHARE CAPITAL AND OTHER EQUITY

11(a) Equity share capital		
	31 March 2018	31 March 2017
Authorised Shares		
400,000,000 Equity shares of Rs. 1 /- each	4,000.00	4,000.00
(400,000,000 Equity shares of Rs. 1 /- each)		
	4,000.00	**4,000.00**
Issued, Subscibed and fully paid up		
127,282,478 Equity shares of Rs. 1 /- each	1,272.82	1,272.82
(127,282,478 Equity shares of Rs. 1 /- each)		
	1,272.82	**1,272.82**

11(a).1 Reconciliation of the shares outstanding at the beginning and at the end of the year				
Particulars	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	127,282,478	1,272.82	127,282,478	1,272.82
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**127,282,478**	**1,272.82**	**127,282,478**	**1,272.82**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

11(a).2 Terms/ rights attached to equity shares
Equity shares have a par value of Rs.1. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.
Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.
The Board of Directors has declared and paid an interim dividend of Re 1.50/- per equity share (31 March 2017: Re. 1.00/-).

11(a).3 Shares of the Company held by holding company		
Particulars	**31 March 2018**	**31 March 2017**
M/s. Jasti Property and Equity Holdings Private Limited		
76,365,000 Equity shares of Rs. 1/- each (Previous year:76,365,000)	76,365,000	76,365,000

11(a).4 Details of shareholders holding more than 5% shares in the Company				
Particulars	**31 March 2018**		**31 March 2017**	
	Number of Shares	**% of Holding**	**Number of Shares**	**% of Holding**
M/s. Jasti Property and Equity Holdings Private Limited	76,365,000	60.00%	76,365,000	60.00%

11(a).5 Shares reserved for issue under Options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company,refer note no 36

11(b) Other Equity		
Particulars	**31 March 2018**	**31 March 2017**
Securities premium reserve	23,311.69	23,311.69
General reserve	10,536.61	9,036.61
Foreign Exchange Translation Reserve	(3.59)	(1.28)
Retained earnings	41,660.54	33,089.78
Total reserves and surplus	**75,505.25**	**65,436.80**
Other Reserve		
Remeasurement of defined benefit	(37.42)	(9.74)
Total other Equity	**75,467.83**	**65,427.06**

(i) Securities premium reserve		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	23,311.69	23,311.69
Adjustments	-	-
Closing Balance	**23,311.69**	**23,311.69**

(ii) General Reserve		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	9,036.61	7,836.61
Adjustments	1,500.00	1,200.00
Closing Balance	**10,536.61**	**9,036.61**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

(iii) Retained earning		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	33,089.78	27,102.99
Net profit for the period	12,368.75	8,718.73
Transferred to General reserve	(1,500.00)	(1,200.00)
Dividend paid	(1,909.30)	(1,272.82)
Tax on distributed profit	(388.69)	(259.12)
Closing balance	**41,660.54**	**33,089.78**

(iv) Other Reserve		
Particulars	**31 March 2018**	**31 March 2017**
Opening balance	(9.74)	-
- Remeasurement of post employment benefit obligation, net of tax	(27.68)	(9.74)
Closing balance	**(37.42)**	**(9.74)**

Nature and purpose of reserves

Securities premium reserve:
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the act

General Reserve:
General reseve is used for strengthening the financial position and meeting future contingencies and losses.

Retained Earnings:
Retained earnings are the profits of the company earned till date net of appropriations

NOTE 12: FINANCIAL LIABILITIES

12(a) Non-current borrowings				
Secured	**Maturity Date**	**Coupon/ Interest rate**	**31 March 2018**	**31 March 2017**
Foreign currency term loan from State Bank of India *Terms of repayment: The term loan is repayable in 20 quarterly installments after roll over commencing from March'2016.*	March 2021	LIBOR + 4%	24.84	3,214.85
Foreign currency corporate loan from Bank of Bahrain & Kuwait Terms of repayment: The term loan is repayable in 16 quarterly installments of USD 0.375 Million. Commencing from December 2013	September 2017	LIBOR + 3.50%	-	486.29
Unsecured				
Loan from Department of Science & Technology, Government of India-I Terms of repayment: 10 Annual installments of Rs.50 Lakhs each commencing from October 2013	September 2022	0.03	139.63	189.63
Loan from Department of Science & Technology, Government of India-II Terms of repayment: 10 Annual installments of Rs.44.40 Lakhs each commencing from February 2013	March 2021	0.03	93.30	139.03
Total non-current borrowings			**257.76**	**4,029.80**
Less: Current maturities of long-term debt (included in note 11(c))			119.24	1,436.58
Non-current borrowings (as per balance sheet)			**138.52**	**2,593.22**

12(b) Current borrowings					
Particulars	**Maturity Date**	**Terms of repayment**	**Coupon/ Interest rate**	**31 March 2018**	**31 March 2017**
Secured					
Working Capital Loans from State Bank of India	Payable on demand	Payable on demand	Libor+1.50%	1,915.42	2,461.20
Working Capital Loans from Bank of Bahrain & Kuwait	Payable on demand	Payable on demand	Libor+2.25%	578.77	587.32
Total Current Borrowings				**2,494.19**	**3,048.52**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Secured borrowings and assets pledged as security

Non-current borrowings are secured by first and pari-passu charge on Land, Buildings, Plant & Machinery and Second charge on stocks, receivables and other current assets

Current borrowings are secured by pari-passu first charge on inventories, receivables and other current assets of the company and pari-passu second charge on movable and immovable fixed assets of the company and equitable mortgage of the properties belonging to the company, both present and future.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 38.

12(c) Trade payables		
Particulars	**31 March 2018**	**31 March 2017**
Current		
Trade payables to third parties	5,681.58	3,793.97
Total trade payables	**5,681.58**	**3,793.97**

12(d) Other Financial liabilities		
Particulars	**31 March 2018**	**31 March 2017**
Current		
Current maturities of non-current borrowings(Refer Note 12(a))	119.24	1,436.58
Interest accrued but not due on borrowings	83.97	71.80
Liabilities for expenses	1,553.81	1,926.39
Payable for Capital Goods	177.15	181.07
Unpaid dividend on equity shares	51.13	48.21
Total other current financial liabilities	**1,985.30**	**3,664.04**

NOTE 13: PROVISIONS

Particulars	**31 March 2018**		**31 March 2017**	
	Current	Non-Current	Current	Non-Current
Leave obligations	107.02	368.69	203.69	194.81
Gratuity	366.99	-	200.16	88.69
	474.01	**368.69**	**403.85**	**283.50**

(i) Post-employement obligations
Gratuity- Defined benefit plan
The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(ii) Defined Contribution plans

Particulars	**31 March 2018**	**31 March 2017**
Provident Fund	261.52	199.46
State Defined Contribution Plans		
I Employees State Insurance	40.73	20.70
ii Employees Pension Scheme,1995	125.87	111.32

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Gratuity
The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present Value of obligation	Fair Value of Plan Assets	Net amount
01-Apr-17	**783.73**	**494.87**	**288.86**
Current service cost	112.96	0.00	112.96
Interest expense/(income)	62.70	43.94	18.76
Total amount recognized in profit or loss	**959.39**	**538.81**	**420.58**
Remeasurements			
Return on plant assets, excluding interest expense/(income)	0.00	(12.82)	12.82
Experience (gains)/loss	42.33	0.00	42.33
Total amount recognized in other comprehensive income	**1001.71**	**525.99**	**475.73**
Employer contributions	0.00	108.74	(108.74)
Benefit payments	0.00	0.00	0.00
31-Mar-18	**1001.71**	**634.73**	**366.99**

(iii) Post-employement benefits (pension and gratuity)

Significant estimates: Actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	31 March 2018	31 March 2017
Discount rate	8.00%	8.00%
Salary growth rate	9.00%	9.00%
Attrition rate	6.50%	6.50%

(iv) Sensitivity analysis
The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on Defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Discount rate	1%	1%	926.81	712.18	1088.02	867.28
Salary growth rate	1%	1%	1079.68	784.53	929.13	782.90
Attrition rate	1%	1%	997.16	712.18	1006.78	867.28

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk exposure
Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. A portion of the fund is invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the investment mix in the continuing years.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Changes in bond yields: A decrease in bond yields will increase plan liabilities, although this will be partially off-set by an increase in the value of the plan's bond holdings.

