ANNUAL REPORT 2017-18

WANBURY

Towards Better Healthcare

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. K. Chandran	-	Vice Chairman & Whole-time Director
Mr. N. K. Puri	-	Non-Executive Independent Director
Mr. S. K. Bhattacharya	-	Non-Executive Independent Director
Mr. Divakar Kaza (upto 8th February, 2018)	-	Non-Executive Independent Director
Ms. Poonam Arya Bharti (w.e.f. 10th August, 2018)	-	Non-Executive Independent Woman Director

CHIEF FINANCIAL OFFICER

Mr. Vinod Verma

COMPANY SECRETARY

Mr. Jitendra J. Gandhi

REGISTERED & HEAD OFFICE

BSEL Tech Park
B-Wing, 10th Floor, Sector 30-A,
Opp. Vashi Railway Station,
Vashi, Navi Mumbai - 400 703, India.
Tel : +91-22-67942222
Fax : +91-22-67942111/333
CIN : L51900MH1988PLC048455
E-mail : shares@wanbury.com
Website: www.wanbury.com

PLANTS

Patalganga, Tarapur (Maharashtra) and
Tanuku (AP)

AUDITORS

M/s. V. Parekh & Associates
Chartered Accountants, Mumbai

BANKERS/FINANCIAL INSTITUTIONS

Bank of India
Andhra Bank
EXIM Bank
Axis Bank
IDBI Bank
Edelwiess Asset Reconstruction Co. Ltd.

REGISTRAR & SHARE TRANSFER AGENT

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises, Safed Pool,
Andheri - Kurla Road, Andheri (East),
Mumbai – 400 072, India.
Telephone No.: +91-22-28516338, 28528087
Fax No.: +91-22-28512885
E-mail: sharexindia@vsnl.com

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NOTICE

Notice is hereby given that the **Thirtieth (30th)** Annual General Meeting of the Members of Wanbury Limited will be held on **Thursday, 27th day of September, 2018 at 11:30 A.M. at Ebony Hall, Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703** to transact the following business, with or without modifications.

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a. the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 along with the Reports of Directors and Auditors thereon; and

   b. the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 along with the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. K. Chandran (DIN-00005868), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

3. To consider and, if thought fit, to pass with or without modification(s), the following resolutions as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT, pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof for the time being in force), M/s. V. Parekh & Associates, Chartered Accountants, (Firm Registration No. 107488W), Mumbai, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of 30th Annual General Meeting until the conclusion of the 31st Annual General Meeting held thereafter, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.**"**

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an **ORDINARY RESOLUTION:**

   To ratify the remuneration payable to M/s. D. C. Dave & Co., Cost Auditor, Mumbai, for conducting cost audit for the Financial Year 2018-19.

   "RESOLVED THAT, pursuant to Section 148 (3) of the Companies Act, 2013 and Rule 6(2) of the Companies (Cost Records and Audit Rules) 2014 (including any amendments thereto or any statutory modification(s) or re-enactment (s) thereof for the time being in force), the remuneration payable to Mr. Manish Shukla, (Membership No. 31768), of M/s. D. C. Dave & Co., Cost Auditor, Mumbai, who was appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2018-19, amounting to ₹1,75,000/- (Rupees One Lakh Seventy Five Thousand only) plus re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified.**"**

5. To consider and if thought fit, to pass, with or without modification (s), the following resolution as an **ORDINARY RESOLUTION:**

   To approve appointment of Ms. Poonam Arya Bharti (DIN-01165995) as Non-Executive Independent Woman Director:

   "RESOLVED THAT, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, ("the Act") and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Poonam Arya Bharti (DIN-01165995), who was appointed as an Additional Director in the capacity of Non-Executive Independent Woman Director of the Company by the Board of Directors with effect from 10th August, 2018 in terms of Section 161 of the Companies Act, 2013, and the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose Ms. Poonam Arya Bharti as a candidate for the office of Director of the Company be and is hereby appointed as Non-Executive Independent Woman Director of the Company for a term up to one year i.e. from 10th August, 2018 to 9th August, 2019 and the term shall not be subject to retirement by rotation and shall be eligible for re-appointment.**"**

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

   To consider the continuation of Directorship of Mr. N. K. Puri (DIN-00002226), Non-Executive Independent Director who has attained the age of Seventy-five (75) years.

   "RESOLVED THAT, pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 17 (IA) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018, consent of the Members of the Company be and is hereby accorded for continuation of holding of office of Non-Executive Independent Director by Mr. N. K. Puri (DIN-00002226) upon attaining the age of Seventy-five (75) years on 7th June, 2018 upto the expiry of his present term of office, on the existing terms duly approved through an Ordinary resolution passed in the 26th Annual General Meeting of the Company.

   FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.**"**

7. **To consider and if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:**

   To approve subsidiarisation by way of hiving off/transfer of Formulation Business into its wholly owned Subsidiary Company.

   "RESOLVED THAT, pursuant to provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of the Company and subject to such other requisite approvals, consents, permissions and sanctions as may be required, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'Board',) which term shall be deemed to include, unless the context otherwise requires, any Committee of the Board or any Director/s or officer/s authorised by the Board to exercise the powers conferred on the Board under this resolution to divest by way of sale, transfer, lease, assign or hiving off or otherwise transfer to strategic partner/investor / special purpose vehicle Company (SPV) or to any third party either the entire Formulation Business into a Separate Company which will be a wholly owned Subsidiary Company with other integrated facilities and immovable / movable properties, if any, attached thereto, with or without associated liabilities, in one or more tranches, at such price and on such terms and conditions as may be decided by the Board and in such manner as the Board deems appropriate as well as the means, methods or modes including the receipt of consideration thereof.

   FURTHER RESOLVED THAT, Mr. K. Chandran, Vice Chairman, and/or Mr. Vinod Verma, Chief Financial Officer and/or Mr. Jitendra J. Gandhi, Company Secretary of the Company be and are hereby severally authorised and to finalise and execute the required transactional documents including but not limited to Agreement(s) for sale, sale deed, lease, license, transfer, transitional services, indemnities, guarantees, declarations, undertakings, forms, letters and such other documents with such modification/s as may be required from time to time and to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary and/or expedient in their discretion, to settle any questions, difficulties, doubts that may arise in this regard, as they may in their absolute discretion deem fit and finalise all issues as may be deemed necessary or expedient in their own discretion and in the best interest of the Company to give effect to this resolution for completion of the transaction, without being required to seek any further consent or approval of the Shareholders and to delegate all or any of the powers or authorities herein conferred to any Director/s or other Officer/s of the Company, or to engage advisor/s, consultant/s, agent/s or intermediary as may be deemed necessary.

   FURTHER RESOLVED THAT, for the purpose of giving effect to this resolution, Mr. K. Chandran, Vice Chairman and/or Mr. Vinod Verma, Chief Financial Officer and/or Mr. Jitendra J. Gandhi, Company Secretary of the Company be and are hereby severally/jointly authorised to issue any clarifications, settle all questions, difficulties or doubts that may arise and take all others steps which may be incidental, consequential, relevant or ancillary and to effect any modification / alterations/changes etc. to the foregoing as may be necessary or deem fit in this regard.

   FURTHER RESOLVED THAT, all acts, deeds, matters and things, either verbal or written or otherwise, already done by the Company and / or any of its directors and / or officers and / or representatives for and in the name of the Company in this regard be and the same are hereby noted, ratified and approved."

Registered Office:
BSEL Tech Park, B - Wing,
10th Floor, Sector 30-A, Vashi,
Navi Mumbai – 400 703.
Tel.: 91 22 67942222
Fax: 91 22 67942111/333
Email: shares@wanbury.com
Website: www.wanbury.com
CIN: L51900MH1988PLC048455

Mumbai, 10th August, 2018

By Order of the Board of Directors
For Wanbury Limited

Jitendra J. Gandhi
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE ON POLL; INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE Company NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of Corporate Members must be supported by an appropriate Board Resolution /authority as applicable authorizing their representative to attend and vote on their behalf at the meeting.

3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business as per Item Nos. 4 to 7 herein above, is annexed hereto and forms part of this Notice. The profile of the Directors seeking reappointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.

4. The Register of Members and Share Transfer Books of the Company will remain closed from, **Friday, 21st September, 2018 to Thursday, 27th September, 2018** (both days inclusive) for the purpose of Annual General Meeting.

5. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

6. The Members are requested to notify immediately changes, if any, in their registered address: (i) to the Company's **Registrar & Share Transfer Agent, M/s. Sharex Dynamic (India) Pvt. Ltd., Unit – 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072** in respect of the Shares held in Physical Form and (ii) to their Depository Participants (DPs) in respect of Shares held in Dematerialized Form.

7. Members who hold Shares in Dematerialized Form are requested to write their Client ID and DP ID numbers and those who hold shares in Physical Form are requested to write their Registered Folio Number in the Attendance Slip for easy identification at the meeting and number of shares held by them.

8. Shareholders desiring any information as regards to the Accounts of the Company are requested to write to the Company at least seven days in advance of the Annual General Meeting; so that the information to the extent practicable can be made available at the Annual General Meeting.

9. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the meeting hall.

10. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

11. Pursuant to Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend for the Financial Year 2009-2010 to Investor Education and Protection Fund ("the IEPF") established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company on the website of the Company at www.wanbury.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

12. a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, transferred to the IEPF Authority, 3,38,865 shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years. Details of shares transferred to the IEPF Authority are available on the website of the Company. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

    b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the web link: http://iepf.gov.in/IEPFA/refund.html or contact to M/s. Sharex Dynamics (India) Pvt. Ltd for lodging claim for refund of shares and / or dividend from the IEPF Authority.

13. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

14. Members holding shares in physical mode:

    a) are required to submit their Permanent Account Number (PAN) and Bank account details in letter enclosed to the Company / M/s. Sharex Dynamics (India) Pvt. Ltd, if not registered with the Company as mandated by SEBI.

    b) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is put on the Company's website at www.wanbury.com.

c) are requested to register / update their e-mail address with the Company / M/s. Sharex Dynamics (India) Pvt. Ltd for receiving all communications from the Company electronically.

15. Members holding shares in electronic mode:

a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.

b) are advised to contact their respective DPs for registering the nomination.

c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

16. Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations all the business as per **Item Nos. 1 to 7** herein above, is required to be transacted by electronics means.

17. The Board of Directors of the Company has appointed Ms. Kala Agarwal, Practicing Company Secretary as Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.

18. Process and manner for Members opting for remote e - Voting is as under:

(i) The remote voting period begins on **Monday, 24th September, 2018 at 09:00 A.M. and ends on Wednesday, 26th September, 2018 at 05:00 P.M.** During this period Shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Thursday, 20th September, 2018 (Record Date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(ii) The Shareholders should log on to the e-voting website www.evotingindia.com

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Registered Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Dematerialised Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both dematerialised shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the Member ID/Regd. Flio Number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the **EVSN** for **Wanbury Limited.**

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take print out of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

19. The persons who have acquired shares and become members of the Company after dispatch of the notice of Annual General Meeting, may obtain User ID and Password for Remote e-voting by sending request to the Company / Sharex Dynamics (India) Pvt. Ltd. either by way of a letter or by sending email to shares@wanbury.com / sharexindia@vsnl.com

20. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the Annual General Meeting and the Members attending the Annual General Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting.

21. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

22. A Member's voting rights shall be in proportion to her share of the paid-up equity share capital of the Company as on Thursday, **20th September, 2018 ('cut-off date').** A person whose name is recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the depositories as on the **'cut-off date only'** shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting.

23. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the Annual General Meeting, 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 and declare the result of the voting.

24. Members are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically with respective Depository Participant (if holding shares in electronic form) or the Company / Sharex Dynamic (India) Pvt. Ltd. (if holding shares in physical form). The requests to the Company / Sharex Dynamic (India) Pvt. Ltd. can either be sent by way of a letter or by sending e-mail to shares@wanbury.com / sharexindia@vsnl.com

25. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (from 10:00 A.M. to 05:00 P.M.) on all business working days except Sundays, upto and including the date of the Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

ITEM NO 4: RATIFICATION OF THE REMUNERATION PAYABLE TO M/s. D. C. DAVE & CO., COST AUDITOR, MUMBAI, FOR CONDUCTING COST AUDIT FOR THE FINANCIAL YEAR 2018-19.

The Company is required to have the audit of its cost records conducted by a cost accountant in practice under Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2019.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of remuneration payable to the Cost Auditor for the Financial Year ending 31st March, 2019.

None of the Directors and/or Key Managerial Personnel or their relative(s) is /are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends passing of the Ordinary Resolution as set out in Item No. 4 of the accompanying notice for approval of the Shareholders.

ITEM NO. 5: APPOINTMENT OF MS. POONAM ARYA BHARTI (DIN-01165995) AS NON-EXECUTIVE INDEPENDENT WOMAN DIRECTOR.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Poonam Arya Bharti (DIN-01165995) as an Additional Director on the Board of the Company under Section 161 of the Companies Act, 2013 with effect from 10th August, 2018.

Pursuant to the provision of Section 161 of the Companies Act, 2013, being an Additional Director, Ms. Poonam Arya Bharti will hold office up to the date of the ensuing Annual General Meeting and is eligible to be appointed as an Independent Director of the Company. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the candidature of Ms. Poonam Arya Bharti for the office of Independent Director of the Company.

Ms. Poonam Arya Bharti is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director.

Section 149 of the Companies Act, 2013 inter alia stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. Based on the declarations received from Ms. Poonam Arya Bharti in terms of Section 149(7) of the Companies Act, 2013, the Board is of the opinion that she meets with the criteria of independence and possesses appropriate skills, experience and knowledge. A copy of the draft letter for the appointment of Ms. Poonam Arya Bharti as an Independent Director setting out the terms and conditions is available for inspection without any fee by the Members at the Company's Registered Office on all working days (except Saturday) between 11:00 A.M. to 01:00 P.M. upto the date of Annual General Meeting.

Keeping in view her vast expertise and knowledge in Human Resource Function, it will be in the interest of the Company that Ms. Poonam Arya Bharti is appointed as Non-Executive Independent Woman Director.

None of the Directors, Key Managerial Personnel and/or their relatives, except Ms. Poonam Arya Bharti, to whom the resolution relates, is interested or concerned in the aforesaid resolution.

This Statement may also be regarded as a disclosure under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The aforesaid resolution as set out in Item No. 5 of accompanying notice seeks approval by the Members as an Ordinary Resolution for the appointment of Ms. Poonam Arya Bharti as an Independent Director of the Company for a term upto one year pursuant to Section 149 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

ITEM NO. 6: CONTINUATION OF DIRECTORSHIP OF MR. N. K. PURI (DIN-00002226) AS NON-EXECUTIVE INDEPENDENT DIRECTOR WHO HAS ATTAINED THE AGE OF SEVENTY-FIVE (75) YEARS.

The Members of the Company at the 26th Annual General Meeting held on 23rd March, 2015 approved the appointment of Mr. N. K. Puri (DIN-00002226) as a Non-Executive Independent Director for a period of five years through an ordinary resolution under the relevant provision of the Companies Act, 2013.

In view of the latest amendment latest amendment in the Regulation 17 (IA) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 notified on 9th May, 2018, in case the Non-Executive Directors/ Independent Directors of listed entities who have already attained the age of Seventy-five years or will be attaining the age before 1st April, 2019, such listed entities will have to seek approval for the continuation of Directorship of the such Director from shareholders by special resolution in the current Financial Year itself.

The Board therefore recommends the Special Resolutions for your approval.

Except Mr. N. K. Puri (the appointee), none of the Directors and/or Key Managerial Personnel or their relative(s) is /are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends passing of the Special Resolution as set out in Item No. 6 of the accompanying notice for approval of the Shareholders.

ITEM NO. 7: APPROVAL FOR SUBSIDIARISATION BY WAY OF HIVING OFF/ TRANSFER OF FORMULATION BUSINESS INTO ITS WHOLLY OWNED SUBSIDIARY COMPANY.

The Company's business, by its nature, is dynamic and competitive, which may necessitate changes in the business plan and/or investment holdings of the Company to address the business requirements, competitive threats, including those that may not be currently envisaged. These changes, if any, in the business plan and/or funding plans shall be made keeping in mind the interests of the Company and it's investors. Also, the Company may be required to divest part of its ownership in certain subsidiaries to generate necessary cash flows to deliver the Business or support additional investment obligations.

The Board of Directors of the Company at their meetings held on 10th August, 2018 proposed to hive-off the Company's Formulation Business into a separate Company which will be a wholly owned Subsidiary Company. The products are sold under the well-known brand name C-Pink, Coriminic, Adtrol etc.

The Formulation Business aspires to build on its brand strength through better products, technology upgradation and process improvements to continue its market leadership. To this intent, the Board at its meetings held on 10th August, 2018, approved in principle, subject to Shareholder and other regulatory approvals, to transfer the Formulation Business including brands, intellectual property rights into a separate Company which will be a wholly owned Subsidiary Company to facilitate, inter alia, the invitation to a strategic partner. The Management is currently in discussion with interested players for this purpose.

The divestment will enable the Company to reduce/repay debt, focus its synergies on the existing generation capacity of the Company and bring into generation the units under construction there by enabling the Company to be a dominant player in the emerging Indian Pharma generation business and embark on the significant growth opportunities it offers in future. Besides, the divestment is expected to improve the Company's Balance Sheet and enhance value of shareholder's stake.

The hiving off/ transfer of the Formulation Business including brands, intellectual property rights after completion of necessary formalities would be at a consideration to be determined by the Board of Directors being not lower than the net book value of the assets of the Business on the date of hiving off /transfer i.e.27th September, 2018. The effective date of hiving off/ transfer of the Formulation Business will be as may be decided by the Board.

The services of concerned employees including the workmen engaged in the Formulation Business would also be transferred with continuity of service and terms and conditions of service not less favourable than existing on the date of transfer.

The Board of Directors considers that it would be in the best interest of the Company, its Shareholders and its concerned employees and trade associates to hiving off/ transfer the said Formulation Business as referred to in the draft Special Resolution into a separate Company which will be a wholly owned Subsidiary Company.

In terms of Section 180 (1) (a) of the Companies Act, 2013 and Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shareholders' approval by passing a special resolution is required to give effect to this hiving off/sale of its Formulation Business.

Accordingly, in terms of the Companies Act, 2013, the approval of the Shareholders is being sought by passing a Special Resolution as set out in the Notice.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution except to the extent of their shareholding in the Company. Your Directors recommend the adoption of the resolution at Item No. 7 of the Notice as a Special Resolution.

In view of the aforesaid provisions, you are requested to grant your consent to the Special Resolution as set out at item No. 7 of the accompanying Notice.

Registered Office:
BSEL Tech Park, B - Wing,
10th Floor, Sector 30-A, Vashi,
Navi Mumbai – 400 703.
Tel.: 91 22 67942222
Fax: 91 22 67942111/333
Email: shares@wanbury.com
Website: www.wanbury.com
CIN: L51900MH1988PLC048455

Mumbai, 10th August, 2018

By Order of the Board of Directors
For Wanbury Limited

Jitendra J. Gandhi
Company Secretary

ANNEXURE TO NOTICE

INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS

Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 with Stock Exchanges is annexed hereto:

ITEM NO. 3

Name of the Director	**Mr. K. Chandran**
Date of Birth	**1st January, 1958**
DIN	**00005868**
Qualification	**Graduate**
Expertise in Specific Area	**Pharmaceutical Industry** **Mr. K. Chandran has rich experience and knowledge of pharmaceutical industry and has contributed substantially to the growth of the Company.** **Mr. K. Chandran fulfills the eligibility criteria set out under part I of Schedule V to the Companies Act, 2013.**
Date of First Appointment on the Board of the Company	**23rd January, 2001**
No. of Shares held in the Company	**Nil**
Relationship with other Directors and Key Managerial Personnel	**N.A.**
No. of Board meetings attended during FY 2017-18	**Five (5)**
Name of the other public limited companies in which Directorship held:	**(1) Cantabria Pharma S.L., Spain** **(2) Wanbury Holdings B.V., Netherlands** **(3) Wanbury Global FZE, UAE** **(4) Ningxia Wanbury Fine Chemicals Co. Ltd., China**
Membership of committees (M- Member) (C- Chairman)	**Wanbury Limited** **Audit Committee (M)** **Stakeholders Relationship Committee (M)** **Nomination and Remuneration Committee (M)** **Risk Management Committee (M)**
Terms and conditions of appointment	**Whole-Time Director, liable to retire by rotation.**

ITEM NO. 5:

Name of the Director	**Ms. Poonam Arya Bharti**
Date of Birth	**26th November, 1970**
DIN	**01165995**
Qualification	**B. Sc, Master in Personnel Management**
Expertise in Specific Area	**Pharmaceutical Industry** **Over 21 plus years of managing Strategic and Operations aspects of Human Resources function. Have led HR teams in Pharmaceuticals, Chemical Specialty and IT Services Company.**
Date of First Appointment on the Board of the Company	**30th May, 2017**
No. of Shares held in the Company	**Nil**
Relationship with other Directors and Key Managerial Personnel	**N.A.**
No. of Board meetings attended during FY 2017-18	**Five (5)**
Name of the other public limited companies in which Directorship held:	**Nil**
Membership of committees (M- Member) (C- Chairman)	**Wanbury Limited** **Audit Committee (M)** **Stakeholders Relationship Committee (M)** **Nomination and Remuneration Committee (M)** **Risk Management Committee (M)**
Terms and conditions of appointment	**Independent Director**

ITEM NO. 6:

Name of the Director	**Mr. N. K. Puri**
Date of Birth	**7th June, 1943**
DIN	**00002226**
Qualification	**M. Sc. (Physics)**
Expertise in Specific Area	**Banking**
Date of First Appointment on the Board of the Company	**9th March, 2005**
No. of Shares held in the Company	**Nil**
Relationship with other Directors and Key Managerial Personnel	**N.A.**
No. of Board meetings attended during FY 2017-18	**Five (5)**
Name of the other public limited companies in which Directorship held:	**Nil**
Membership of committees (M- Member) (C- Chairman)	**Wanbury Limited** **Audit Committee (C)** **Stakeholders Relationship Committee (M)** **Nomination and Remuneration Committee (C)** **Risk Management Committee (C)**
Terms and conditions of appointment	**Independent Director**

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting herewith the 30th Annual Report of the business and operations alongwith Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS (STANDALONE):

The summarised financial highlights for the year under review are as under:

(₹ in Lakhs)

PARTICULARS	2017-18	2016-17
Total Revenue from operations	37,417.23	44,363.45
Other Income	7,613.85	8,969.46
Total Income	45,031.08	53,332.91
Total Expenses	48,267.57	47,092.91
Profit /(Loss) Before Tax	(3,236.49)	6,240.00
Less: Tax	(37.76)	38.33
Net Profit / (Loss) after tax	**(3,198.73)**	**6,201.66**

** The Company has transitioned the basis of accounting from Indian Generally Accepted Accounting Principles ("IGAAP") to (Indian Accounting Standards)Ind AS with effect from 1st April, 2017. Hence, numbers are not strictly comparable. Please refer note no. 67 on page no. 101.*

CONSOLIDATED ACCOUNTS:

The Consolidated Financial Statements of your Company for the Financial Year 2017–18 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with Ind AS 110 -'Consolidated Financial Statements'. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of your Company, its subsidiaries and associate companies, as approved by the respective Board of Director.

OPERATIONAL REVIEW/AFFAIRS OF THE COMPANY & FUTURE OUTLOOK:

The Financial Highlights are as under:

The Total Income for the Financial Year under review was ₹ 45,031.08 Lakhs as against ₹ 53,332.91 Lakhs in the previous year. The Total Expenses incurred in the current Financial Year was ₹ 48,267.57 Lakhs as against ₹ 47,092.91 Lakhs in the previous year. Exceptional items during the year under review were Nil as against Nil in the previous year.

The Loss after tax for the Financial Year under review was (₹ 3,198.73 Lakhs) as against a Profit after tax of ₹ 6,201.66 Lakhs for the previous Financial Year.

SHARE CAPITAL:

As part of Restructuring of Debt, State Bank of India (SBI) has assigned its loan to M/s. Edelweiss Asset Reconstruction Company Ltd. ("EARC") as a Trustee of EARC Trust SC 145 and as per the mutually agreed terms between the Company & Edelweiss, the Company has allotted 5,00,000 Zero % Compulsorily Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 10 Crore convertible into equal number of equity share within a period of 18 months from the date of allotment at a conversion price of ₹ 200/- per equity share (Face Value of ₹ 10/- and Premium of ₹ 190/-) to M/s. Edelweiss Asset Reconstruction Company Ltd. ("EARC") as a Trustee of EARC Trust SC 145 on a preferential basis.

During the year under review, the Company has allotted 5,00,000 Equity Shares on 6th March, 2018 pursuant to the conversion of the CCDs at a price of ₹ 200/- (Face Value ₹ 10/- and Premium ₹ 190/-) per Equity Share to M/s. Edelweiss Asset Reconstruction Company Ltd. ("EARC") as a Trustee of EARC Trust SC 145.

After this allotment, the paid up capital of the Company has increased from ₹ 23,22,01,170/- to ₹ 23,72,01,170/- .

MANAGEMENT'S DISCUSSION AND ANALYSIS:

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirments) Regulations, 2015 a separate section on Management Discussion and Analysis (MDA), which also includes further details on the state of affairs of the Company, forms part of this Annual Report.

DIVIDEND:

As the networth of the Company is in the negative, the Board of Directors of the Company has not recommended any dividend for the Financial Year 2017-2018.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92 of the Companies Act, 2013, extract of Annual Return of the Company in **Form MGT-9** is annexed here with as **Annexure – I** to this Report.

DEPOSITS:

The Company has not accepted any deposits during the year under review. Further, there are no deposits which remained unpaid / unclaimed at the beginning or at the end of the year under review.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company consists of the following:

Sr. No.	Name of Directors	Category
1.	Mr. K. Chandran	Promoter and Executive Director
2.	Mr. N. K. Puri	Non-Executive Independent Director
3.	Mr. S.K. Bhattacharyya	Non-Executive Independent Director
4.	Mr. Divakar Kaza	Non-Executive Independent Director (up to 08.02.2018)
5.	Ms. Poonam Arya Bharti $	Non-Executive Independent Woman Director

$ The term of Ms. Poonam Arya Bharti has completed on 29th May, 2018. However, the Board of Directors at their meeting held on 10th August, 2018 has re-appointed Ms. Poonam Arya Bharti as an Additional Director (Non-Executive Independent Woman Director).

The Board, at its meeting held on 30th May, 2017 has appointed Mr. Divakar Kaza as Non-Executive Independent Director and Ms. Poonam Arya Bharti as Non-Executive Independent Woman Director for a term of one year.

The Board has re-appointed Ms. Poonam Arya Bharti (DIN-01165995), as an Additional Director in the capacity of Non-Executive Independent Woman Director of the Company at its meeting held on 10th August, 2018, subject to approval of the Shareholders, who will hold office till the conclusion of ensuing Annual General Meeting and is eligible for re-appointment.

Mr. N. K. Puri, Mr. S. K. Bhattacharyya and Ms. Poonam Arya Bharti are Independent Directors who are not liable to retire by rotation.

The terms and conditions of appointment of the Independent Directors and details of the familiarization programs formulated to educate the Directors regarding their roles, rights and responsibilities in the Company and the nature of the industry in which the Company operates, the business model of the Company, etc. are placed on the website of the Company < http://www.wanbury.com/>.

In accordance with the provisions of Section 152 (6) of the Act and the Articles of Association of the Company, Mr. K. Chandran, Executive Director, who has been longest in the office, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The notice convening the AGM includes the proposal for appointment /re–appointment of Directors.

Mr. Prashant Menon, Formulation-Director (Sales and Marketing) appointed w.e.f. 11th May, 2017.

Dr. Shireesh Ambhaikar, President-Operations, API Business appointed w.e.f. 28th September, 2017.

Other than this, no Director or Key Managerial Personnel was appointed or has resigned during the year under review.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

Five (5) Board Meetings were held during the Financial Year 2017-18. These meetings were held on 30th May 2017, 11th September 2017, 29th September 2017, 7th December 2017 and 8th February, 2018.

DECLARATION BY INDEPENDENT DIRECTORS:

Independent Directors have given declaration that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 read with the Schedules and Rules made thereunder as well as Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirments) Regulations, 2015.

ANNUAL PERFORMANCE EVALUATION:

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

The Company follows the best practices prevalent in the industry with respect to evaluation of Board Members.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at www.wanbury.com.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

The Company has not given any loans, guarantee and made any investments pursuant to the provisions of Section 186 of Companies Act, 2013 during the year under review.

DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

Your Company has four foreign subsidiaries viz. Wanbury Holdings B. V. (Netherland), Wanbury Global FZE (UAE), Ningxia Wanbury Fine Chemicals Co. Ltd. (China) and Cantabria Pharma S. L. (Spain).

The accounts of Cantabria Pharma S. L. is not available due to the companies being into liquidation.

The salient features of the financial statements of the subsidiaries in pursuance of Section 129 (3) of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 are given in prescribed **Form AOC-1** attached as **Annexure - II** to this report.

The Company is not having any Holding Company or Joint Venture or any Associate Company.

The details in specified format on the performance and financial position of other subsidiary companies are attached as **Annexure - II** to this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Pursuant to the provisions of Section 188 of Companies Act, 2013, all contracts / arrangements / transactions entered into by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The transactions entered into with M/s. Wanbury Infotech Private Limited, related party are in the normal course of business and on at arm's length basis. The Policy on materiality of Related Party Transactions and dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at www.wanbury.com.

The details, in specified format in **Form AOC-2**, of the transactions with the related parties are given in the **Annexure - III** forming part of this report.

AUDITORS' AND AUDITORS REPORT:

STATUTORY AUDITORS:

M/s. V. Parekh & Associates, Chartered Accountants (Firm Registration No. 107488W), Mumbai was appointed as Statutory Auditors of the Company by the Members vide resolution dated 7th July, 2018 passed through Postal Ballot to fill the casual vacancy in the office of Statutory Auditors arouse due to the resignation of M/s. Jayantilal Thakkar & Co., Chartered Accountants, (Firm Registration No. 104133W), Mumbai, until the conclusion of the ensuing Annual General Meeting.

The Board place on records its sincere appreciation for the valuable services rendered by M/s. Jayantilal Thakkar & Co., Chartered Accountants, (Firm Registration No. 104133W), Mumbai during its association with the Company.