Inflation risk: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension obligation are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationery increases result in higher sensitivity to changes in life expectancy.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the employee benefit plans. Within this framework, the company's ALM objective is to match the assets to the pension obligations by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The company actively monitores how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods.

A large portion of assets in 2018 consists of government and corporate bonds, although the company also invests in equities, cash and mutual funds. The company believes that equities offer the best returns over the long term with an acceptable level of risk. The majority of equities are in a globally diversified portfolio of international blue chip entities, with a target of 60% equities held in India. The plan asset mix is in compliance with the requirments of the respective local regulations.

(vi) Defined benefit liability and employer contributions

The company has agreed that it will aim to eliminate the deficit in defined benefit pension and gratuity plan over the years. Funding levels are monitored on an annual basis and the current agreed contribution rate is 12% of the basic salaries. The company considers that the contribution rate set at the last valuation date are sufficient to eliminate the deficit over the agreed period and that regular contributions, which are based on service costs will not increase significantly.

The weighted average duration of the defined benefit obligation is 13.24 years . The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Amount
Year 1	99.88
Year 2	80.35
Year 3	111.89
Year 4	86.33
Year 5	86.90
Thereafter	444.43

NOTE 14: GOVERNMENT GRANTS

Particulars	31 March 2018	31 March 2017
Opening Balance	162.88	177.28
Less: Provision recognised/(reversed) during the year	29.06	14.39
Closing Balance	**133.82**	**162.88**

Particulars	31 March 2018	31 March 2017
Current portion	29.06	29.06
Non-current portion	104.76	133.82

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 15:OTHER CURRENT LIABILITIES

Particulars	31 March 2018	31 March 2017
Government grants	29.06	29.06
Payroll taxes	30.51	21.28
Advance from customers	823.52	764.79
Statutory dues payable	158.24	134.99
Total other current liabilities	**1,041.33**	**950.13**

NOTE 16: REVENUE FROM OPERATIONS

Particulars	31 March 2018	31 March 2017
Sale of Products	58,420.02	51,139.03
Sale of Services	2,838.20	2,777.71
	61,258.22	**53,916.74**
Other Operating Income		
Export Incentives (MEIS)	1,267.62	482.85
Service Tax Rebate Claims Received	-	48.19
	1,267.62	**531.04**
	62,525.84	**54,447.78**

NOTE 17: OTHER INCOME

Particulars	31 March 2018	31 March 2017
Interest income		
On fixed deposits	8.38	46.34
Others	80.77	22.53
Government Grants	29.06	14.39
Non operating Income	5.29	19.55
Foreign Exchange Gain (Net)	385.54	33.62
Gain on Financial Assets	1,816.03	1,971.81
Profit/(Loss) due to sale of asset	2.00	1.00
Total other Income	**2,327.07**	**2,109.25**

NOTE 18: COST OF RAW MATERIALS & PACKING MATERIALS CONSUMED

Particulars	31 March 2018	31 March 2017
Raw Materials		
Raw Material at the beginning of the year	2,066.24	2,996.25
Purchases during the year	18,775.09	14,071.97
Less: Raw Material at the end of the year	3,630.13	2,066.24
	17,211.20	**15,001.98**
Packing Materials		
Packing Material at the beginning of the year	255.37	224.95
Purchases during the year	295.95	509.10
Less: Packing Material at the end of the year	272.22	255.37
	279.10	**478.68**
Total	**17,490.30**	**15,480.66**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 19: CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

Particulars	31 March 2018	31 March 2017
Opening Balance:		
Work-in-progress	3,716.28	2,284.76
Finished Goods	2,291.67	3,427.25
Total opening balance	**6,007.95**	**5,712.01**
Closing Balance:		
Work-in-progress	3,712.76	3,716.28
Finished Goods	4,415.31	2,291.67
Total closing balance	**8,128.07**	**6,007.95**
Total changes in inventories of work-in-progress and finished goods	**(2,120.13)**	**(295.94)**

NOTE 20: MANUFACTURING EXPENSES

Particulars	31 March 2018	31 March 2017
Power & Fuel	3,355.96	3,150.46
Consumable Stores	110.23	70.06
Factory Upkeep Expenses	1,974.90	1,733.65
Environment Management Expenses	637.97	533.73
Safety Expenses	70.43	161.77
Quality Control Expenses	456.20	540.67
Repairs & Maintenance:		
Buildings	164.73	228.12
Plant & Machinery	2,051.12	1,644.31
	8,821.54	**8,062.76**

NOTE 21: EMPLOYEE BENEFIT EXPENSE

Particulars	31 March 2018	31 March 2017
Salary, Wages, Allowances & other Benefits	5,206.96	4,442.82
Contribution to Provident & other funds	428.12	331.48
Gratuity Expense	166.70	87.64
Staff Welfare Expenses	324.80	354.63
	6,126.58	**5,216.57**

NOTE 22: RESEARCH & DEVELOPMENT

Particulars	31 March 2018	31 March 2017
R & D Salaries	1,679.95	1,548.59
R & D Materials	551.28	470.85
Patent Related Expenses	752.87	759.97
Lab Maintenance	707.48	1,040.40
R & D Other Expenses	4,984.59	5,471.42
Depreciation	345.37	623.31
	9,021.54	**9,914.54**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 23: FINANCE COSTS

Particulars	31 March 2018	31 March 2017
Interest on borrowings	281.60	376.38
Bank Charges	181.18	191.96
	462.78	**568.34**

NOTE 24: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2018	31 March 2017
Depreciation of property, plant and equipment (Refer Note 3)	2,108.62	2,134.40
Amortisation of intangible assets (Refer Note 4)	22.37	6.91
	2,130.99	**2,141.31**

NOTE 25: OTHER EXPENSES

Particulars	31 March 2018	31 March 2017
Rent	94.81	98.66
Rates & Taxes	47.38	85.71
Service Tax	6.24	30.39
Insurance	272.01	249.02
Communication Charges	128.63	102.02
Travelling & Conveyance	632.75	568.19
Printing & Stationery	64.09	109.64
Professional Charges	352.80	306.97
Payments to Auditors (Refer note 25(a)below)	20.85	19.69
Security Charges	190.41	184.57
Donations	0.75	3.53
Repairs & Maintenance		
-Vehicles	29.16	27.84
- Others	82.81	52.79
Loss on Foreign Exchange Fluctuations	-	115.37
Corporate Social Responsibility	330.61	176.03
Sales Promotion	334.12	318.45
Clearing & Forwarding	346.02	270.02
Commission on Sales	177.02	157.99
General Expenses	256.27	190.27
	3,366.72	**3,067.13**

Note 25(a): Details of payments to auditors		
Particulars	**31 March 2018**	**31 March 2017**
Payment to auditors		
As auditor:		
Audit fee	16.04	15.70
Tax audit fee	-	2.50
In other capacity	-	-
Taxation matters	4.00	1.00
Re-imbursement of out -of- pocket expenses	0.81	0.49
	20.85	**19.69**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Note 25(b): Corporate social responsibility expenditure		
Particulars	**31 March 2018**	**31 March 2017**
Amount required to be spent as per section 135 of the Act	302.58	330.61
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	(330.61)	(176.03)