The re-appointment of Statutory Auditors for a term of 1 (one) year from the conclusion of 30th (this) Annual General Meeting till the conclusion of 31st Annual General Meeting was recommended by the Audit Committee and the Board of Directors respectively in their meeting held on 10th August, 2018 subject to the approval of the Members in the ensuing Annual General Meeting to be held on Thursday, 27th September, 2018. The Company has received a certificate from the auditors to the effect that their re-appointment if made, would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Notes on Financial Statements referred to in the Auditors Reports are self–explanatory and do not call for any comments and explanation.

The observations made in the Standalone Auditor's Report read together with relevant notes thereon are self explanatory and explained in notes to accounts and hence do not call for any further comments under the Companies Act, 2013. Auditors' Report to the Shareholders for the year under review does not contain any qualification, reservation or adverse remark or disclaimer.

COST AUDITOR:

Your Directors have appointed M/s. Hemant Shah & Associates, Cost Accountant as the Cost Auditor for the Financial Year 2017-18. M/s. Hemant Shah & Associates will submit the Cost Audit Report alongwith necessary annexure to the Central Government (Ministry of Corporate Affairs) in the prescribed form within specified time and at the same time forward a copy of such report to your Company.

The Cost Audit Report for the Financial Year ended 31st March, 2017 which was due for filing on 30th September, 2017 was filed with the Central Government (Ministry of Corporate Affairs) on 10th October, 2017.

The Board of Directors at its meeting held on 10th August, 2018 has appointed M/s. D. C. Dave & Co., Cost Accountant, Mumbai as Cost Auditor of the Company for the Financial Year 2018-19 in place of M/s. Hemant Shah & Associates, Cost Accountant. As required by Section 148 of the Act, necessary resolution has been included in the Notice convening the 30th Annual General Meeting, seeking approval by Members for the appointment & remuneration proposed to be paid to M/s. D. C. Dave & Co., Cost Accountant, Mumbai as Cost Auditor of the Company for the Financial Year 2018-19.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has in place adequate internal financial control systems, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the operations was observed. The Company has appropriate policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence of the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

M/s. BDO India LLP, Mumbai, Internal Auditors of the Company monitor and evaluate the efficacy and adequacy of internal control systems in the Company. Based on the report of the Internal Auditors, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Your Company has a robust financial closure self–certification mechanism wherein the line managers certify adherence to various accounting policies, accounting hygiene and accuracy of provisions and other estimates.

SECRETARIAL AUDIT REPORT:

Pursuant to Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed Ms. Kala Agarwal, Practicing Company Secretary [FCS No.: 5976 and COP No.: 5356] to conduct the Secretarial Audit of the Company for the Financial Year ended on 31st March, 2018 (i.e. from 1st April, 2017 to 31st March, 2018). The Secretarial Audit Report in **Form MR-3** is annexed as **Annexure - IV** to this report.

The observations made in the Secretarial Audit Report are as under:

i. *The Company has delayed in registering modification of charge and thus filed petition before the Regional Director under Section 87 of the Companies Act, 2013 for Condonation of delay in registering modification of charge.*

ii. *Only 76.79% of the Shareholding of Promoter & Promoter Group is in dematerialised form. However, as per SEBI circular No. SEBI/Cir/ISD/05/2011 & Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100 % Shareholding of Promoter & Promoter Group has to be in dematerialised form.*

iii. *The Company has filed an Application with Central Government in Form MR-2 for seeking approval for payment of excess remuneration to Whole-time Director for the year ended 31st March, 2016. The Company has yet not made application for the Financial year 2016-17 & 2017-18.*

iv. *The Company has received the penalty notice from the BSE Limited for Non-Compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. for delay in conducting the Board Meeting for the second quarter ended on 30th September, 2016 for the Financial Year 2016-17 on 7th June, 2017 as per SEBI Circular No. CIR/CFD/CMD/12/2015 dated 30th November, 2015.*

Management Response to the aforesaid observations verbatim are as under:

1. *Due to inadvertence and other reasons, there was delay in registering modification of charge and thus filed petition before the Regional Director under Section 87 of the Companies Act, 2013 for Condonation of delay in registering modification of charge and the approval of the same is in process.*

2. *The share certificate aggregating 30,24,000 Equity Shares held by M/s. Kingsbury Investment INC. (Promoter Group Company) of Wanbury Limited. These shares held by them are in physical mode. The Company is undertaking necessary steps to dematerialized these shares.*

3. *The Company had paid excess remuneration to Mr. K. Chandran, Whole-time Director of the Company beyond the prescribed limits under Section 197 read with Schedule V of the Companies Act, 2013. The Company has received some queries from Central Government and resubmitted Form MR-2 for seeking Central Government's approval for payment of excess remuneration for the Financial Year ended 31st March, 2016 exceeding the limits provided in Schedule V and the approval from Central Government is awaited. After getting the approval, the Company will make the application for the Financial Year 2016-17 & 2017-18 in due course of time.*

4. *The Company has paid the Penalty to the BSE Limited for Non-Compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. for delay in conducting the Board Meeting for the second quarter ended 30th September, 2016 for the Financial Year 2016-17 as per SEBI Circular No. CIR/CFD/CMD/12/2015 dated 30th November, 2015.*

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Provisions of Section 135 of the Companies Act 2013 related with Corporate Social Responsibility are not applicable to the Company. Therefore, the Company has not constituted Corporate Social Responsibility Committee.

AUDIT COMMITTEE:

Your Company's Audit Committee has been constituted in accordance with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

During the year under review, four Meetings of the Audit Committee were held on 30th May 2017, 11th September 2017, 7th December 2017 & 8th February 2018 along with the Board Meetings.

Following are the Members of the Audit Committee:

Sr. No.	Name of Directors	Designation	Category
1	Mr. N. K. Puri	Chairman	I & NED
2	Mr. S. K. Bhattacharyya	Member	I & NED
3	Mr. Divakar Kaza	Member (upto 08.02.2018)	I & NED
4	Ms. Poonam Arya Bharti	Member	I & NED
5	Mr. K. Chandran	Member	P & WTD

The Broad terms and conditions are already given in Corporate Governance Report.

The Members are requested to refer to the same.

NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Policy inter alia containing appointment criteria, qualifications, positive attributes, independence of Directors, removal, retirement and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

Following are the Members of the Nomination and Remuneration Committee:

Sr. No.	Name of Directors	Designation	Category
1	Ms. Poonam Arya Bharti	Chairperson	I & NED
2	Mr. S. K. Bhattacharyya	Member	I & NED
3	Mr. N. K. Puri	Member	I & NED
4	Mr. Divakar Kaza	Member (upto 08.02.2018)	I & NED

Nomination and Remuneration Policy is available on the website of the Company at www.wanbury.com

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company Stakeholder Relationship Committee has been constituted in accordance with the Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to specifically look in to the mechanism of Redressal of grievances of Shareholders.

Following are the Members of the Stakeholder Relationship Committee:

Sr. No.	Name of Directors	Designation	Category
1	Mr. S. K. Bhattacharya	Chairman	I & NED
2	Mr. N. K. Puri	Member	I & NED
3	Mr. Divakar Kaza	Member (upto 08.02.2018)	I & NED
4	Ms. Poonam Arya Bharti	Member	I & NED
5	Mr. K. Chandran	Member	P & WTD

RISK MANAGEMENT COMMITTEE:

The Board of Directors of the Company has constituted Risk Management Committee to consider the potential risks of the business of the Company and to plan for the mitigation of the same.

Following are the members of the Risk Management Committee:

Sr. No.	Name of Directors	Designation	Category
1	Mr. N. K. Puri	Chairman	I & NED
2	Mr. S. K. Bhattacharya	Member	I & NED
3	Mr. Divakar Kaza	Member (upto 08.02.2018)	I & NED
4	Ms. Poonam Arya Bharti	Member	I & NED
5	Mr. K. Chandran	Member	P & WTD

CORPORATE GOVERNANCE:

In compliance with Regulation 34 (3) read with Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance forms part of this Annual Report. The Auditors' certificate certifying compliance with the conditions of Corporate Governance as prescribed under Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Corporate Governance Report.

PARTICULARS OF EMPLOYEES:

Disclosure pertaining to the remuneration and other details as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **Annexure-V** and forms part of this Report.

Information pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten names and other particulars of employees also form part of this report. However, this information is not sent along with this report pursuant to the proviso to Section 136(1) of the Act. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary/Compliance Officer at the registered office address of the Company and the same will be furnished on request.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company, pursuant to Section 177 of the Companies Act, 2013 read along with the rules made thereunder and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have established vigil mechanism for Director and Employees to report concern about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct or ethics policy. The Whistle Blower Policy is posted on the website of the Company at www.wanbury.com.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18:

No. of complaints received : **Nil**

No. of complaints disposed off : **Nil**

EMPLOYEE STOCK OPTION SCHEME:

The Company has instituted Employee Stock Option Scheme 2016 ("Wanbury ESOP 2016") which was approved by the Shareholders vide their resolution dated 29th September, 2016 to reward eligible employees. The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Plan of the Company. Pursuant to the said scheme and on the recommendation of the Nomination and Remuneration Committee, the Board has granted 3,00,000 options to employees during the year under review.

The information required to be disclosed in terms of the provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 is enclosed as **Annexure-VI** this report.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meeting' respectively, have been duly followed by the Company.

UNPAID/UNCLAIMED DIVIDEND & SHARES

Pursuant to the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of the seven years. Further, according to the Rules, the shares on which the dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividend of ₹ 4,14,937/- for the Financial Year 2009-10.

Further, 3,38,865 corresponding shares were transferred as per the requirement of the IEPF Rules. The details are available on the website, at www.wanbury.com/PaidUnpaidDividends.

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

As required by the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo is given as **Annexure-VII** forming part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

i) in the preparation of the annual accounts for the Financial Year ended on 31st March, 2018 the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) the accounting policies had been selected and applied consistently and made judgments and estimates 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 ended on 31st March, 2018 and of the profit and loss of the Company for that year;

iii) proper and sufficient care had 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 annual accounts had been prepared on a going concern basis;

v) internal financial controls, to be followed by the Company, have been laid down and these controls are adequate and were operating effectively; and

vi) the Company has devised proper systems which are in place to ensure compliance with the provisions of all applicable laws which are considered adequate and are operating effectively.

ACKNOWLEDGEMENTS:

Your Company and its Directors wish to extend their sincere thanks to the Bankers, Central & State Government, Customers, Suppliers, Stakeholders and Staff for their continuous co-operation and guidance and also looking forward for the same in future.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	**Director**
Mumbai, 10th August, 2018	**DIN: 00005868**	**DIN: 00002226**

ANNEXURE - I

FORM MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2018

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

I. REGISTRATION DETAILS:

1.	**CIN**	L51900MH1988PLC048455
2.	**Registration Date**	11.08.1988
3.	**Name of the Company**	Wanbury Limited
4.	**Category / Sub-Category of the Company**	Public Limited Company
5.	**Address of the Registered office and contact details**	BSEL Techpark, B - Wing, 10th Floor, Sector-30A, Opp. Vashi Railway Station, Vashi, Navi Mumbai - 400 703, Maharashtra, India.
6.	**Whether listed Company Yes / No**	Yes
7.	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	M/s. Sharex Dynamic (India) Pvt. Ltd Unit 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072, Maharashtra.

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:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacturing of API & Marketing of branded Formulations	21001 & 21002	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	NIC Code of the Product/ service	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share held	Applicable section
1.	Wanbury Holding B.V. 1015DE, Amsterdam, Netherlands.	-	N.A.	Subsidiary	100	2(87)
2.	Wanbury Global FZE (UAE) P.O. Box No. 10559, RAK Free Trade Zone, Ras AL Khaimah, United Arab Emirates.	-	N.A.	Subsidiary	100	2(87)
3.	Ningxia Wanbury Fine Chemicals Co. Ltd. (China) Room No. 5-2, building no. 2, Pingxi Road, Chengguan, District - Pingluo Ningxia, China – 753 401.	-	N.A.	Subsidiary	100	2(87)
4.	Cantabria Pharma S. L. (Spain)* C/ Lanzarote 13, 2ºC, San Sebastián de los Reyes, 28703 - Madrid – Spain	-	N.A.	Subsidiary	100	2(87)

* Cantabria Pharma S. L. (Spain) is wholly owned subsidiary of Wanbury Holdings B. V. Netherlands.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i. Category wise Share Holding:

Category of Shareholder	No. of Shares held at the end of the year, 31st March, 2017				No. of Shares held at the end of the year, 31st March, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	10005561	0	10005561	43.09	10005561	0	10005561	42.18	0.91
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**10005561**	**0**	**10005561**	**43.09**	**10005561**	**0**	**10005561**	**42.18**	**0.91**
(2) Foreign									
a) Individuals NRIs/ For India	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	0	3024000	3024000	13.02	0	3024000	3024000	12.75	0.27
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**0**	**3024000**	**3024000**	**13.02**	**0**	**3024000**	**3024000**	**12.75**	**0.27**
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	**10005561**	**3024000**	**13029561**	**56.11**	**10005561**	**3024000**	**13029561**	**54.93**	**1.18**
(B) 1. Public Shareholding									
1. Institutions									
a) Mutual Funds	66	49	115	0.00	66	49	115	0.00	0.00
b) Banks / FI	2951	521	3472	0.02	2951	521	3472	0.02	0.00
c) Central Govt	1	0	1	0.00	1	0	1	0.00	0.00
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	560513	0	560513	2.41	532399	0	532399	2.24	0.17
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**563531**	**570**	**564101**	**2.43**	**535417**	**570**	**535987**	**2.26**	**0.17**
2. Non-Institutions									
a) BODIES CORP.									
i) Indian	1022743	4746	1027489	4.42	1524845	4746	1529591	6.45	2.03
ii) Overseas	-	-	-	-	-	-	-	-	-
b) INDIVIDUALS									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4820831	453660	5274491	22.71	4929856	450184	5380040	22.68	0.03
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2346635	0	2346635	10.11	2265823	0	2265823	9.55	0.56
c) OTHERS (SPECIFY)									
a) Non Resident Indians	624388	17070	641458	2.76	813638	17029	830667	3.50	0.74
b) Overseas Corporate Bodies	0	94680	94680	0.41	0	94680	94680	0.40	0.01
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	241702	0	241702	1.04	53768	0	53768	0.23	0.81
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**9056299**	**570156**	**9626455**	**41.46**	**9587930**	**566639**	**10154569**	**42.81**	**1.35**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**9619830**	**570726**	**10190556**	**43.89**	**10123347**	**567209**	**10690556**	**45.07**	**1.18**
c) Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**19625391**	**3594726**	**23220117**	**100.00**	**20128908**	**3591209**	**23720117**	**100.00**	**0**

ii. Share Holding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1st April, 2017			No. of Shares held at the end of the year 31st March, 2018			
		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	% Change in share holding during the year
1.	Expert Chemicals (India) Pvt. Ltd.	10005561	43.09	29.07	10005561	42.18	28.46	0.91
2.	Kingsbury Investment Inc.	3024000	13.02	0	3024000	12.75	0	0.27