NOTE 26: INCOME TAX EXPENSE

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

Particulars	31 March 2018	31 March 2017
(a) Income tax expense		
Current tax		
Current tax on profits for the year	4,756.49	3,283.70
Adjustments for current tax of prior periods	(100.55)	(8.63)
Total current tax expense	**4,655.94**	**3,275.07**
Deferred tax		
Decrease (increase) in deferred tax assets	-	-
Increase (decrease) in deferred tax liabilities	2,527.90	313.25
Total Deferred tax expense/(benefit)	**2,527.90**	**313.25**
Income tax expense	**7,183.84**	**3,588.32**
Income tax expense is attributable to:		
Profit from operations	**7,183.84**	**3,588.32**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Particulars	**31 March 2018**	**31 March 2017**
Profit from operations before income tax expenses	23,026.57	15,935.69
Tax at the Indian tax rate of 34.608% (2016-17 -34.608%)	**7,969.04**	**5,515.02**
Computed expected tax expense:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Weighted deduction on research and development expenditure	(1,303.79)	(1,271.03)
weighted deduction on Investment	-	-
Corporate social responsibility expenditure	114.42	60.92
Income tax paid at special rate	(241.63)	(325.87)
Dividend Income	-	-
Donations	0.26	1.22
Other Items including foreign exchange fluctuations	645.54	(391.95)
Income tax expenses	**7,183.84**	**3,588.32**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 27: FAIR VALUE MEASUREMENTS

	31 March 2018			31 March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments						
-Equity Investment	-	-	7.05	-	-	7.05
-Mutual funds	27,872.56	-	-	30,088.91	-	-
Trade Receivables	-	-	6,153.81	-	-	4,583.32
Loans	-	-	13.99	-	-	10.92
Security deposits	-	-	436.28	-	-	415.63
Cash and Cash equivalents	-	-	2,031.68	-	-	868.80
Bank Balances	-	-	51.13	-	-	48.21
Fixed Deposits with Banks and Interest thereon	-	-	176.31	-	-	169.01
Other financial assets (Derivative assets)	-		-	-	-	-
Total Financial Assets	**27,872.56**	**-**	**8,870.25**	**30,088.91**	**-**	**6,102.94**
Financial Liabilities						
Borrowings	-	-	2,632.71	-	-	5,641.73
Current maturities of long-term debt	-	-	119.24	-	-	1,436.58
Interest accrued but not due	-	-	83.97	-	-	71.80
Unpaid dividends	-	-	51.13	-	-	48.21
Trade Payables	-	-	5,681.58	-	-	3,793.97
Capital creditors	-	-	177.15	-	-	181.07
Total Financial Liabilities	**-**	**-**	**8,745.78**	**-**	**-**	**11,173.36**

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial assets					
Equity Investment	-	-	-	7.05	7.05
Investment in mutual funds	5(a)(ii)	27,872.56	-	-	27,872.56
Trade Receivables	-	-	-	6,153.81	6,153.81
Loans	-	-	-	13.99	13.99
Security deposits	-	-	-	436.28	436.28
Fixed Deposits with Banks and Interest thereon	-	-	-	176.31	176.31
Total Financial Assets		**27,872.56**	**-**	**6,787.44**	**34,660.00**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2018					
Financial Liabilities					
Borrowings		-	-	2,632.71	2,632.71
Current maturities of long-term debt		-	-	119.24	119.24
Interest accrued but not due		-	-	83.97	83.97
Unpaid dividends		-	-	51.13	51.13
Trade Payables		-	-	5,681.58	5,681.58
Capital creditors		-	-	177.15	177.15
Total Financial Liabilities		**-**	**-**	**8,745.78**	**8,745.78**

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial assets					
Equity Investment		-	-	7.05	7.05
Investment in mutual funds	5(a)(ii)	30,088.91	-	-	30,088.91
Trade Receivables		-	-	4,583.32	4,583.32
Loans		-	-	10.92	10.92
Security deposits		-	-	415.63	415.63
Fixed Deposits with Banks and Interest thereon		-	-	169.01	169.01
Total Financial Assets		**30,088.91**	**-**	**5,185.93**	**35,274.84**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed	Notes	Level 1	Level 2	Level 3	Total
As at March 31, 2017					
Financial Liabilities					
Borrowings		-	-	5,641.73	5,641.73
Current maturities of long-term debt		-	-	1,436.58	1,436.58
Interest accrued but not due		-	-	71.80	71.80
Unpaid dividends		-	-	48.21	48.21
Trade Payables		-	-	3,793.97	3,793.97
Capital creditors		-	-	181.07	181.07
Total Financial Liabilities		**-**	**-**	**11,173.36**	**11,173.36**

Level 1: Level 1 hierarchy includes Mutual funds are valued using the closing NAV.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data(unobservable inputs).

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March, 2018		31 March, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Equity Investment	7.05	7.05	7.05	7.05
Trade Receivables	6,153.81	6,153.81	4,583.32	4,583.32
Loans	13.99	13.99	10.92	10.92
Security deposits	436.28	436.28	415.63	415.63
Cash and Cash equivalents	2,031.68	2,031.68	868.80	868.80
Other Bank Balances	51.13	51.13	48.21	48.21
Other financials assets	176.31	176.31	169.01	169.01
Total Financial assets	**8,870.25**	**8,870.25**	**6,102.94**	**6,102.94**
Financial Liabilities				
Unpaid dividends	51.13	51.13	48.21	48.21
Capital creditors	177.15	177.15	181.07	181.07
Trade Payables	5,681.58	5,681.58	3,793.97	3,793.97
Total Financial liabilities	**5,909.86**	**5,909.86**	**4,023.25**	**4,023.25**

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short term nature.

The fair values of non-current borrowings are based on discounted cash-flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NOTE 28: FINANCIAL RISK MANAGEMENT

The company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity loss exposed to and how the entity manages the risk and the impact of them in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost	Aging analysis	Diversification of bank deposits and credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupees	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
Market risk - interest risk	Long-term borrowings at variable rates	Sensitivity analysis	Interest rates were Libor plus fixed for the full term of the loan
Market risk - security prices	Investments in Mutual funds	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by the management. Company treasury identifies, evaluates and hedges financial risk in close cooperation with the company's operating units. The management provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non derivative financial instruments and investment of excess liquidity.

(A) Credit Risk Management

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

i) Financial instruments and cash deposits

For banks and financial institutions, only high rated banks/ institutions are accepted. Other Financial assets (excluding Bank deposits) majorily constitute deposits given to State electricity departments for supply of power, which the company considers to have negligible credit exposure. Counter party credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

ii) Expected credit loss for trade receivables under simplified approach

For trade receivables , the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables

Year ended 31 March 2018						
Ageing	**0-30 days**	**31-60 days**	**61-90 days**	**91-120 days**	**More than 120 days**	**Total**
Gross carrying amount	1046.36	2598.33	1893.84	289.84	325.45	6153.82
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables(net of impairment)	**1046.36**	**2598.33**	**1893.84**	**289.84**	**325.45**	**6153.82**

Year ended 31 March 2017						
Ageing	**0-30 days**	**31-60 days**	**61-90 days**	**91-120 days**	**More than 120 days**	**Total**
Gross carrying amount	3773.98	322.43	314.38	153.56	18.98	4583.32
Expected loss rate	0%	0%	0%	0%	0%	0%
Expected credit losses(loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables(net of impairment)	**3773.98**	**322.43**	**314.38**	**153.56**	**18.98**	**4583.32**

(B) Liquidity Risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to dynamic nature of the underlying business, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position(comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2018	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	2,494.19	203.22	138.52	2,835.92
(ii) Trade payables	-	5,681.58	-	5,681.58
(iii) Other financial liabilities	51.13	177.15	-	228.28
	2,545.32	**6,061.94**	**138.52**	**8,745.78**

Year ended March 31, 2017	On Demand	in next 12 months	>1 year	Total
(i) Borrowings	3,048.52	1,508.38	2,593.22	7,150.11
(ii) Trade payables	-	3,793.97	-	3,793.97
(iii) Other financial liabilities	48.21	181.07	-	229.28
	3,096.73	**5,483.42**	**2,593.22**	**11,173.36**

C) Market risk - foreign exchange risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EUR. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign forecast transactions.

The company's risk management policy is to hedge part of forecasted foreign currency sales for the subsequent months. As per the risk management policy, foreign exchange forward contracts are taken to hedge part of the forecasted sales by taking consultancy from external treasury management forms . The imports were hedged naturally by payment through EEFC account.

Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	As at March 31, 2018			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	886.84	-	-	-
Trade receivables	5,313.53	-	-	-
Financial Liabilities				
Borrowings	3,082.24	-	-	-
Trade payables	1,248.78	17.71	14.00	7.66

Particulars	As at March 31, 2017			
	USD	GBP	EUR	Others
Financial assets				
Cash and Cash equivalents	841.38	-	-	-
Trade receivables	4,070.12	-	-	-
Financial Liabilities				
Borrowings	7,061.87	-	-	-
Trade payables	743.20	0.08	2.07	-

D) Market risk - interest risk

Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cash flow interest rate risk.

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

(a) Interest rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

	31 March , 2018	31 March , 2017
Variable rate borrowings	2,835.92	7,150.12
Fixed rate borrowings	-	-
Total borrowings	2,835.92	7,150.12

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of increase/decrease in the fair value of cash flow hedges related to the borrowings if any

	Impact on Profit after tax		Impact on Other components of equity	
	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017
Interest rates-increase by 100 basis points	302.77	257.56	0	0
Interest rates-decrease by 100 basis points	176.68	155.60	0	0

NOTE 29: CAPITAL MANAGEMENT

(a) Risk management

The Company's objective when managing capital are to:

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

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

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio: -Net debt (total borrowings net of cash and cash equivalents) divided by total equity (as shown in the balancesheet)

	31 March , 2018	31 March , 2017
Net debt	2,835.92	7,150.12
Total Equity	76,740.65	66,699.88
Net debt to equity ratio	4%	11%

Loan covenants:

During the tenor of the facility with the bank , the following financial covenant should be complied with:

Current Ratio	Minimum of 1.33 times
TOL/TNW	Maximum of 1.75 times
Interest Coverage Ratio	Minimum of 2.00 times
Debt Service Coverage Ratio	Minimum of 1.50 times

Borrower to maintain the above financial indicators at the stipulated levels during the currency of the facility. In case of non-compliance of any covenant or other terms and conditions of sanction, penal interest @ 2% per annum above the applicable rate on the utilized facilities shall be charged. Such Interest shall be charged for the period of default/ noncompliance on the amount outstanding under the facility. Such interest shall also be payable/ compounded on monthly basis

(b) Dividends (on equity instruments)

	31 March , 2018	31 March , 2017
(i) Equity shares		
Interim dividend for the year ended March 31, 2018 of Rs.1.50 (31-March 2017-Rs.1) per fully paid share	1,909.30	1,272.82
(ii) Dividends not recognised at the end of the reporting period	-	-
The interim dividend paid has been declared as final dividend in the board meeting held on 15/05/2018		

NOTE 30: UTILIZATION OF FUND RAISED THROUGH QIP

During the year ended 31st March 2015 the company has raised Rs. 20,000 lacs primarily for clinical development expenses, capital expenditure and general corporate purposes and any other purposes as may be permissible under applicable law.

Utilisation of QIP Funds:		
Particulars	**31 March , 2018**	**31 March , 2017**
Amount Raised in QIP	-	-
Unutilsed amount at the beginning of the year	7,781.20	14,556.18
Amount utilised during the year :	5,648.04	6,774.98
Investment in wholly owned subsidiary - Suven Neurosciences Inc.,	3,721.93	4,202.56
Investment in Capex	1,926.11	2,572.41
Unutilsed amount at the end of the year	**2,133.16**	**7,781.20**

NOTE 31: SEGMENT INFORMATION

Description of segments and principal activities
The Chief Executive Officer has been identified as being the chief operating decision maker(CODM). The CODM examines the Company's performance both from a product and a geographic perspective and has identified two reportable segments:

Business Segment
Segments have been identified and reported taking into account the nature of products, the differing risk and returns,the organisation structure,and the internal financial reporting scheme. The company has identified the following segments as its reportable segments:

(a) Manufacturing (CRAMS)

(b) Services (DDDSS)

(c) Research and Development

I. Manufacturing (CRAMS) - Bulk Drugs & Intermediates under contract services products are developed and produced on an exclusive basis under contract Manufacturing services

II. Services (DDDSS) - Which consists of Collaborative Research Projects (CRP), Clinical Trials and Testing and Analysis services

Geographical Segment
The Company has identified the following geographical reportable segments:

(a) India-The company sells Bulk Drugs and Intermediates and Fine Chemicals.

(b) USA -The company sells Intermediates

(c) Europe-The company sells Bulk Drugs and Intermediates

(d) Others -The company sells Bulk Drugs and Intermediates

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Un-allocated		Total	
	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017
Segment Result-Operating profits(EBIT)	27,778.79	21,634.85	1,426.76	1,474.14	(9,021.54)	(10,066.65)	(438.97)	(427.78)	19,745.04	12,614.56
Interest Expense	-	-	-	-	-	-	(281.60)	(376.38)	(281.60)	(376.38)
Interest Income	-	-	-	-	-	-	89.15	68.87	89.15	68.87
Income Taxes	-	-	-	-	-	-	(7,183.84)	(3,588.32)	(7,183.84)	(3,588.32)
Net profit	**27,778.79**	**21,634.85**	**1,426.76**	**1,474.14**	**(9,021.54)**	**(10,066.65)**	**(7,815.26)**	**(4,323.61)**	**12,368.75**	**8,718.73**

Particulars	Manufacturing (CRAMS)		Services (DDDSS)		Research & Development		Un-allocated		Total	
	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017
Segment Revenue	59,687.64	51,670.07	2,838.20	2,777.71	-	-	2,327.07	2,109.25	64,852.91	56,557.03
Segment Result-Operating profits	27,778.79	21,634.85	1,426.76	1,474.14	(9,021.54)	(10,066.65)	(438.97)	(427.78)	19,745.04	12,614.56
Segment Assets	52,318.94	43,659.64	3,976.77	2,818.98	3,378.98	2,860.30	31,678.04	38,291.82	91,352.73	87,630.74
Segment Liabilities	8,276.13	8,119.53	366.08	352.40	2,339.90	2,721.35	694.30	687.22	11,676.41	11,880.50
Capital Expenditure	1,257.22	2,801.67	636.68	-	571.26	-	211.36	-	2,676.52	2,801.67
Depreciation	1,930.88	2,002.30	100.06	69.51	345.37	623.31	100.06	69.51	2,476.36	2,764.62

Particulars	Revenue		Location of Asset		Additions to Fixed Assets	
	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017	31 March , 2018	31 March , 2017
INDIA	4,874.67	5,016.14	37,509.84	34,835.63	2,674.22	2,799.70
U S A	6,725.96	5,541.33	58.16	55.87	2.29	1.98
EUROPE	45,985.35	40,250.99	-	-	-	-
OTHERS	4,939.86	3,639.32	-	-	-	-
	62,525.84	**54,447.78**	**37,568.00**	**34,891.50**	**2,676.51**	**2,801.68**