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

Sr. No.	Particulars	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
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1st April, 2017		Date	Increase/ Decrease in share holding	Reason	Shareholding at the end of the year 31st March, 2018	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	PANDIAN ILANGOVAN	465082	2.00	01-04-2017				
				12-05-2017	95499	Buy	560581	2.41
				19-05-2017	20379	Buy	580960	2.50
				26-05-2017	4040	Buy	585000	2.52
				30-06-2017	-35052	Sold	549948	2.37
				29-12-2017	25000	Buy	574948	2.48
				05-01-2018	8845	Buy	583793	2.51
				09-03-2018	4000	Buy	587793	2.53
				16-03-2018	9000	Buy	596793	2.57
				23-03-2018	2172	Buy	598965	2.58
	-Closing Balance			31-03-2018			598965	2.52
2.	MAGNUM EQUIFIN PRIVATE LIMITED	500100	2.15	01-04-2017				
	-Closing Balance			31-03-2018		No Change	500100	2.11
3.	EDELWEISS ASSET RECONSTRUCTION COMP	0	0	01-04-2017				
				31-03-2018	500000	Buy	500000	2.11
	-Closing Balance			31-03-2018			500000	2.11

4.	LIFE INSURANCE CORPORATION OF INDIA	279462	1.20	01-04-2017				
	-Closing Balance			31-03-2018		No Change	279462	1.18
5.	GENERAL INSURANCE ₹CORPORATION OF INDIA	281051	1.21	01-04-2017				
				05-01-2018	-20000	Sold	261051	1.12
				12-01-2018	-2034	Sold	259017	1.12
				19-01-2018	-6080	Sold	252937	1.09
	-Closing Balance			31-03-2018			252937	1.07
6.	KANISHKA JAIN	241899	1.04	01-04-2017				
	-Closing Balance			31-03-2018		No Change	241899	1.02
7.	YELAMARTHI THIMMA RAJA	235839	1.02	01-04-2017				
	-Closing Balance			31-03-2018		No Change	235839	0.99
8.	CHHAGANBHAI PARSOTTAMBHAI PATEL HUF.	177457	0.76	01-04-2017				
				05-05-2017	15000	Buy	192457	0.83
				25-08-2017	2500	Buy	194957	0.84
				30-09-2017	1300	Buy	196257	0.84
	-Closing Balance			31-03-2018			196257	0.83
9.	DEEPAK K NATESAN	115458	0.50	01-04-2017				
	-Closing Balance			31-03-2018		No Change	115458	0.49
10.	INCHEM INC	94680	0.41	01-04-2017				
	-Closing Balance			31-03-2018		No Change	94680	0.40
11.	RAJESH KUMAR GUPTA	90600	0.39	01-04-2017				
				08-09-2017	-4700	Sold	85900	0.37
				22-09-2017	-8052	Sold	77848	0.34
				30-09-2017	-6827	Sold	71021	0.31
				12-01-2018	-100	Sold	70921	0.31
				19-01-2018	-500	Sold	70421	0.30
				02-02-2018	-1500	Sold	68921	0.30
	-Closing Balance			31-03-2018			68921	0.29

v. Shareholding of Directors and Key Managerial Personnel: NIL

Sr. No.	Particulars	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
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. **INDEBTEDNESS:**

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

(₹ in Lakhs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01.04.2017				
i) Principal Amount	28,207.50	1,998.13	-	30,205.63
ii) Interest due but not paid	625.12	387.46	-	1,012.58
iii) Interest accrued but not due	330.97	-	-	330.97
Total (i+ii+iii)	**29,163.59**	**2,385.59**	**-**	**31,549.18**
Change in Indebtedness during the Financial Year:				
• Addition	-	-	-	-
• Reduction	3,379.71	1,680.19	-	5,059.90
Net Change	-3,379.71	-1,680.19	-	-5,059.90
Indebtedness at the end of the Financial Year as on 31.03.2018				
i) Principal Amount	24,627.99	589.70	-	25,217.69
ii) Interest due but not paid	408.70	115.70	-	524.40
iii) Interest accrued but not due	747.19	-	-	747.19
Total (i+ii+iii)	**25,783.88**	**705.40**	**-**	**26,489.28**

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (in ₹)
		K. Chandran - WTD	**-**
1.	Gross salary (a) Salary as per provisions contained section 17(1) of the Income-tax Act, 1961	*45,77,280	45,77,280
	(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 (A)	**45,77,280**	**45,77,280**

***For the Financial Year 2017-18, excess remuneration amounting to ₹ 45.77 Lakhs is shown as recoverable from Whole-time Director and shown under "Other Current Assets-Non Financial" in the Financial Statements.**

B. Remuneration to other Director:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (in ₹)
1.	**Independent Director**	**Mr. N. K. Puri**	**Mr. S. K. Bhattacharyya**	**Ms. Poonam Arya Bharti**	**Mr. Divakar Kaza**	
	Fee for attending board / committee meetings	4,70,000	3,00,000	4,70,000	4,70,000	17,10,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	4,70,000	3,00,000	4,70,000	4,70,000	17,10,000
2.	**Other Non-Executive Directors**					
	Fee for attending board /	-	-	-	-	-
	committee meetings					
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2) **Total Managerial Remuneration**	**4,70,000**	**3,00,000**	**4,70,000**	**4,70,000**	**17,10,000**

C. Remuneration to key managerial personnel other than MD / Manager / WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel					Total Amount (in ₹)
		President Operations - API	Formulation – Director (Sales Marketing)	CEO	Company Secretary	CFO	
		* Dr. Shireesh Ambhaikar	Mr. Prashant Menon	-	Mr. Jitendra J. Gandhi	Mr. Vinod R. Verma	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72,86,838	1,20,96,117		28,32,886	1,20,00,440	3,42,16,281
	(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 (A)	**72,86,838**	**1,20,96,117**	**-**	**28,32,886**	**1,20,00,440**	**3,42,16,281**

*w.e.f. 28th August, 2017.

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)
Penalty	Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Delay in conducting the Board Meeting for the second quarter ended on 30.09.2016	₹ 80,500/- Paid as penalty on 8th June, 2017 for contravention of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	SEBI (Securities Exchange Board of India) / BSE Limited)	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 10th August, 2018

ANNEXURE - II

FORM AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures
Part-"A": Subsidiaries

(Amount ₹ in Lakhs)

Sr. No.	Particulars			
1	Name of the Subsidiary	**Wanbury Holding B. V. (Netherland)**	**Wanbury Global FZE (UAE)**	**Ningxia Wanbury Fine Chemicals Co. Ltd. (China)**
2	Reporting period for the subsidiary concerned, if different from the holding	1st April, 2017 to 31st March, 2018	1st April, 2017 to 31st March, 2018	1st April, 2017 to 31st March, 2018
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	EUR 1 EUR= ₹	AED 1 AED= ₹	CNY 1 CNY= ₹
4	Share Capital	3,849.02	1,322.68	5.29
5	Reserves & Surplus	(16,421.88)	(1,320.74)	(129.50)
6	Total Assets	143.42	3.00	0
7	Total Liabilities	143.42	3.00	0
8	Investments	0	0	0
9	Turnover	0	0.22	0
10	Profit before taxation	(1.35)	(0.05)	(0.66)
11	Provision for taxation	0	0	0
12	Profit after taxation	(1.35)	(0.05)	(0.66)
13	Proposed Dividend	NIL	NIL	NIL
14	% of shareholding	100	100	100

Notes:

1. Name of subsidiaries which are yet to commence operations: **NOT APPLICABLE**
2. Name of the subsidiaries which have been liquidated or sold during the year: **NOT APPLICABLE**

Part-"B": Associates and Joint Ventures: N.A.

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

Name of Associate/ Joint Venture	Not Applicable
1. Latest audited balance Sheet Date	
2. No. Shares of Associate / Joint Ventures held by the Company on the year end	
- Amount of Investment in Associate/ Joint Venture	
- Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the associate/ joint venture is not consolidated	
5. Net-worth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit/ Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Notes:

1. Name of associate or joint ventures which are yet to commence operations: **NOT APPLICABLE**
2. Names of associate or joint ventures which have been liquidated or sold during the year: **NOT APPLICABLE**

For and on behalf of the Board of Directors,

K. Chandran **Vice Chairman** **DIN: 00005868**	**N. K. Puri** **Director** **DIN: 00002226**

Mumbai, 10th August, 2018

ANNEXURE - III

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].

Form for 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 arms length transactions under third proviso:

1.	Details of contracts or arrangements or transactions not at arm's length basis.	**Not Applicable**
	a. Name (s) of the related party and nature of relationship.	
	b. Nature of contract / arrangement/ transaction.	
	c. Duration of the contract / arrangement or transaction including the value, if any.	
	d. Salient terms of the contracts or arrangements or transactions including the value, if any.	
	e. Justification for entering into such contracts or arrangement or transaction.	
	f. Date(s) of approval by the Board.	
	g. Amount paid as advance, if any.	
	h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188.	
2.	Details of material contracts or arrangements or transactions at arm's length basis.	
	a. Name (s) of the related party and nature of relationship.	M/s. Wanbury Infotech Private Limited
	b. Nature of contract / arrangement/ transaction.	Services provided
	c. Duration of the contract / arrangement or transaction including the value, if any.	12 Months (i.e. from 1st April, 2017 to 31st March, 2018)
	d. Salient terms of the contracts or arrangements or transactions including the value, if any.	₹ 2.42 Crores
	e. Date(s) of approval by the Board, if any.	30.05.17
	f. Amount paid as advance, if any.	Nil

For and on behalf of the Board of Directors,

K. Chandran
Vice Chairman
DIN: 00005868

N. K. Puri
Director
DIN: 00002226

Mumbai, 10th August, 2018

ANNEXURE - IV

FORM NO. MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
WANBURY LIMITED
BSEL Tech Park, B Wing, 10th Floor,
Sector 30-A, Opp. Vashi Railway Station,
Vashi, Navi Mumbai – 400 703.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Wanbury Limited (hereinafter called 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized 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.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Wanbury Limited** for the Financial Year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

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

  e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008;

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

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

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

(vi) Other laws specifically applicable to the Company, namely:

  1. The Companies Act 2013 and Rules Made there under.
  2. Maintenance of records relating to shares.
  3. Securities Contracts (Regulations) Act, 1956.
  4. Industries (Development & Regulations) Act, 1951.
  5. Indian Customs Act, 1962.
  6. Shops and Establishment Act, 1948.
  7. Income Tax Act, 1961.
  8. Payment of Gratuity Act, 1972.
  9. Payment of Wages Act, 1936.
  10. Employees State Insurance Act, 1948.

11. Provident Fund Act, 1952 & Family Pension Act, 1971
12. Payment of Bonus Act, 1965.
13. Workmen's Compensation Act, 1923.
14. Minimum Wages Act, 1948.
15. The Factories Act, 1948.
16. Industrial Disputes Act, 1947.
17. The Contract Labour (Regulation & Abolition) Act, 1970.
18. Personnel Injuries (Compensation) Act, 1963.
19. Public Liability Insurance Act, 1991.
20. The Apprentices Act, 1961.
21. Equal Remuneration Act, 1976.
22. Employment Exchanges (compulsory vacation of notices) Act, 1959.
23. Maternity Benefit Act, 1961.
24. Industrial Employment (Standing orders) Act, 1946.
25. Environment (Protection) Act, 1986.
26. The Information Technology Act, 2000.
27. The Depositories Act, 1996.
28. The IRDA Act, 1999.
29. The Competition Act, 2002.
30. Consumer Protection Act, 1986.
31. Right to Information Act, 2005.
32. Emblems and Names (Prevention of Improper Use) Act, 1950.
33. The Trade Marks Act, 1999.
34. The Patents Act, 1970.
35. The Indian Copyright Act, 1957.
36. Pharmacy Act, 1948.
37. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.
38. Essential Commodities Act, 1955.
39. Food Safety and Standards Act, 2006.
40. The Central Goods And Services Tax Act, 2017
41. Maharashtra Goods and Services Tax Act, 2017
42. The Boiler Act, 1923
43. The Maharashtra Fire Prevention & Life Safety measures Act, 2006
44. The Air (Prevention and Control of Pollution) Act, 1981
45. The Narcotic Drugs and Psychotropic Substances Act, 1985
46. The Andhra Pradesh Fire Services Act, 1999
47. The Water (Prevention and Control of Pollution) Cess Act, 1977
48. Drugs & Cosmetics Act, 1940
49. Drugs (Prices Control) Order ,1995
50. Homoeopathy Central Council Act, 1973
51. Petroleum Act, 1934
52. Poisons Act, 1919
53. Food Safety and Standards Act, 2006
54. Insecticides Act, 1968

55. Bombay Provincial Municipal Corporations Act, 1949
56. Trade Union Act, 1926
57. Foreign Trade (Development and Regulation) Act, 1951
58. Industrial Relations Act, 1967
59. Prevention of Money Laundering Act, 2002

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Ltd. and BSE Ltd.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

i. The Company has delayed in registering modification of charge and thus filed petition before the Regional Director under Section 87 of the Companies Act, 2013 for Condonation of delay in registering modification of charge.

ii. Only 76.79% of the Shareholding of Promoter & Promoter Group is in dematerialised form. However, as per SEBI circular No. SEBI/Cir/ISD/05/2011 & Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 100 % Shareholding of Promoter & Promoter Group has to be in dematerialised form.

iii. The Company has filed an Application with Central Government in Form MR-2 for seeking approval for payment of excess remuneration to Whole-time Director for the year ended 31st March, 2016. The Company has yet not made application for the Financial year 2016-17 & 2017-18.

iv. The Company has received the penalty notice from the BSE Limited for Non-Compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. for delay in conducting the Board Meeting for the second quarter ended on 30th September, 2016 for the Financial Year 2016-17 on 7th June, 2017 as per SEBI Circular No. CIR/CFD/CMD/12/2015 dated 30th November, 2015.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors subject to the noting mentioned above. The Company has appointed Ms. Poonam Arya Bharti and Mr. Divakar Kaza as Additional Independent Directors and was further regularised during the year under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the Board/Committee decisions are taken unanimously. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-
Ms. Kala Agarwal
Practising Company Secretary
C P No.: 5356

Mumbai, 8th August, 2018

Note: This report is to be read with our letter of even date which is annexed as ‘ANNEXURE A’ and forms an integral part of this report.

ANNEXURE - A

To,
The Members,
WANBURY LIMITED
BSEL Tech Park, B- Wing, 10th Floor,
Sector-30A, Opp.Vashi Railway Station,
Vashi, Navi Mumbai – 400 703.

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

1. Maintenance of secretarial record 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 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 management. Our examination was limited to the verification of procedures on 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.

Sd/-
Ms. Kala Agarwal
Practising Company Secretary
C P No.: 5356

Mumbai, 8th August, 2018

ANNEXURE - V

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of remuneration of Managing Director to the median remuneration of the employees of the Company for the Financial Year ended on 31st March, 2018 was 17.44.

The Non-Executive Directors received the sitting fees from the Company for attending each Board and Committee Meeting of Directors.

(ii) The percentage increase in remuneration of the Chief Financial Officer and the Company Secretary in the Financial Year 2017-18 was 8% and 7% respectively.

(iii) The percentage increase in the median remuneration of employees in the Financial Year 2017-18 was 9%.

(iv) The number of permanent employees on the rolls of Company were 2137.

(v) Average percentage increase made in the salaries of all the employees other than managerial personnel in the previous Financial Year i.e. 2017-18 was 6% whereas the percentage increase in the Managerial Remuneration for the same Financial Year was Nil.

(vi) It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	**Director**
Mumbai, 10th August, 2018	**DIN: 00005868**	**DIN: 00002226**

ANNEXURE - VI

ESOP DISCLOSURES

DISCLOSURES IN COMPLIANCE WITH REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AND RULE 12 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 ARE SET OUT BELOW:

Employee Stock Option Scheme

Sr. No.	Description	Details / No. of Options
1	Options granted	3,00,000
2	Options vested	Nil
3	Options exercised	Nil
4	Total number of shares arising as result of exercise of options	Nil
5	Options lapsed during the year	Nil
6	The Exercise price	₹ 10/-
7	Variation of terms of options	No variation during the year
8	Money realized by exercise of options	Nil
9	Total number of options in force Employee-wise details of options granted to: i) Senior Managerial Personnel	3,00,000 Mr. Vinod Verma-CFO Mr. Prashant Menon-Formulation,Director (Sales and Marketing) Dr. Shireesh Ambhaikar - President, Operations (API)
	ii) Any other employees to whom options granted amounting to 5% or more, of the total options granted during the year	-
	iii) Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year	-

For and on behalf of the Board of Directors,

K. Chandran **Vice Chairman** **DIN: 00005868**	**N. K. Puri** **Director** **DIN: 00002226**

Mumbai, 10th August, 2018

ANNEXURE - VII

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

Details of conservation of energy, technology absorption and foreign exchange earnings & outgo pursuant to the provision of Section 134 (3) (m) of Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are as under:

A) CONSERVATION OF ENERGY

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

1) Vessel lamps converted from 40w normal lamps to 11 w LED lamps.
2) Plant lamps converted from 160 w normal lamps to 23 w CFL lamps.
3) Rotary switch provided for vessels lamps to cut off after visualisation immediately.
4) Street lights started conversion to LED lamps.
5) Auto sensors provided in AHU for cooling cut off to reduce power.
6) Cooling towers capacity utilisation optimised and 2 cooling towers totally stopped.
7) Two months once cleaning of condensers introduced in Brine condensers to reduce the discharge pressure of the compressor where in power reduction is obtained.
8) Periodic pressure checking of Air & Nitrogen lines to identify the leakages so that the power reduction is obtained.
9) Heat recovery from Steam blowdown for preheating the water going to Boiler.
10) Air preheaters provided in the Exhaust of Boiler to increase the temp of the feed air.
11) Water preheater provided in the 3 MT boiler.
12) Condensate pump instead of regular pump installed to get hot condensate back to Boiler. Installed at 4 places i.e., 2 solvent recovery columns, 2 FBD’s, MEE etc.
13) Efficiency of MEE improved where in steam requirement is reduced.
14) Vacuum efficiency & condenser efficiency increased to reduce the time cycle of water distillation wherein power reduction of vacuum pumps and reactors are obtained.
15) IPA distillation column efficiency improved to reduce the time cycle from 96 to 72 hrs where in the steam, power reduction is obtained.
16) Reflux ratio in column reduced to get more output there in steam and power reduced.

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

Coal usage totally stopped and Briquette usage being done which is obtained from Agro waste. This reduces the pollution also.

(iii) the capital investment on energy conservation equipments;

₹ 20 Lakhs.

B) TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption;

(ii) the benefits derived like product improvement, cost reduction, product developmens or import substitution – yield improvement in products Metformin, Sertraline and DPH. Cost reduction in Tramadol by recovering the material from unwanted isomer, Product development for reduction of failures in Sertraline.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)- No imported technology

(a) the details of technology imported;

(b) the year of import;

(c) whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) the expenditure incurred on Research and Development.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Particulars	For the year ended on 31.03.2018	For the year ended on 31.03.2017
INCOME:		
Foreign Exchange earned by the Company:		
FOB Value of Exports	14,698.17	19,070.22
Freight, Insurance etc.	440.41	424.50
TOTAL INCOME	**15,138.59**	**19,494.72**
EXPENDITURE:		
CIF Value of Imports:		
Raw Materials [Including High Seas purchases]	2,764.76	4,104.80
Capital Goods	48.37	71.71
Interest	110.80	241.80
Commission expense	109.15	55.90
Legal & Professional Fees	80.48	70.40
Other Expenses (including traveling and business promotion)	250.99	423.35
TOTAL EXPENDITURE	**3,364.55**	**4967.96**

For and on behalf of the Board of Directors,

K. Chandran	**N. K. Puri**
Vice Chairman	**Director**
DIN: 00005868	**DIN: 00002226**

Mumbai, 10th August, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

Global Industry Overview

Pharmaceutical industry is one of the growing industry and the global pharmaceutical industry is forecasted to grow in the financial year 2018-19 as well, with total Industry revenue to cross USD 1 trillion within a couple of years and the industry growth rate would be near to 6% annually.

The Indian pharmaceutical industry is also expected to grow with the world and become pivotal as a global pharmaceutical provider. As per industry estimates, India's pharmaceutical industry is expected to reach USD 55 billion by 2020, and by 2025 it would grow to USD 100 billion.

Industry Characteristics:

The industry outlook remains positive given the following:

- Demand of low-cost drugs in the developed markets and Indian companies' ability to do so.
- All sectors of Healthcare are growing in double digits – Health Insurance, Healthcare delivery, Contract Research, Pharmaceuticals (API, Drug Intermediates, Finished Formulations)
- Improved healthcare awareness among the citizens and increasing purchasing power
- Increase in overall access given the urbanization and companies investing in penetrating the markets.

Challenges facing the industry

Some of the key challenges facing the Indian Pharmaceutical Industry include:

- Margin pressure from Pharma generics
- Complex regulatory policies
- Low R&D Productivity
- Low insurance penetration resulting in a self-pay market with considerable non-affordability and access barriers
- Lack of consumer awareness and education
- Heavy market fragmentation
- Debate over compulsory licensing remains a contentious issue
- Government thought process on linking patented drug prices to the country's per-capita income in relation to certain developed markets could result in delayed patented drug entry into India.

Company Overview

(A) Domestic Formulations Business:

Your Company improved its rank to 68 in the latest AIOCD AWACS March 18 annual ranking at a 9% growth. Overall formulations business showed a decline of 2% in revenues in a rather difficult GST era year. Key focus brands for the Company continue to be Cpink, Coriminic, Adtrol range, Chymonac, Folinine & Productiv range. Most of these brands have registered prescription growths in their Relative Participated Markets (RPM's) in the latest CMarc data release.

Your Company focused on addressing persisting challenges related to operational efficiencies, cost optimisation and capability building during the last 3 quarters that will have a positive impact in the near as well as long term periods. Some of the key initiatives are as follows:

Operations and Capability Building:

- Monitoring and control systems put in place helped achieve improved operational efficiency.
- Field force training continued to be focused as a critical area to ensure an engaged field force.
- MDP [Managers Development Program] was undertaken in all the divisions so as to build capability of managers.
- The Comex team continues to support with detailed data analytics that helped improve governance.
- Distribution SOPs in place helped rationalise costs and improve sales hygiene.
- Monthly Engagement programs for various support teams at the HO has been conducted to facilitate a common understanding of Business needs.

(B) Active Pharmaceutical Ingredients (API) Business:

The API division in FY 2018 registered revenue of ₹ 254 Cr vis a vis FY2017 revenue of ₹ 351 Cr, a reduction of 28%. The fall in revenue was mainly due to non -availability of raw materials related to working capital issues and reduced supplies from China of DCDA, a key raw material for Metformin. The business saw growth in the order book position of Sertraline. Five year strategic business plan was finalised with significant growth targets. This would be achieved by growing current business through improved working capital management, increased sales volumes along with launch and commercialisation of 12 new products that offer superior margins. The growth depends on infusion of funds for debottlenecking and upgrading of existing manufacturing facilities. In the interim, supply of raw materials from China is organised through agreements with a couple of trading companies.

(C) Research & Development (R & D)

The Company's R & D is recognized by DSIR (Department for Scientific & Industrial Research) – India. Your Company's API Research and development centre is situated in Mahape, Navi Mumbai and has strength of 30 dedicated scientists. They are engaged in development of new API's, Cost improvement projects as well as scale up of the newly developed API's at manufacturing sites.

(D) Cost Reduction Initiatives:

Over the last year your Company has extended its efforts to reduce costs. The focus of the cost reduction strategy has been largely on Energy cost savings and headcount rationalisation.

(E) Human Resource (HR) Initiatives at Wanbury

HR is focussed on Build Talent Capability and Enhance Employee Engagement. Your Company continuously benchmarks HR policies and practices with the best in the industry and carries out the necessary improvements to attract and retain the best talent.

(F) Threats, Risk and Concern

As any other business, your Company is subject to various risks and threats. The key risks/ threats are as follows:

Competition

Your Company operates in a highly competitive environment with pricing being one of the key determining factors of success. In the API business, your Company has been able to overcome this risk by influencing the prices as it is the largest manufacturer of Metformin in the world with over 30% market share. Sertraline and Tramadol are seeing high demand especially in international markets. In the Formulations Business the Company has mitigated this risk to a very large extent by diversifying its product portfolio and launching new value added products. The continuous rise in crude oil in the past and other commodities prices impacted the prices of raw material and intermediates and in turn increased the cost of APIs.

Regulatory

Manufacturing of pharmaceutical products is highly regulated and controlled by regulatory and government authorities across the world. Failure to fully comply with such regulations, could lead to stringent actions from the authorities/ government.

Regulators across the world, including the USFDA, have become stricter with the pharmaceutical industry. Regulatory requirements and consequences for non-compliance are also getting more severe. Your Company is operating in a state of compliance as required by the Regulatory Agencies. During the year, Company has successfully completed USFDA Audit at its major API facility in Tanuku Plant, Andhra Pradesh.

Foreign Exchange Fluctuations

As the share of exports to total sales made by your Company is considerable, it is prone to losses due to exchange rate fluctuations; however, the Company has hedged its exposure to a large extent thereby reducing the risk.

(G) Internal Control Systems and Adequacy

Your Company has made special efforts to improve its internal control systems by improving the information flow and automating the processes in support systems. Support functions are now monitored through a Quarterly Shared Services Survey for the field employees to ensure that we are able to provide the best services to our internal customers.

Your Company has sound, well-established and adequate internal control systems commensurate with its size and nature of business. The internal control systems ensure protection of assets and proper recording of all transactions.

(H) Financial Review:

The detailed financial & operational performance is provided in page no.59.

(I) Cautionary Statement:

Statements in the "Management Discussion and Analysis" describing the Company's objectives, estimates, expectations or projections may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations; include Government regulations, patent laws, tax regimes, economic developments within India and countries in which the Company conducts business, litigation and other allied factors.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	**Director**
Mumbai, 10th August, 2018	**DIN: 00005868**	**DIN: 00002226**

CORPORATE GOVERNANCE REPORT

(1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Wanbury Limited ("the Company") believes in and practices good corporate governance. The Company's philosophy of Corporate Governance envisages attainment of the transparency, accountability and equity in all its dealings with all stakeholders. As a Public Listed Company, The Company is committed to complete, accurate and timely disclosure in reports and documents that it files with regulatory authorities.

The Company is fully compliant with all the mandatory provisions of Regulation 72 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of Compliances are as follows:

(2) BOARD OF DIRECTORS:

The composition of the Board, Category of the Directors and Number of Directorship & Membership / Chairmanship of Committees in other companies are as under:

Name of the Directors	Category **	Age (in years)	No. of Other Directorship(s) Held *	No. of Committee Position Held in all Companies#	
				Member	Chairperson
Mr. K. Chandran	P&WTD	60	Nil	2	Nil
Mr. N. K. Puri	I & NED	75	Nil	1	1
Mr. S. K. Bhattacharyya	I & NED	68	7	1	3
Ms. Poonam Arya Bharti $	I & NED	47	Nil	2	Nil

* Excluding Directorship in private limited and foreign companies.

** P – Promoter, WTD - Whole-time Director, I – Independent NED - Non-Executive Director.

includes only Audit Committee & Stakeholders Relationship Committee.

$ The term of Ms. Poonam Arya Bharti has completed on 29th May, 2018. However, the Board of Directors at their meeting held on 10th August, 2018 has re-appointed Ms. Poonam Arya Bharti as Additional Director (Non-Executive Independent Woman Director).

Disclosure of relationship between Directors Inter-se:

None of the Directors of the Board is a member of more than 10 Committees and no Director is Chairman/Chairperson of more than 5 Committees across all public limited companies in which he/she is a Director.

The Board/Committee Meetings are scheduled well in advance after considering availability of all the Board Members. The Notice and Agenda papers of each Board/Committee Meeting are given to each Director well in advance. All the items on the Agenda are accompanied by Notes/Memorandum to the Board giving comprehensive information on the related subject. Detailed presentations are made at the Board/Committee Meetings in relation to the matters like Financial/ Business Plans, Financial Results, etc. The Board/Committee Members are free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

The Board Meeting is scheduled at least once in a quarter to consider the quarterly performance and the financial results. The Minutes of the Board/Committee Meetings are circulated on conclusion of the Board/Committee Meeting to the Board/Committee Members for their comments and confirmed at the subsequent meeting.

During the year under review i.e. from 1st April, 2017 to 31st March, 2018, to 31st March 2018, Five (5) Board Meetings were held on 30th May 2017, 11th September 2017, 29th September 2017, 7th December 2017 and 8th February 2018. The gap between two Board Meetings has not exceeded more than 120 days.

Directors Attendance Record:

Name of Directors	No. of Board Meetings attended during the year	Whether last AGM attended
Mr. K. Chandran	5	YES
Mr. N. K. Puri	5	YES
Mr. S. K. Bhattacharyya	3	NO
Mr. Divakar Kaza (up to 08.02.18)	5	YES
Ms. Poonam Arya Bharti	5	YES

(3) BOARD COMMITTEES:

At present, the Board has five committees namely the Audit Committee, the Stakeholders Relationship Committee, the Nomination & Remuneration Committee, the Risk Management Committee and the Day to Day Affairs Committee.

(A) AUDIT COMMITTEE:

The Company's Audit Committee has been constituted in accordance with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

During the year under review, Four (4) meetings of the Audit Committee were held on 30th May 2017, 11th September 2017, 7th December, 2017 and 8th February, 2018. The gap between two Audit Meetings has not exceeded more than 120 days.

The Audit Committee comprises of below mentioned Directors and their attendance was as under:

Name of Directors	Designation	Category	No. of Meetings Attended
Mr. N. K. Puri	Chairman	I & NED	4
Mr. S. K. Bhattacharyya	Member	I & NED	3
Mr. Divakar Kaza (up to 08.02.2018)	Member	I & NED	4
Ms. Poonam Arya Bharti	Member	I & NED	4
Mr. K. Chandran	Member	P & WTD	4

Mr. Vinod Verma is the Chief Financial Officer of the Company.

Mr. Jitendra J. Gandhi is the Company Secretary of the Company.

All Members are financially literate and have expertise in accounting and related financial management field.