NOTE 32: INTEREST IN OTHER ENTITIES

The Company's subsidiaries as at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company

Name of the entity	Place of Business/ Country of incorporation	Ownership interest held by the Company		Ownership interest held by Non-Controlling interests		
		31 March 2018	31 March 2017	31 March 2018	31 March 2017	Principal activity
Suven Neurosciences Inc	USA	100%	100%	0%	0%	Development of API

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 33: RELATED PARTY TRANSACTIONS

(a) Holding Company	:	M/s. Jasti Property and Equity Holdings Private Limited *(In its capacity as sole trustee of the Jasti Family Trust)*
(b) Key Management personnel(KMP)	:	Mr. Venkateswarlu Jasti (Chairman & CEO) Mrs. Sudharani Jasti (Whole-time Director) Mr. P. Subba Rao (Chief Financial Officer) Mr. K. Hanumantha Rao (Company Secretary)
(c) Relative of Key Management personnel	:	Ms. Kalyani Jasti (Daughter of Mr.Venkateswarlu Jasti) Ms. Sirisha Jasti (Daughter of Mr. Venkateswarlu Jasti)
(d) Jointly controlled entity	:	Suven Trust

(a) Parent entities

Name	Type	Place of Incorporation	Ownership Interest	
			31 March 2018	31 March 2017
M/s. Jasti Property and Equity Holdings Private Limited	Immediate and Ultimate parent entity	India	60.00%	60.00%

(b) Key Management Personnel compensation

	31 March 2018	31 March 2017
Short term employee benefits	858.18	684.63
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**858.18**	**684.63**
Balance outstanding	**357.54**	**248.60**

(c) Relative of Key Management Personnel compensation

	31 March 2018	31 March 2017
Short term employee benefits	158.37	156.89
Post-employment benefits	-	-
Long term employee benefits	-	-
Termination benefits	-	-
Total Compensation	**158.37**	**156.89**

(d) Jointly Controlled Entity

	31 March 2018	31 March 2017
Corporate Social Responsibility	330.61	176.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 34: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	31 March 2018	31 March 2017
Claims against the company not acknowledged as debts		
a) Income tax appeal for Asst. Year 2011-12	7.64	7.64
b) Income tax appeal for Asst. Year 2012-13	-	20.94
c) Letter of credit for imports	1,013.00	905.44
d) Bank Guarantee	8.50	-
	1,020.64	**934.02**

NOTE 35: COMMITMENTS

	31 March 2018	31 March 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of Payments(including advances)	2,820.08	243.06
	2,820.08	**243.06**

NOTE 36: SHARE BASED PAYMENTS

(a) Employee option plan

Suven Employee Stock Option Scheme -2004 was approved by shareholders at the 2004 annual general meeting. Each option entitles the holder thereof to apply for and be allotted one equity share of the Company of Re.1.00 each upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of three years from the date of vesting in respect of Options granted under the Suven Employee Stock Option Scheme -2004

The vesting period for conversion of Options is as follows:

On completion of 24 months from the date of grant of the Options: 25% vests

On completion of 36 months from the date of grant of the Options: 35% vests

On completion of 48 months from the date of grant of the Options: 40% vests

The Options have been granted at the 'market price' as defined from time to time under the Securities and Exchange Board of India (Share based employee benefits) regulations, 2014.

Set out below is a summary of option granted under the plan:

	31 March 2018		31 March 2017	
	Average exercise price per share option ₹	Number of Options	Average exercise price per share option ₹	Number of Options
Opening balance	**23.61**	**455,000**	**23.61**	**650,000**
Granted during the year	-	-	-	-
Exercised during the year*	-	-	-	-
Forfeited/ Expired during the year	**23.61**	**255,000**	**23.61**	**195,000**
Closing balance	**22.30**	**200,000**	**23.61**	**455,000**
Vested and exercisable		**200,000**		**455,000**

Share options outstanding at the end of the year having the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price ₹	Share options 31 March 2018	Share options 31 March 2017
12-Jul-2010	11-Jul-2017	29.75	0	80000
30-May-2011	29-May-2018	22.30	200000	375000
Total			**200000**	**455000**
Weighted average remaining contractual life of options outstanding at the end of the period			**0.16 years**	**0.96 years**

(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2018 was ₹ NIL per option(31 March 2017- ₹ NIL). The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Expenses arising from share-based payment transactions

Total expenses arising from share based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	31 March 2018	31 March 2017
Employee option plan	Nil	Nil
Share appreciation rights	Nil	Nil
Total employee share based payment expense	Nil	Nil

NOTE 37: EARNINGS PER SHARE

	31 March 2018	31 March 2017
(a) Basic EPS		
Profit from operations attributable to the equity holders of the Company	9.70	6.84
Total basic earnings per share attributable to the equity holders of the company	**9.70**	**6.84**
(b) Diluted EPS		
Profit from operations attributable to the equity holders of the Company	9.70	6.84
Total diluted earnings per share attributable to the equity holders of the company	**9.70**	**6.84**

(c) Reconciliation of earnings used in calculating earnings per share

	31 March 2018	31 March 2017
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share		
Profit from operations	12,341.07	8,708.99
	12,341.07	**8,708.99**
Diluted earnings per share		
Profit from operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	12,341.07	8,708.99
Add: Interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	12,341.07	8,708.99
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	**12,341.07**	**8,708.99**

(d) Weighted average number of shares used as the denominator

	31 March 2018	31 March 2017
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	127,282,478	127,282,478
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Convertible bonds	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	**127,282,478**	**127,282,478**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

NOTE 38: ASSETS PLEDGED AS SECURITY
The carrying amounts of Company's assets pledged as security for current and non current borrowings are

	31 March 2018	31 March 2017
Non-Current		
First charge of mortgage on land & building and Plant & Machinery		
Land & building	10,240.17	10,183.43
Plant & Machinery	15,224.83	16,029.16
	25,465.00	**26,212.60**
Current		
Second charge on stocks, receivables and current assets		
Inventories	13,946.62	9,251.14
Trade receivables	6,153.81	4,583.32
Cash and cash equivalents	2,031.68	868.80
Bank balances	51.13	48.21
Loans	10.20	7.57
Other financial assets	0.28	0.71
Other current assets	5,816.28	3,680.32
	28,009.99	**18,440.07**
Total assets pledges as security	**53,474.99**	**44,652.67**

NOTE 39 :
Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/ Associates

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
31 March 2018								
Parent								
Suven Life Sciences Ltd.	99.62%	76,447.39	128.09%	15,842.73	-100.00%	(27.68)	128.15%	15,815.05
Subsidiaries:								
Suven Neurosciences Inc.	0.38%	293.26	-28.09%	(3,473.98)	0.00%	-	-28.15%	(3,473.98)
TOTAL	**100.00%**	**76,740.65**	**100.00%**	**12,368.75**	**-100.00%**	**(27.68)**	**100.00%**	**12,341.07**
31 March 2017								
Parent								
Suven Life Sciences Ltd.	99.93%	66,652.25	141.62%	12,347.37	-100.00%	(9.74)	141.67%	12,337.62
Subsidiaries:								
Suven Neurosciences Inc.	0.07%	47.63	-41.62%	(3,628.64)	0.00%	-	-41.67%	(3,628.64)
TOTAL	**100.00%**	**66,699.88**	**100.00%**	**8,718.73**	**-100.00%**	**(9.74)**	**100.00%**	**8,708.99**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Salient features of financial statements of subsidiary/associates as per the Companies Act, 2013.