Terms of Reference:

The terms of reference to the Audit Committee include:

(I) Powers of Audit Committee:

The Audit Committee shall have, inter alia, following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(II) Role of Audit Committee

The role of the Audit Committee shall, inter alia, include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval for payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    b. Changes, if any, in accounting policies and practices and reasons for the same
    c. Major accounting entries involving estimates based on the exercise of judgment by management
    d. Significant adjustments made in the financial statements arising out of audit findings
    e. Compliance with listing and other legal requirements relating to financial statements
    f. Disclosure of any related party transactions
    g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than

those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of Chief Financial Officer (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(III) Review of information by Audit Committee

The Audit Committee shall mandatorily review, inter alia, the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit Reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

(B) NOMINATION AND REMUNERATION COMMITTEE:

The Company's Nomination & Remuneration Committee has been constituted in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The Committee consists of 3 Directors. The Chairperson of the Committee is an Independent Director. Mr. Jitendra J. Gandhi acts as Company Secretary of the meeting.

During the year under review, Four (4) meetings of the Nomination & Remuneration Committee were held on 30th May 2017, 11th September 2017, 7th December 2017 and 8th February 2018.

The attendance records of the Members at the meeting are as under:

Name of Directors	Designation	Category	No. of Meetings Attended
Ms. Poonam Arya Bharti	Chairperson	I & NED	4
Mr. N. K. Puri	Member	I & NED	4
Mr. S. K. Bhattacharyya	Member	I & NED	3
Mr. Divakar Kaza (up to 08.02.2018)	Member	I & NED	4

The terms of reference:

(a) The Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

(b) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

(c) The Committee shall, while formulating the policy shall ensure that:

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Employees Stock Option Scheme 2016

The Company has instituted Employee Stock Option Scheme 2016 ("Wanbury ESOP 2016") which was approved by the shareholders vide their resolution dated 29th September, 2016 to reward eligible employees. Pursuant to the said scheme and on the recommendation of the Nomination and Remuneration Committee, the Board has granted 3,00,000 options to employees during the year. As on 31st March, 2018, no options are due for vesting.

Remuneration to Executive Director/s:

Payment of remuneration to executive Director is governed by the agreement executed between Mr. K. Chandran, WTD and the Company subject to the provisions of Schedule V of the Companies Act, 2013 for the Financial Year ended 31st March, 2018.

Payments of Remuneration:

(₹ in Lakhs)

Name of Director	Salary & Perquisites	Performance Linked Bonus	Total	Service Tenure
Mr. K. Chandran	Nil	Nil	Nil	Upto 31st August 2019

For the Financial Year 2017-18, excess remuneration amounting to ₹ 45.77 Lakhs is shown as recoverable from Whole-time Director and shown under "Other Current Assets-Non Financial" in the Financial Statements.

Remuneration to Non Executive Directors:

The Fees paid to Non-Executive Directors for attending Meetings of Board of Directors as well as Committees of the Board as decided by the Board are within the limits prescribed by the Companies Act, 2013.

The sitting fees paid to Non-executive Directors for the year under review is as under:

Sitting Fees paid:

Name of Non-Executive Directors	Sitting Fee (₹)
Mr. N. K. Puri	4,70,000
Mr. S. K. Bhattacharyya	3,00,000
Mr. Divakar Kaza	4,70,000
Ms. Poonam Arya Bharti	4,70,000

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company's Stakeholders Relationship has been constituted in accordance with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The Committee consists of 4 Directors. The Chairman of the Committee is an Independent Director.

Mr. Vinod Verma is the Chief Financial Officer of the Company.

Mr. Jitendra J. Gandhi is the Company Secretary of the Company.

During the year under review, Four (4) meetings of the Stakeholders Relationship Committee were held on 30th May 2017, 11th September 2017, 7th December 2017, and 8th February 2018.

The attendance records of the Members at the meeting are as under:

Name of Directors	Designation	Category	No. of Meetings Attended
Mr. S. K. Bhattacharyya	Chairperson	I & NED	3
Mr. N. K. Puri	Member	I & NED	4
Ms. Poonam Arya Bharti	Member	I & NED	4
Mr. Divakar Kaza (up to 08.02.2018)	Member	I & NED	4
Mr. K. Chandran	Member	P & WTD	4

Total 10 complaints were received and replied to the satisfaction of Shareholders during the year under review. No complaint and no share transfer request were pending at the beginning of the year i.e. on 1st April, 2017 and at the end of the year i.e. 31st March, 2018.

(D) RISK MANAGEMENT COMMITTEE:

Risk Management Committee has been formed by the Board of Directors of the Company to consider the potential risks of the business of the Company and to plan for the mitigation of the same. During the year under review, Two (2) meetings of the Risk Management Committee were held on 30th May, 2017 and 7th December, 2017. Following are the Members of Risk Management Committee:

Name of Directors	Designation	Category
Mr. N. K. Puri	Chairperson	I & NED
Mr. S. K. Bhattacharyya	Member	I & NED
Ms. Poonam Arya Bharti	Member	I & NED
Mr. Divakar Kaza (up to 08.02.2018)	Member	I & NED
Mr. K. Chandran	Member	P&WTD

(E) DAY TO DAY AFFAIRS COMMITTEE:

The Day to Day Affairs Committee comprises of following Members:

Name of Directors	Designation
Mr. K. Chandran	Chairperson
Dr. Shireesh Ambhaikar (w.e.f 11.09.2017)	Member
Mr. Prashant Menon (w.e.f 30.05.2017)	Member
Mr. Vinod Verma	Member
Mr. Jitendra J. Gandhi	Member

The Day to Day Affairs Committee meets to take decisions on the matters delegated by the Board of Directors. During the year under review, Fourteen (14) meetings of the Day To Day Affairs Committee were held on 4th April 2017, 2nd June 2017, 23rd June 2017, 1st August 2017, 7th September 2017, 14th September 2017, 11th October 2017, 24th November 2017, 14th December 2017, 26th December 2017, 2nd January 2018, 30th January 2018, 6th February 2018 & 6th March 2018.

At present the Day to Day Affairs Committee has been authorised by the Board of Directors to consider following matters:

1. To take the decisions relating to the Bank Accounts i.e. opening of account, closing of account, availing any facility (internet banking, at par facility) etc.
2. To revise the authorisation for mode of operations of the Bank Accounts of the Company as per requirements from time to time.
3. To undertake borrowings and give guarantees within CDR Mechanism not exceeding ₹ 5 Crore and decide the terms & conditions of such borrowings and guarantees.
4. To take record of the Share Transfer Committee Minutes.
5. Giving Power of Attorney to the personnel of the Company to deal with the Government Authorities / Semi Government Authorities and private bodies including Income Tax Department, Excise Department, Sales Tax Department, Custom Department, Court Matters, Company Law Matters, Maharashtra Industrial Development Corporation and Maharashtra Pollution control Board.
6. To appoint C&F Agent, Selling Agent, Purchasing Agent, Distributor on Consignment Basis (DCBs), Transport Agent, Warehouse Agent, and other agents relating to the operations of the Company.
7. To authorize the persons to represent the Company as Member in the general meeting of the other Company, in which the Company is Member.

8. To obtain manufacturing license or any other license on loan license basis or any other basis.
9. To open the offices, branch offices, warehouses of the Company in any part of India;
10. To enter into warehousing and logistic arrangements for the requirements of the Company.
11. To give authorisation for filing of applications, forms or other documents for obtaining registration, licenses, permission from any authority to carry on the existing business of the Company in any part of India and to represent before such authorities on behalf of the Company.
12. To give authorisation to apply, file and avail the services / connectivity of any services for offices, stores or other places of the Company.
13. To issue and allot Equity Shares of the Company upon conversion request received from FCCB Holders.
14. To issue & allot securities of the Company.
15. To issue & allot Equity Shares of the Company to the OFCD Holders as and when the OFCD holders exercise conversion option.
16. To issue & allot Equity Shares of the Company to the Warrant Holders as and when the Warrant Holders exercise conversion option.
17. To allow companies whether already incorporated or to be incorporated to use "Wanbury" word in their name and also to use logo of the Company.
18. To take properties on lease, leave & license or otherwise in the normal and ordinary course of business of the Company with total lease commitment not exceeding a limit of ₹1 Crore.
19. To give the authority to any person to enter into any service related agreement e.g. housekeeping, repair & maintenance, security etc. for office, stores and other places of the Company.
20. To give authorisation to any persons to sign & file returns, forms and other documents with government and statutory authorities in compliance with any statute applicable to the Company from time to time.
21. To file the suits, appeals, petitions, affidavits etc. before any court or authority on behalf of the Company on any matter except for any initiation or settlement of any litigation, arbitration, proceedings or claims which, in the opinion of the Investor, is material in the context of the business in each case not in excess of ₹ 50 Lakhs.
22. To defend the suits, legal proceedings etc. against the Company on behalf of the Company and to appoint any attorney/ counsel/advocate etc. to appear before any court or authority on behalf of the Company.
23. To take any other decision on any matter to be arrived in day to day business activities of the Company.

INDEPENDENT DIRECTORS MEETING:

Schedule IV of the Companies Act, 2013 and the Rules made thereunder mandates that the Independent Directors of the Company hold at least one meeting in a year without the attendance of non-independent Directors and Members of the Management. It is recommended that all the Independent Directors of the Company be present at such meetings. These meetings are expected to review the performance of the non-independent Directors and the Board as a whole as well as the performance of the Chairman of the Board taking into account the views of the executive Directors and non-executive Directors, assess the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for it to effectively and reasonably perform its duties.

At such meetings, the independent Directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership, strengths & weaknesses, governance, compliance, Board movements, human resource matters and performance of the executive members of the Board including the Chairman.

Following are the Members of Independent Directors meeting:

Name of Directors	Category
Mr. N. K. Puri	I & NED
Mr. S. K. Bhattacharyya	I & NED
Mr. Divakar Kaza (up to 08.02.2018)	I & NED
Ms. Poonam Arya Bharti	I & NED

During the year under review, meeting of Independent Directors was held on 8th February, 2018 in compliance with the requirements of Schedule IV of the Companies Act, 2013. Following items were considered at the said meeting:

a. Presentation on familiarising the Independent Directors with operations of the Company;
b. Performance review of Non-Independent Directors, Board as a whole and Chairman of the Company;
c. Assess the quality, quantity and timeliness of flow of information between Company Management and the Board.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (7) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

The Company had issued formal letter of appointment to all Independent Directors alongwith terms and conditions and the draft of the same is placed on the website of the Company.

The details of the familiarisation program of Independent Directors have been put on the website of the Company.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel and the same is available on Company's website.

The Company has adopted a Whistle Blower Policy and the same is available on Company's website.

The Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates the Company to familiarise the Independent Directors with the Company, their roles, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes. The details of familiarisation programs imparted to the Independent Directors by the Company is placed on the Company's website, the web link of the same is:

http://www.wanbury.com/investorrelsl/policies/Familiarisation%20Programme%20for%20Independent%20Directors.pdf

PREVENTION OF INSIDER TRADING:

The Company has devised and adopted Code of Conduct to regulate, monitor and report trading in Company's securities by persons having access to unpublished price sensitive information of the Company. Company Secretary, is the Compliance Officer for the purpose of this code. During the year, there has been due compliance with the code by the Company and all insiders and requisite disclosures were made to the Stock Exchanges from time to time.

(4) GENERAL BODY MEETING:

(a) Details of last three Annual General Meetings are as under:

Financial Year	Date	Time	Venue
2016-17	29th September, 2017	11:30 A.M.	Hotel Tunga Regenza, Plot No. 37, Sector, 30-A, Vashi, Navi Mumbai - 400 703.
2015-16	29th September, 2016	11:30 A.M.	Hotel Tunga Regenza, Plot No. 37, Sector, 30-A, Vashi, Navi Mumbai - 400 703.
2014-15	28th September, 2015	11:30 A.M.	Hotel Tunga Regenza, Plot No. 37, Sector, 30-A, Vashi, Navi Mumbai - 400 703.

(b) Postal Ballot:

During the year under review, the Company has not passed any resolution through Postal Ballot.

(c) Special Resolutions passed in the Last Three Annual General Meetings:

The Company has passed below mentioned special resolutions in the last three Annual General Meetings (AGM):

Sr. No.	Date of AGM	Subject matter
01	29th September, 2017	To adopt new set of Articles of Association of the Company, to the exclusion of the existing set of Articles of Association.
02	29th September, 2016	Appointment and payment of remuneration to Mr. K. Chandran, Whole-time Director of the Company.
03	29th September, 2016	Issue of Equity Shares on preferential basis under CDR Scheme to the promoter group Company i.e. M/s. Expert Chemicals (India) Pvt. Ltd.
04	29th September, 2016	Issue/Allotment of CCD's convertible into equal number of Equity Shares on preferential basis to Edelweiss Asset Reconstruction Company Limited (EARC).
05	29th September, 2016	Issue of Stock Options under Employee Stock Option Plan 2016.
06	29th September, 2016	Issue of 3,00,000 Options, to Mr. P. V. Pasupathy, being the President of the Company exceeding 1% of the paid-up/issued capital.
07	29th September, 2015	Revision in remuneration of Mr. K. Chandran, Whole-time Director of the Company.

(d) Subsidiary Companies:

Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

The Company has below mentioned 4 foreign subsidiaries:

(i) Wanbury Holdings B. V., Netherlands;

(ii) Cantabria Pharma S. L., Spain; # (under liquidation)

(iii) Wanbury Global FZE, Ras Al Khaimah, UAE.

(iv) Ningxia Wanbury Fine Chemicals Co. Ltd., China;

Subsidiary of Wanbury Holdings B. V, Netherlands

The Policy on material subsidiaries is placed on Company's website.

(e) Means of Communication:

The Quarterly (un-audited financial result) and Annual Audited Financial Result of the Company are electronically submitted on the online Portals - 'BSE Corporate Compliance & Listing Centre' (Listing Centre) and 'Electronic Application Processing System' (NEAPS) of BSE and NSE respectively, within 30 minutes of their approval by the Board pursuant to the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same results are published in Free Press Journal and Navshakti Newspapers in accordance with the provisions of Listing Regulations with Stock Exchanges and also posted on the Website of the Company i.e. www.wanbury.com.

(5) GENERAL SHAREHOLDERS INFORMATION

(a) Annual General Meeting:

Day & Date	:	**Thursday, 27th September, 2018**
Time	:	**11:30 A.M.**
Place/Venue	:	**Hotel Tunga Regenza, Plot No. 37, Sector - 30A, Vashi, Navi Mumbai - 400 703.**

(b) Financial Calendar:

For quarter ending on 30th June 2018	Unaudited Financial Results will be declared within 45 days from the end of the quarter.
For quarter ending on 30th September 2018	Unaudited Financial Result will be declared within 45 days from the end of the quarter.
For quarter ending on 31st December 2018	Unaudited Financial Result will be declared within 45 days from the end of the quarter.
For quarter ending on 31st March 2019	Audited Financial Result will be declared within 60 days from the end of Financial Year 2018-19.
Annual General Meeting for the Financial Year ending on 31st March 2019	On or before 30th September, 2019.

(c) Book Closure:

The Share Transfer Books and the Register of Members will remain closed from Friday, 21st September, 2018 to Thursday 27th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.

d) Listing on Stock Exchanges & Stock Codes:

Equity Shares of the Company are listed on BSE Limited (BSE), Mumbai & National Stock Exchange of India Limited (NSE), Mumbai.

The Scrip Code/Symbol on BSE is 524212 and on NSE is WANBURY.

The ISIN Number of Company is "INE107F01022".

The Company has paid listing fees to BSE Ltd. & National Stock Exchange of India Ltd. for the Financial Year 2018-19.

The Company has paid custody fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the Financial Year 2018-19.

(e) Corporate Identity Number (CIN):

CIN of the Company allotted by the Ministry of Corporate Affairs, Government of India is L51900MH1988PLC048455.

(f) Equity History:

Equity Shares of the Company of face value of ₹ 10/- each have been issued/allotted as under:

Particular	No. of Equity Shares Allotted	Cumulative Total no. of Equity Shares	Date of Allotment
Upon amalgamation (Refer Note 1)	94,86,358	94,86,358	15th October 2004
GDR Issue (Refer Note 2)	32,61,000	1,27,47,358	3rd October 2005
Merger (Refer Note 3)	64,668	1,28,12,026	2nd June 2007
Merger (Refer Note 3)	5,62,618	1,33,74,644	27th June 2007
FCCB Conversion	2,06,674	1,35,81,318	3rd September 2007
FCCB Conversion	95,070	1,36,76,388	1st November 2007
FCCB Conversion	1,03,337	1,37,79,725	13th December 2007
FCCB Conversion	1,24,004	1,39,03,729	16th January 2008
Merger (Refer Note 4)	7,85,557	1,46,89,286	17th March 2008
Preferential Allotment (Refer Note 5)	26,90,000	1,73,79,286	30th March 2012
Preferential Allotment (Refer Note 6)	25,90,000	1,99,69,286	5th August 2013
Preferential Allotment (Refer Note 7)	32,50,831	2,32,20,117	10th February 2017
Preferential Allotment (Refer Note 8)	5,00,000	2,37,20,117	6th March, 2018

Note 1: Amalgamation of Wander Private Limited with Pearl Organics Limited, whose name was changed to Wanbury Limited.

Note 2: The Company had issued 32,61,000 Equity Shares of face value of ₹ 10/- each, the Global Depository Receipt Holders. {Distinctive Numbers from 09486359 to 12747358}.

Note 3: The Board for Industrial and Financial Reconstruction (BIFR) had approved the merger of the Pharmaceutical Products of India Limited (PPIL) with the Company vide its Order dated 24th April, 2007. As per the Order of BIFR 64,668 Equity Shares of face value of ₹10/- each had been issued to the Secured Creditors of erstwhile PPIL and 5,62,618 Equity Shares of face value of ₹ 10/- each had been issued to the Equity Shareholders of erstwhile PPIL. The Hon'ble Supreme Court vide its order dated 16th May, 2008 has set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of SICA, 1985 in response to a petition filed by one of the unsecured creditors of erstwhile PPIL. There has since been no further development in the matter.

Note 4: The Board for Industrial and Financial Reconstruction (BIFR) had approved the merger of Doctors Organic Chemical Limited (DOCL) with the Company vide its Order dated 30th April, 2007. As per the Order of BIFR 7,85,557 Equity Shares of face value of ₹10/- each had been issued to the Equity Shareholders of erstwhile DOCL.

Note 5: The Corporate Debt Restructuring proposal of the Company had been approved by Corporate Debt Restructuring Cell vide its letter dated 23rd May, 2011. Pursuant to the provisions of Corporate Debt Restructuring Scheme, on 30th March, 2015, the Company has allotted 26,90,000 Equity Shares at a price of ₹ 37.50 (Face Value ₹ 10/- and Premium ₹ 27.50/-) per Equity Share to Expert Chemicals (India) Pvt. Ltd., a Promoter Group Company.

Note 6: Pursuant to the provisions of Corporate Debt Restructuring Scheme, on 5th August, 2013, the Company allotted 25,90,000 Equity Shares at a price of ₹ 37.50 (Face Value ₹ 10/- and Premium ₹ 27.50/-) per Equity Share to Expert Chemicals (India) Pvt. Ltd., a Promoter Group Company.

Note 7: Pursuant to the provisions of Corporate Debt Restructuring Scheme, on 10th February, 2017 the Company allotted 32,50,831 Equity Shares at a price of ₹ 37.60 (Face Value ₹ 10/- and Premium ₹ 27.60/-) per Equity Share to M/s. Expert Chemicals (India) Pvt. Ltd., a Promoter Group Company.

Note 8: As part of Restructuring of Debt, State Bank of India (SBI) has assigned its loan to M/s. Edelweiss Asset Reconstruction Company Ltd. ("EARC") as a Trustee of EARC Trust SC 145 and as per the mutually agreed terms between the Company & Edelweiss, the Company has allotted 5,00,000 Zero % Compulsorily Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 10 Crore convertible into equal number of equity share within a period of 18 months from the date of allotment at a conversion price of ₹ 200/- per Equity Share (Face Value of ₹ 10/- and Premium of ₹ 190/-) to M/s. Edelweiss Asset Reconstruction Company Ltd. ("EARC") as a Trustee of EARC Trust SC 145 on a preferential basis. Pursuant to the Conversion of CCDs to Equity Shares, the Company has allotted 5,00,000 Equity Shares at a price of ₹ 200/- (Face Value ₹ 10/- and Premium ₹ 190/-) per equity share to M/s. Edelweiss Asset Reconstruction Company Ltd. ("EARC") as a Trustee of EARC Trust SC 145 on 6th March, 2018.

(g) Stock Data:

Monthly Volume and High, Low & Close of Market price of Company's Equity Shares traded on the BSE Limited, Mumbai during the year ended on 31st March, 2018 were as under:

Month	High (₹)	Low (₹)	Close (₹)	BSE Sensex Close	Volume (No. of Shares)
April 2017	58.85	52.15	57.15	29,918.40	2,55,014
May 2017	62.90	44.65	44.65	31,145.80	3,05,740
June 2017	47.80	39.00	42.30	30,921.61	1,55,995
July 2017	48.90	40.25	42.25	32,514.94	1,43,454
August 2017	42.85	36.25	41.10	31,730.49	1,31,042
September 2017	42.80	35.55	39.05	31,283.72	2,38,150
October 2017	39.00	36.50	37.80	33,213.13	1,15,311
November 2017	39.20	32.85	35.50	33,149.35	1,64,571
December 2017	46.00	35.00	43.10	34,056.83	3,02,217
January 2018	55.00	40.00	41.45	35,965.02	3,47,937
February 2018	43.85	38.00	40.05	34,184.04	1,46,992
March 2018	40.15	31.00	31.00	32,968.68	1,39,827

Source: BSE Website

Monthly Volume and High, Low & Close of Market price of Company's Equity Shares traded on the National Stock Exchange of India Limited, Mumbai during the period ended on 31st March, 2018 were as under:

Month	High (₹)	Low (₹)	Close (₹)	BSE Sensex Close	Volume (No. of Shares)
April 2017	59.20	51.15	56.60	9,304.05	2,37,389
May 2017	62.35	44.65	44.80	9,621.25	2,96,177
June 2017	48.00	39.55	42.80	9,520.90	1,49,866
July 2017	49.00	40.60	41.95	10,077.10	2,26,646
August 2017	43.50	36.50	41.30	9,917.90	1,31,426
September 2017	43.70	36.05	38.95	9,788.60	1,82,243
October 2017	39.60	36.05	37.60	10,335.30	1,17,223
November 2017	39.25	32.95	35.50	10,226.55	2,25,525
December 2017	45.50	34.05	44.40	10,530.70	3,53,153
January 2018	56.25	40.10	40.50	11,027.70	5,85,840
February 2018	44.00	37.50	39.60	10,492.85	1,76,710
March 2018	39.95	30.80	31.90	10,113.70	1,81,643

Source: NSE Website

(h) Distribution Schedule on number of Shares as on 31st March, 2018

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 100	10,393	60.82	5,74,042	2.42
101 to 200	2,409	14.10	4,24,795	1.79
201 to 500	2,117	12.39	7,85,537	3.31
501 to 1000	1,008	5.90	8,43,693	3.56
1001 to 5000	937	5.48	21,73,452	9.16
5001 to 10000	133	0.78	9,75,821	4.11
10001 to 100000	80	0.47	19,92,299	8.40
100001 & above	11	0.06	1,59,50,478	67.24
Total	**17,088**	**100.00**	**2,37,20,117**	**100.00**

(i) Distribution Schedule on scrip value as on 31st March, 2018:

Share of Nominal Value in ₹	No. of Shareholders	No. of Shareholders	Total Amount in ₹	% of Amount
Upto 5000	14,919	87.31	1,78,43,740	7.52
5001 to 10000	1,008	5.90	84,36,930	3.56
10001 to 20000	525	3.07	82,03,830	3.46
20001 to 30000	214	1.25	54,67,090	2.30
30001 to 40000	118	0.69	42,74,710	1.80
40001 to 50000	80	0.47	37,88,890	1.60
50001 to 100000	133	0.78	97,58,210	4.11
100001 & above	91	0.53	17,94,27,770	75.64
Total	**17,088**	**100.00**	**23,72,01,170**	**100.00**

(j) Shareholding Pattern as on 31st March, 2018 was as under:

Category	No. of Shares Held	% of Holding
(A) Promoter Holding		
Indian Promoter: (a) Expert Chemicals (India) Private Limited	1,00,05,561	42.18
Foreign Promoter: (a) Kingsbury Investment INC	30,24,000	12.75
Person acting in Concert:	-	-
Sub Total (A)	**1,30,29,561**	**54.93**
(B) NON – PROMOTERS HOLDING		
Institutional Investors		
Mutual Funds and UTI	115	0.00
Banks, Financial Institutions, Insurance Companies, (Central/State Govt. Institutions /Non -Government Institutions)	5,35,872	2.26
FIIs	-	-
Sub – Total (B)	**5,35,987**	**2.26**
(C) Others		
Private Bodies Corporate	15,29,591	6.45
Indian Public	76,45,863	32.23
NRI / OCB	9,25,347	3.90
Any-Other (Foreign-Companies)	-	-
Clearing Members	53,768	0.23
Sub – Total (C)	**1,01,54,569**	**42.81**
GRAND TOTAL (A+B+C)	**2,37,20,117**	**100.00**

(k) Dematerialization of shares and liquidity:

86.23% representing 2,04,54,273 Equity Shares were held in dematerialized form and the balance 13.77% representing 32,65,844 were in physical form as on 31st March, 2018.

(l) Outstanding Warrants:

11,25,236 Warrants of the face value of ₹ Nil were allotted to the shareholders of erstwhile PPIL pursuant to the order dated 24th April, 2007 of Hon'ble BIFR, which were exercisable upto 27th June, 2012. Refer Note No. 21.3 of the Financial Statements.

(m) Optionally Fully Convertible Debentures:

58,199 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) of face values of ₹ 1,000/- each (₹ One Thousand each) of the aggregate nominal value of ₹ 5,81,99,000/- (₹ Five Crore Eighty One Lakh Ninety Nine Thousand only) have remained unpaid as on 31st March, 2018.

Zero Coupon Optionally Fully Convertible Debenture Holders had a right to convert the same into Equity Shares of the Company between 1st November, 2008 and 30th April, 2012, at higher of:

(i) 67% of the 3 months average weekly closing high low price per share quoted on the BSE preceding the date of notice of conversion; or

(ii) at a price of ₹ 125 per share

However, none of the OFCD Holder had made an application to convert OFCD into Equity Shares of the Company.

The aforesaid OFCD were issued pursuant to the Order of Hon'ble BIFR dated 24th April, 2007. Refer Note No. 46 of the Financial Statements.

(n) Reconciliation of Share Capital Audit Report:

In terms of the directives of the Security and Exchange Board of India, Reconciliation of Share Capital Audit is being undertaken by a qualified practicing Company Secretary, on a quarterly basis.

The Company is on a regular basis submitting Reconciliation of Share Capital Audit Report, in terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, certified by Practicing Company Secretary to Stock Exchanges.

(o) Status of unpaid/unclaimed dividends & shares:

Unclaimed dividend for the Financial Year 2009-2010 has been transferred to the Investor Education and Protection Fund (IEPF). Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 (IEPF Rules), the Company has transferred relevant Equity Shares in respect of which dividend has not been paid or claimed by the Shareholders for seven consecutive years to the IEPF.

(p) Plant Locations:

a) Plot No. A-15, M.I.D.C., Ind. Area, Patalganga, Maharashtra

b) Plot No. J-17, M.I.D.C. Tarapur, Maharashtra

c) K. Illindalaparru Village, Tanuku, Dist. - West Godavari, Andhra Pradesh

(q) Compliance Officer:

The Board of Directors has designated Mr. Jitendra J. Gandhi, Company Secretary as the Compliance Officer of the Company.

(r) Address for Correspondence:

Wanbury Limited
Secretarial Department
CIN: L51900MH1988PLC048455
BSEL Tech Park,
B-Wing, 10th Floor, Sector 30-A, Opp. Vashi Railway Station,
Vashi, Navi Mumbai - 400 703, India.
Tel : +91-22-67942222
Fax: +91-22-67942111/333
E-mail: shares@wanbury.com
Website: www.wanbury.com

Shareholders of the Company can lodge their complaints on E-Mail ID: shares@wanbury.com.

(s) Address of Registrar & Share Transfer Agents:

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises, Safed Pool,
Andheri - Kurla Road, Andheri (East),
Mumbai – 400 072, India.
Telephone No.: +91-22-28516338, 28528087
Fax No.: +91-22-28512885
E-mail: sharexindia@vsnl.com

(t) Management Discussion and Analysis Report:

Management Discussion and Analysis Report is part of Annual Report.

(u) Disclosures:

(1) The Company has not entered into any transaction / agreement of a material nature with the promoters, the Directors or the management, their relatives, etc. that may have any potential conflict with the interests of the Company.

(2) Disclosure of Accounting Treatment: In the preparation of the financial statements, the Company has followed the Accounting Standard issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the notes to the accounts.

(3) Risk Management: Business risk evaluation and management is an ongoing process within the Company.

(4) The Company has formulated a policy for Related Party Transactions (RPT) in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the following link:

http://www.wanbury.com/investorrelsl/policies/WL-Policy%20for%20Related%20Party%20Transactions.pdf

(5) The Company has formulated a policy for determining 'material subsidiaries' in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the following link:

http://www.wanbury.com/investorrelsl/policies/WL-Policy%20on%20determining%20Material%20Subsidiaries.pdf

(6) Following penalty or strictures have been imposed on the Company by Stock Exchanges and no other penalty or strictures have been imposed by SEBI or any statutory authorities or any matter related to capital markets during the last three years:

(i) Penalty aggregating to ₹ 70,000/- (Rupees Seventy Thousand only) has been levied by the National Stock Exchange of India Limited on 29th November, 2016 for non compliance of Regulation 33 of Listing Regulations regarding delay in holding Board Meeting for the quarter ended 30th September, 2016 by the stipulated date i.e. 15th November, 2016 which has been paid on 30th November, 2016.

(ii) Penalty aggregating to ₹ 80,500/- (Rupees Eighty Thousand Five Hundred only) has been levied by the BSE Limited on 7th June, 2017 for non compliance of Regulation 33 of Listing Regulations regarding delay in holding Board Meeting for the quarter ended 30th September, 2016 by the stipulated date i.e.15th November, 2016 which has been paid on 8th June, 2017.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	**Director**
Mumbai, 10th August, 2018	**DIN: 00005868**	**DIN: 00002226**

DECLARATION PURSUANT TO SCHEDULE V OF THE LISTING REGULATIONS

In accordance with Regulation 26 (3) and Schedule V of the Listing Regulations with the Stock Exchanges, I, K. Chandran, Vice Chairman of the Company hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended 31st March, 2018.