Name of the subsidiary : Suven Neurosciences Inc.
Reporting currency : USD in Millions
Date of Incorporation : 15th September 2015

Particulars	31 March 2018	31 March 2017
Share capital	15.43	9.68
Reserves & surplus	(14.98)	(9.61)
Total assets	1.06	0.70
Total Current liabilities	0.61	0.63
Investments	0.00	0.00
Turnover / Total Income	0.00	0.00
Profit/(loss) before taxation	(5.37)	(5.39)
Provision for Taxation	0.00	0.00
Profit/ (loss) after taxation	(5.37)	(5.39)
Proposed dividend	0.00	0.00
% of share holding	100%	100%

NOTE 40 :
Previous year figures have been regrouped and reclassified wherever considered necessary to conform to this year's classifications.

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

For TUKARAM & CO
Chartered Accountants
Firm registration number: 004436S

Rajender Reddy K
Partner
Membership No. 231834

For and on behalf of the Board of Directors of
Suven Life Sciences Limited

Venkateswarlu Jasti
Chairman & CEO
DIN: 00278028

K. Hanumantha Rao
Company Secretary
Membership No. A11599

P. Subba Rao
Chief Financial Officer
Membership No. A11342

Place : Hyderabad
Date : 15th May 2018

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th ANNUAL GENERAL MEETING of the Members of SUVEN LIFE SCIENCES LIMITED will be held on Tuesday, the 14th day of August, 2018 at 11:30 a.m. at the KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited standalone and consolidated Balance Sheet as at 31st March, 2018, Statement of Profit & Loss for the year ended 31st March, 2018, Cash flow Statement for the year ended 31st March 2018 and together with the Report of the Directors and the Auditor's Report thereon.

2. To confirm the Interim Dividend paid on equity shares for the year 2017-2018 as final dividend

   "RESOLVED THAT the Interim Dividend of Rs.1.50/- (Rupees one and fifty paisa only) per share declared by the Board of Directors of the Company at their meeting held on 30th January, 2018 on 127282478 equity shares of Rs.1/- each absorbing a sum of Rs.19,09,23,717/- (Rupees nineteen crores nine lakhs twenty three thousand seven hundred and seventeen only) be and is hereby approved as the Final Dividend for the year ended 31st March, 2018."

3. To appoint a director in place of Shri Venkateswarlu Jasti, (DIN: 00278028) who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **Appointment of Mr. Santanu Mukherjee as an Independent Director**
   To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the appointment of Mr. Santanu Mukherjee (DIN: 07716452), a Non-Executive Director of the Company, who meets the criteria for independence as provided in Section 149(6) of the Act and eligible for appointment as an Independent Director of the Company not liable to retire by rotation for a term of 5 years from 15 May, 2018 to 14 May, 2023 be and is hereby approved."

Place: Hyderabad
Date: 15 May, 2018

by order of the Board of Directors

Registered Office
8-2-334, SDE Serene Chambers
6th Floor, Road No.5, Avenue 7
Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713

K. Hanumantha Rao
Company Secretary
M. No. A11599

NOTES:

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special businesses set out in the notice and Secretarial Standard on General Meetings (SS-2), wherever applicable is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF and Proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the meeting. A person shall not act as a Proxy for more than 50 (fifty) members and holding in the aggregate not more than 10 (ten) percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10 (ten) percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.

3. A route map giving directions to reach the venue of the 29th Annual General Meeting is given at the end of the Notice.

4. As the members are aware that in the 28th Annual General Meeting (AGM) held on 14th August, 2017 new statutory auditors M/s Tukaram & Co., Chartered Accountants were appointed for a period of 5 years as per law. This is to bring to your notice that as per the Companies (amendment) Act, 2017 the first proviso to Section 139 relating to ratification of statutory auditors at every AGM of the company during the tenure of appointment has been omitted. Accordingly the ordinary business pertaining to ratification of auditor's appointment from the conclusion of this AGM till the conclusion of next AGM is not placed before the AGM. The remuneration of the auditors during their tenure of office will continue to be fixed by the Board of Directors of your company on mutually agreed terms. The disclosure relating to auditors remuneration for the year 2017-18 is given in the notes to the accounts.

5. In terms of Section 152 of the Companies Act, 2013, Shri Venkateswarlu Jasti, (DIN: 00278028), Director, retire by rotation at the meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment. Brief profile of Director, names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given at the end of the notes".

6. Members holding shares in physical form are requested to notify any change in their address or bank mandates and PAN details immediately to the Registrars and Transfer Agents M/s. Karvy Computershare Pvt. Ltd., at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 and in case of Members holding shares in electronic form are requested to notify any change in mailing address or bank mandates to their respective Depository Participants with whom they are maintaining their demat accounts.

7. The Members are requested to bring their copies of the Annual Report to the meeting, and handover the attendance slips at the entrance hall of the meeting.

8. The Company has notified that the Register of Members of the Company and share transfer books will remain closed from 11th August, 2018 to 14th August, 2018 (both days inclusive) for the purpose of annual general meeting.

9. Members desiring to have any information on the accounts are requested to make a request for the same at least one week before the date of meeting. So that the requisite information will be made available at the meeting.

10. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

11. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days, during business hours up to the date of the meeting.

12. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.

13. Members are requested to send all correspondence concerning registration of transfers, transmission, sub-division or any other shares related matter to Company's Registrars M/s. Karvy Computershare Pvt. Ltd., Hyderabad.

14. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.

15. Unclaimed Dividends/ Transfer to Investor Education and Protection Fund:

    a) The Company has transferred the unpaid dividends declared up to financial years 2009-10, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 14th August, 2017 (date of last Annual General Meeting) on the website of the Company (www.suven.com), and also on the website of the Ministry of Corporate Affairs.

    b) It may be noted that unclaimed dividend for the financial year 2010-11 declared on 13th August, 2011, can be claimed by the Members by 12th August, 2018.

    c) Please note in accordance with the procedure prescribed under the provisions of the IEPF Rules issued by the Ministry of Corporate Affairs, the shares of the shareholders whose dividend remains unpaid or unclaimed by them for a period of seven consecutive years or more would also be transferred to the IEPF Demat account of IEPF Authority.

    d) Members/ claimants whose shares, unclaimed dividend etc. have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. The Member/ Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Karvy Computershare Pvt. Ltd., Hyderabad.

17. Information and other instructions relating to e-voting and ballot paper voting are under:

    (i) Pursuant to the provisions of Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, the Company is providing to its members the facility to exercise their right to vote on the resolutions proposed to be passed in the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting facility. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting").

(ii) For the benefit of Members who do not have access to e-voting facility, a ballot paper is being sent along with the Notice of the AGM, to enable them to send their assent or dissent by post. Members may send the duly completed ballot paper so as to reach the Scrutinizer at the Registered Office of the Company not later than 10th August, 2018 (5.00 pm). Ballot paper received after this date will be treated as invalid. Detailed instructions on process, manner for voting through post are given in the ballot paper.

(iii) The facility for voting through Ballot paper shall also be made available at the Meeting and the members attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot paper shall be able to exercise their right at the Meeting.

(iv) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

(v) The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide e-voting facility. The remote e-voting facility will be available at the link https://evoting.karvy.com

(vi) The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company/their respective Depository Participants along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

(vii) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting: from 10th August, 2018 (9 a.m. IST)

End of remote e-voting: up to 13th August, 2018 (5 p.m. IST)

(viii) Evoting shall not be allowed beyond 5 p.m. on 13th August, 2018 and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period. During the e-voting period, shareholders of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date being Monday, 07th August, 2018 only shall be entitled to avail the facility of remote e-voting / ballot paper.

(ix) In case of any query pertaining to e-voting, please visit Help & FAQ's section of https://evoting.karvy.com (Karvy's website) or contact Mrs. C Shobha Anand, Contact No. +91 40 6716 1505, e-mail evoting@karvy.com at [Unit: Suven Life Sciences Limited] Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.

(x) A member can opt for only one mode of voting, i.e. either by e-voting or through ballot paper. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and the ballot paper of that Member shall be treated as invalid.

(xi) Any person who acquires shares of the company and becomes a member of the company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e. **07th August, 2018,** may obtain the login Id and password by sending a request at evoting@karvy.com. However, if you are already registered with "Karvy" for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/ Password" option available on https://evoting.karvy.com.

(xii) The Company has appointed, Smt. D Renuka, Practicing Company Secretary (Membership No. A11963), as Scrutinizer to scrutinize the ballot paper and remote e-voting process for Annual General Meeting in a fair and transparent manner and she has communicated her willingness to be appointed and be available for the said purpose.

(xiii) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting and also count the votes received through ballot paper, in the presence of at least two (2) witnesses not in the employment of the Company.

(xiv) The scrutinizer, after scrutinizing the votes cast at the meeting ballot paper and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

(xv) The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated scrutinizer's report, declare the results of the voting. The results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.suven.com and on the website of Karvy http://evoting.karvy.com immediately after their declaration, and the results shall simultaneously communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.

(xvi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of meeting, i.e. 14th August, 2018.

ANNEXURE TO NOTICE OF AGM

ITEM NO. 3

BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Mr. Venkat Jasti aged 68 years is a Post Graduate in Pharmacy from Andhra University, Visakhapatnam, and also a Post Graduate in Pharmacy from St. John University, New York, specializing in Industrial Pharmacy. Having registered himself as a Registered Pharmacist, he successfully owned and operated a chain (6) of community pharmacies in the state of New York and New Jersey in USA from 1977 till 1989. He was the president elect of Essex County Pharmaceutical Society of NJ in 1988.

He returned to India from USA and Co-founded Suven in 1989. Since then, he has been successfully managing the company providing the direction and leadership. Under his leadership Suven developed innovative business models like CRAMS (Contract Research and Manufacturing Services) and DDDSS (Drug Discovery & Development Support Services).

Under Mr. Jasti's stewardship, Suven architected discovery programmes in the year 2004, leading to a pipeline of 13 molecules, with its first molecule SUVN-502 targeted against cognition in Alzheimer's is undergoing proof of concept Phase 2 study in USA. All other molecules are in different phases of preclinical and clinical development programmes.

Mr. Jasti is the Chief architect for the formation of A.P. Chief Minister's task force for Pharma during 2001 and responsible for the creation of Pharma City at Vizag by Govt. of Andhra Pradesh and PHARMEXCIL (Pharmaceutical Export Promotion Council), head quartered at Hyderabad. Mr. Jasti was Chairman for PHARMEXCIL till 2009. He is also Director on the Board of FTAPCCI and Jasti Property and Equity Holdings Private Limited..

Mr. Jasti was President of Indian Pharmaceutical Association (IPA), and Chairman of Local Organizing Committee for the 52nd Indian Pharmaceutical Congress held at Hyderabad in 2001 and was President of Bulk Drug Manufacturers Association of India (BDMA) till September, 2004.

Mr. Venkat Jasti is the Co-founder and director on the Board since inception of the company. He is a member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee. He holds 1000 shares of Re 1/- each in the company. He is spouse of Mrs. Sudharani Jasti, Co-founder & Whole-time Director of the Company. Being Chairman & CEO he has overall responsibility of the company in terms of its strategic growth and business development.

Except Mr. Venkateswarlu Jasti and his relatives, none of the other directors and key managerial personnel the company is concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the notice. The board recommends the resolution set forth in item no. 3 of the notice for approval of the members.

Statement pursuant to section 102(1) of the Companies Act, 2013 and under Secretarial Standards on general meetings (SS-2): for item no. 4

ITEM NO. 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Santanu Mukherjee, as additional and independent director in its meeting held on May 15, 2018 for a term of 5 years i.e. from May 15, 2018 to May 14, 2023 subject to approval of the Members. Pursuant to the provisions of Sections 149, 152 and 161 of the Act and Articles of Association of the Company, Mr. Santanu Mukherjee shall hold office as additional director up to the date of this AGM and is eligible to be appointed as an Independent Director.

Brief Profile and area of expertise: Mr. Santanu Mukherjee aged 61 years holds B.Sc., (Hon's) degree from Presidency College under Kolkata University and CAIIB from The Indian Institute of Bankers. He joined State Bank of Hyderabad as a Probationary Officer and served the Bank in various capacities and also held various important assignments (domestic as well as foreign) in the SBI group. Mr Santanu Mukherjee gained 37 years of rich experience in various facets of banking operations.

Before his elevation, he was working as Chief General Manager of SBBJ. He had also served as chief executive officer SBI in Paris during 2004 to 2008. Shri Santanu Mukherjee has been appointed the Managing Director of State Bank of Hyderabad (SBH) and retired from this position in the month of December, 2016.

The Company has received a declaration from Mr. Santanu Mukherjee to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In the opinion of the Board, Mr. Santanu Mukherjee fulfills the conditions specified in the Act and SEBI Listing Regulations for appointment as Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Santanu Mukherjee as an Independent Director is now being placed before the Members for their approval.

The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members.

Mr. Santanu Mukherjee is also inducted as member of the Audit Committee of your Company and he does not hold any shares in the company. He is also Director on the Board of Bhanix Finance and Investment Limited.

Except Mr. Santanu Mukherjee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, related, concerned or interested, in the Resolution set out at Item No. 4 of this Notice.

Place: Hyderabad
Date: 15 May, 2018

by order of the Board of Directors

Registered Office
8-2-334, SDE Serene Chambers
6th Floor, Road No.5, Avenue 7
Banjara Hills, Hyderabad – 500 034
CIN: L24110TG1989PLC009713

K. Hanumantha Rao
Company Secretary
M. No. A11599

SUVEN LIFE SCIENCES LIMITED

Registered Office: 8-2-334 I SDE Serene Chambers I 6th Floor I Road No.5 I Avenue 7
Banjara Hills I Hyderabad – 500 034 I Telangana I India CIN: L24110TG1989PLC009713
Tel: 91 40 2354 1142/ 3311 Fax: 91 40 2354 1152 Email: info@suven.com website: www.suven.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

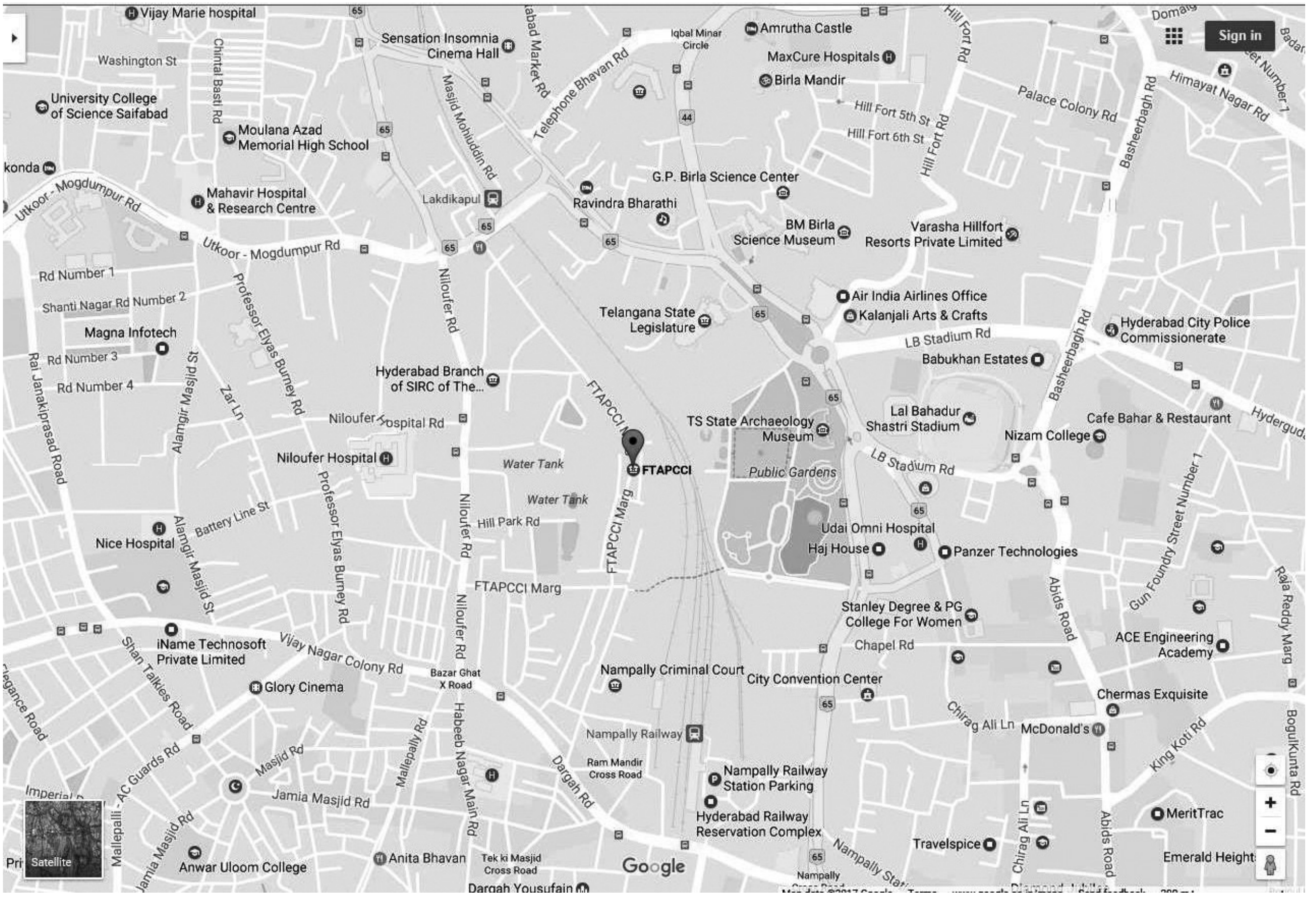
DP ID		Reg. Folio No.	
Client ID		No. of Shares	

NAME AND ADDRESS OF THE REGISTERED SHAREHOLDER

I/We hereby record my/ our presence at the 29th Annual General Meeting of the Company to be held on Tuesday, the 14th day of August 2018 at 11:30 a.m. at the KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad –500 004.

Signature of Shareholder/ Proxy

Route Map to Venue of AGM



SUVEN LIFE SCIENCES LIMITED

Registered Office: 8-2-334 I SDE Serene Chambers I 6th Floor I Road No.5 I Avenue 7
Banjara Hills I Hyderabad – 500 034 I Telangana I India CIN: L24110TG1989PLC009713
Tel: 91 40 2354 1142/ 3311 Fax: 91 40 2354 1152 Email: info@suven.com website: www.suven.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)			
Registered Address			
Email Id			
Folio No. / Client ID		DP ID	

I/We, being the member(s) of ___________________shares of the above named company, hereby appoint

1	Name			
	Address			
	E-mail Id		Signature	
	or failing him/ her			
2	Name			
	Address			
	E-mail Id		Signature	
	or failing him/ her			
3	Name			
	Address			
	E-mail Id		Signature	

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General Meeting of the company, to be held on Tuesday, the 14th day of August, 2018 at 11:30 a.m. at the KLN Prasad Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce & Industry [FTAPCCI], 11-6-841, Red Hills, Hyderabad – 500 004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. To Consider and adopt the audited standalone and consolidated Balance Sheet as at 31st March, 2018, Statement of Profit & Loss for the year ended 31st March, 2018, Cash Flow Statement for the year ended 31st March 2018 and together with the Report of the Directors and the Auditor's Report thereon.		
2. To confirm the Interim Dividend paid on equity shares for the year 2017-2018 as final dividend		
3. To appoint a director in place of Shri Venkateswarlu Jasti, (DIN: 00278028) who retires by rotation, and being eligible, offers himself for re-appointment.		
4. Appointment of Mr. Santanu Mukherjee as an Independent Director		

Signed this …………. day of ……………………..……. 2018.

Signature of shareholder: ______________________________

Signature of Proxy holder(s): ___________________________

Affix a
1 Rupee
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CORPORATE INFORMATION

Board of Directors

Shri Venkateswarlu Jasti	Chairman & CEO
Smt. Sudharani Jasti	Whole-time Director
Dr. M. R. Naidu	Director
Dr. K. V. Raghavan (upto 11th October, 2017)	Director
Shri D. G. Prasad	Director
Prof Seyed E. Hasnain	Director
Shri M Gopalakrishna, IAS (Retd.)	Director
Shri Santanu Mukherjee (w.e.f. 15th May, 2018)	Director

Chief Financial Officer

CMA P Subba Rao

Company Secretary

CS K Hanumantha Rao

Statutory Auditors

Tukaram & Co.,
Chartered Accountants
209 & 409, Venkataram Towers
Basheer Bagh, Hyderabad - 500 029

Secretarial Auditors

dvmgopal & associates
Company Secretaries
6/3/154-159, Flat No. 303, 3rd Floor,
Royal Majestic, Prem Nagar Colony
Hyderabad – 500 004

Internal Auditors

Vemulapalli & Co.,
Chartered Accountants
H. No. 14-1-90/435, Sai Dwarakamai
1st Floor, Gayatri Nagar Colony, Allapur
Borabanda, Hyderabad – 500 038

Registrars & Share Transfer Agents

Karvy Computershare Pvt. Ltd.
Karvy Selenium, Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032

Bankers

State Bank of India
Bank of Bahrain & Kuwait

Manufacturing Facilities

Unit – 1: Dasaigudem (V), Suryapet (M)
Suryapet Dist. Telangana – 508 213

Unit – 2: Plot No.18, Phase III, IDA
Jeedimetla, Hyderabad, Telangana – 500 055

Unit – 3: Plot No(s). 262- 264 & 269 – 271,
IDA, Pashamylaram,
Sanga Reddy Dist. Telangana – 502 307

Unit – 4: Plot No(s). 65 – 67,
JN Pharmacity, Parwada,
Visakhapatnam, Andhra Pradesh – 531 019

Research and Development Centre(s)

Research Centre – I

Plot No.18, Phase III,
IDA Jeedimetla,
Hyderabad, Telangana – 500 055

Research Centre – II
Bio-Pharmaceutical Lab

Plot No(s). 267- 268, IDA Pashamylaram,
Sanga Reddy Dist. Telangana – 502 307

Research Centre – III
Formulation Development Centre

Plot No(s). 265 to 268, IDA
Pashamylaram, Sanga Reddy Dist.
Telangana – 502 307

Registered Office:
8-2-334 | SDE Serene Chambers | 6th Floor | Road No.5 | Avenue 7
Banjara Hills | Hyderabad – 500 034 | Telangana | India | CIN: L24110TG1989PLC009713
Tel: +91 40 2354 1142/ 3311/ 3315 | Fax: +91 40 2354 1152
Email: info@suven.com | website: www.suven.com

SUVEN LIFE SCIENCES
LIMITED
CIN: L24110TG1989PLC009713
SDE SERENE CHAMBERS,
6th FLOOR, ROAD NO. 5,
AVENUE 7, BANJARA HILLS,
HYDERABAD - 500 034
Telangana