For Wanbury Limited,

K. Chandran
Vice Chairman
DIN: 00005868

Mumbai, 10th August, 2018

CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIRMENTS) REGULATIONS, 2015

We, Mr. K. Chandran, Vice Chairman and Mr. Vinod Verma, Chief Financial Officer hereby certify for the Financial Year ended 31st March, 2018 that: -

(a) We have reviewed Indian accounting standards (Ind AS) financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Ind AS, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee that:

(i) there are no significant changes in internal control over financial reporting during the year;

(ii) there are no significant changes in accounting policies during the year except as required to comply with Ind AS, applicable laws and regulations; and

(iii) there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Directors,

	K. Chandran	**N. K. Puri**
	Vice Chairman	**Director**
Mumbai, 10th August, 2018	**DIN: 00005868**	**DIN: 00002226**

AUDITORS' CERTIFICATE ON REPORT ON CORPORATE GOVERNANCE

To
The Members of Wanbury Limited

1. We, V. Parekh & Associates, Chartered Accountants, the statutory auditors of Wanbury Limited ("the Company") have examined the compliance of conditions of Corporate governance by the Company, for the year ended 31 March 2018, as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedure 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 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 representations provided by the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in the regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended 31 March 2018.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on Use

9. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hand it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For V. Parekh & Associates
Chartered Accountants
ICAI FRN 107488W

Rasesh V. Parekh
Partner
Mumbai, 10th August, 2018 **M. No. 38615**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WANBURY LIMITED

Report on Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **WANBURY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss including Other Comprehensive Income (Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income (loss), 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 relevant rules issued thereunder.

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 Ind AS 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 Ind AS financial statements based on 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 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 Ind AS financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 Ind AS 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 Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its Loss, other comprehensive income (loss), its cash flows and changes in equity and for the year ended on that date.

Material Uncertainty Related to Going Concern

In spite of negative net worth of the Company, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in Note no.64 of the financial statements.

Our opinion is not modified in respect of the same.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

a) The Company has given guarantee in respect of Exim Bank's investments of USD 60 Lakhs (₹ 3,902.64 Lakhs) in Wanbury Holding B.V., a subsidiary of the Company which has been invoked. The said dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement as stated in Note 43(a) of the financial statements.

b) Note No. 46 of the financial statements regarding the status of merger of erstwhile PPIL with the Company.

Our opinion is not modified in respect of these matters.

Other Matters

The comparative financial information for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016, prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2017 and 31 March 2016, respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditor, whose reports dated 30 May 2017 and 18 May 2016, respectively, expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

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 paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, 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 (loss), the Cash Flow Statement 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder;

   e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

   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, 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, if any, of pending litigations as at 31 March 2018, on its financial position in its standalone Ind AS financial statements - Refer Note 42 to the standalone Ind AS financial statements;

      ii. The Company has not entered into any long-term contracts including derivative contracts requiring provision under the applicable law or Ind AS, for material foreseeable losses;

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

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited standalone financial statements for the year ended 31 March 2017 have been disclosed – Refer note 68 to the standalone Ind AS financial statements.

For V. Parekh & Associates
Chartered Accountants
ICAI FRN 107488W

Rasesh V. Parekh
Partner
M. No. 38615

Mumbai, 10th August, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the standalone Ind AS financial statements for the year ended 31 March 2018.)

1) 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 informed to us by the management, the Company has a policy of physically verifying fixed assets in a phased manner over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification and the same has been properly dealt with in the books of account.

   c) According to the information and explanations given to us and the title deeds / lease deeds and other records examined by us, we report that the title deeds / lease deeds in respect of all the immovable properties of land which are freehold, immovable properties of land that have been taken on lease and buildings, as disclosed in Note 8 - fixed assets in the standalone Ind AS financial statements, are held in the name of the Company or in the erstwhile name of the Company or in the name of the transferor companies which have merged into the Company, as at the balance sheet date.

2) According to the information and explanation given to us, the inventories have been physically verified by the management at reasonable intervals during the year except for stocks with third parties for which most of the confirmation certificates have been obtained by the Company. The discrepancies noticed on such physical verification between physical stock and book records were not material and have been adequately dealt with in the books of account.

3) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

4) 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 Companies Act, 2013.

5) According to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

6) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in relation to products manufactured, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, made a detailed examination of the records with a view to determine whether they are accurate and complete.

7) According to the information and explanations given to us:

   a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues with the appropriate authorities during the year. There are no undisputed amounts payable in respect of aforesaid material statutory dues as at 31 March 2018, which were in arrears for a period of more than six months from the date they became payable except statutory dues of erstwhile PPIL referred to in note 46 of the financial statements.

   b) On the basis of our examination of the documents and records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, and Cess as at 31 March 2018 which have not been deposited on account of a dispute, except as enumerated herein below which are pending before respective authorities as mentioned there against:

Name of the Statute	Nature of the Dues	Amount ₹ In Lakhs*	Period to which amounts relate	Forum where dispute is Pending
The Income Tax Act, 1961	Income Tax/TDS/ Interest /Penalty	46.20	AY 1997-98	Bombay High Court
		503.71	AY 2010-11	Deputy Commissioner of Income tax, Mumbai
The Central Sales Tax Act, 1956	Sales Tax/Interest / Penalty	42.95	FY 1997-98 to FY 2004-05	Andhra Pradesh High Court
		2,972.28	FY 1992-93 FY 1994-95 FY 1996-97 FY 1997-98 & FY 2000-01 to FY 2004-05	Bombay High Court

Name of the Statute	Nature of the Dues	Amount ₹ In Lakhs*	Period to which amounts relate	Forum where dispute is Pending
Service Tax under Finance Act, 1994	Service Tax/ Interest/ Penalty	282.37	FY 2005-06 to FY 2010-11	Central, Excise and Service Tax Appellate Tribunal, Mumbai
		31.43	FY 2011-12	The Commissioner of Central Excise (Appeals), Mumbai
The Central Excise Act, 1944	Excise Duty/ Penalty	26.10	Mar 2013 to Dec 2013	The Custom, Excise and Service Tax Appellate Tribunal (CESTAT),Hyderabad
		41.94	Jan 2014 to Oct 2014	The Custom, Excise and Service Tax Appellate Tribunal (CESTAT), Hyderabad
		20.03	Nov 2014 to Aug 2015	The Commissioner of Central Excise (Appeals), Guntur, Andhra Pradesh

*Net of amounts paid under protest or otherwise. Amount as per demand order including interest and penalty wherever quantified.

8) Based on our audit procedures, information and explanations given to us, there is no delay in respect of repayment of loans or borrowings to financial institutions, banks, Government and dues to debenture holders, except for the following defaults.

Particulars	Amount of default as at the balance sheet date (₹ in Lakhs)	Period of default (in days) and Remarks
Andhra bank - Principal - Interest	 515.27 166.31	 1 to 366 days 1 to 366 days
Axis Bank - Principal - Interest	 133.63 2.14	 1 day 1 day
EXIM Bank - Principal - Interest	 244.04 39.36	 1 to 91 days 1 to 731 days
IDBI Bank - Principal - Interest	 11.52 1.20	 1 to 91 days 1 day
Edelweiss Asset Reconstruction Company Limited ("EARCL") - Principal - Interest	 1086.94 199.69	 1 to 640 days 366 to 640 days
Foreign Currency Convertible Bond Holders - Principal - Interest	 397.04 115.70	 1 to 2,168 days 1 to 2,467 days
Non Convertible Debentures	55.67 97.00	Unpaid from 1 May 2009 Unpaid from 1 May 2010 Refer Note 28.1 and 46 of the financial statements
Optionally Fully Convertible Debentures	290.99 291.00	Unpaid from 30 April 2010 Unpaid from 30 April 2011 Refer Note 28.2 and 46 of the financial statements
Term Loans taken by erstwhile PPIL from banks / financial institutions	68.02	Unpaid from respective due dates. Refer Note 28.4, 28.5 and 46 of the financial statements

9) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loan during the year.

10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

11) According to the information and explanation given to us:

During the year ended 31 March 2018, 31 March 2017 and 31 March 2016 the Company has paid ₹ 45.77 Lakhs, ₹ 41.77 Lakhs and ₹ 49.77 Lakhs respectively in excess of the remuneration payable as per the provisions of section 197 read with Schedule V to the Companies Act, 2013, which is recoverable from whole time director. The Company has applied to the Central Government for the approval of the excess remuneration paid for F.Y. 2015-16. Amount recoverable from whole time director aggregating to ₹ 137.31 Lakhs is shown under “Other Current Assets – Non Financial”. In case of non approval from Central Government, the Board of Directors at its meeting held on 10 August 2018 has decided to recover the said dues on or before 9 August 2019. (Refer Note 57).

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

13) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Ind AS.

14) According to the information and explanation given to us, as per the terms of its debt settlement, the Company has, during the year, made preferential allotment of Equity Shares to the lender on conversion of Compulsory Convertible Debentures (CCDs) issued/allotted in part settlement of dues to lenders in the earlier year. The requirements of section 42 of the Companies Act, 2013 have been complied with to the extent applicable.

15) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

16) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For V. Parekh & Associates
Chartered Accountants
ICAI FRN 107488W

Rasesh V. Parekh
Partner
M. No. 38615

Mumbai, 10th August, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the Standalone Ind AS financial statements for the year ended 31 March 2018.)

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

We have audited the internal financial controls with reference to financial statements of **WANBURY LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 and presentation 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls. Those Standards and the above mentioned 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018 based on the internal control with reference to financial statements 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 ICAI.

For V. Parekh & Associates
Chartered Accountants
Firm Regn. No. 107488W

Rasesh V. Parekh
Partner
Mumbai,10 August, 2018 **M. No. 38615**

BALANCE SHEET AS AT 31 MARCH 2018

(₹ in Lakhs)

		Note No.	31 March 2018	31 March 2017	1 April 2016
A	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	8	17,755.68	18,544.74	17,549.64
	(b) Capital work-in-progress	8	1,004.84	957.92	1,441.80
	(c) Other Intangible assets	8	77.78	89.08	103.42
	(d) Financial Assets				
	(i) Investments	9	1.96	2.61	1.85
	(ii) Loans	10	279.19	1,961.44	1,966.20
	(iii) Other financial assets	11	35.53	37.45	26.43
	(e) Deferred tax assets (net)	12	336.38	336.38	336.38
	(f) Other non-current assets	13	10.88	89.96	75.38
	Total Non - Current Assets		**19,502.24**	**22,019.58**	**21,501.11**
2	**Current Assets**				
	(a) Inventories	14	1,307.07	3,422.76	3,461.35
	(b) Financial Assets				
	(i) Trade receivables	15	2,945.82	8,466.12	6,899.02
	(ii) Cash and cash equivalents	16	283.74	498.56	158.99
	(iii) Bank balances other than (ii) above	17	334.16	434.27	559.35
	(iv) Loans	18	-	2,823.61	2,823.61
	(v) Other financial assets	19	25.91	1,060.50	1,020.95
	(c) Other current assets	20	2,265.44	1,965.24	1,299.00
			7,162.14	18,671.06	16,222.27
	Non-Current Assets classified as held for sale	52	373.59	373.59	373.59
	Total Current Assets		**7,535.73**	**19,044.65**	**16,595.86**
	Total Assets		**27,037.97**	**41,064.23**	**38,096.97**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity Share capital	21	2,372.01	2,322.01	1,996.93
	(b) Other Equity	22	(18,273.66)	(15,071.96)	(21,962.80)
	Total Equity		**(15,901.65)**	**(12,749.95)**	**(19,965.87)**
	Liabilities				
2	**Non-current Liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	23	9,901.11	15,373.33	20,143.97
	(ii) Other financial liabilities	24	-	-	672.73
	(b) Provisions	25	1,014.38	955.35	876.46
	Total Non - Current Liabilities		**10,915.49**	**16,328.68**	**21,693.16**
3	**Current Liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	26	8,266.92	6,318.62	9,059.95
	(ii) Trade payables	27	8,179.88	13,972.46	9,625.38
	(iii) Other financial liabilities	28	14,175.45	16,062.08	16,420.98
	(b) Other current liabilities	29	1,016.43	720.39	966.19
	(c) Provisions	30	304.71	214.58	140.05
	(d) Current Tax Liabilities (Net)	31	80.74	197.37	157.11
	Total Current Liabilities		**32,024.13**	**37,485.50**	**36,369.67**
	Total Equity and Liabilities		**27,037.97**	**41,064.23**	**38,096.97**

Significant Accounting Policies 6

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 March 2018	For the year ended 31 March 2017
Income :			
Revenue from operations	32	37,417.23	44,363.45
Other Income	33	7,613.85	8,969.46
Total Income		**45,031.08**	**53,332.91**
EXPENSES			
(a) Cost of materials consumed	34	12,844.86	15,195.12
(b) Purchases of Stock-in-trade		3,795.44	3,917.35
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	35	769.47	584.99
(d) Employee benefits expense	36	8,732.08	8,777.12
(e) Finance costs	37	3,073.93	3,550.69
(f) Depreciation and amortisation expense	38	1,030.20	1,031.55
(g) Other expenses	39	18,021.59	14,036.09
Total Expenses		**48,267.57**	**47,092.91**
Profit/(loss) before tax		**(3,236.49)**	**6,240.00**
Tax Expense	56		
- Current tax (net)		(28.13)	44.71
- Deferred tax (net)		(9.63)	(6.37)
Total tax expense		**(37.76)**	**38.33**
Profit/(loss) for the year		**(3,198.73)**	**6,201.66**
Other Comprehensive Income/(loss)			
A (i) Items that will not be reclassified to profit or loss			
- Acturial gain/ loss on defined benefit obligation		30.87	20.62
(ii) Income tax effect on above		(9.63)	(6.37)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax on items that may be reclassified to profit or loss		-	-
Other Comprehensive Income / (Loss) for the year, net of tax		**21.24**	**14.25**
Other Comprehensive Income / (Loss) for the year		**(3,177.49)**	**6,215.91**
There are no exceptional items and discontinued operations			
Earnings per equity share (Face value of ₹ 10/-)	40		
(1) Basic		(13.49)	29.80
(2) Diluted		(13.49)	29.80

Significant Accounting Policies 6

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

(₹ in Lakhs)

	Particulars	31 March 2018	31 March 2017
A	**Cash flows from Operating Activities**		
	Net Profit (Loss) before Tax	(3,236.49)	6,240.00
	Adjustments for:		
	Depreciation and amortisation	1,030.20	1,031.55
	(Profit) Loss on Fixed Assets Sold (Net)	24.23	-
	Provision for Doubtful Trade Receivables	1,313.42	131.51
	Provision for Doubtful Advances	1,001.57	85.00
	Amount Written Off	4,707.60	-
	Finance Cost	3,073.93	3,550.69
	Unrealised Exchange (Gain) Loss	235.99	(254.06)
	Interest Income	(50.39)	(62.93)
	Gain on Extinguishment of Financial Liability	(5,296.02)	(8,193.00)
	Amount Written Back	(2,108.17)	(10.93)
	Fair value (gain)/loss on financial asset measured at fair value	0.65	(0.76)
	Share based payment expenses	25.80	
	Operating Profit (Loss) before Working Capital Changes	**722.33**	**2,517.07**
	Changes in Working Capital:		
	Decrease (Increase) in Trade Receivable	4,031.36	(1,685.60)
	Decrease (Increase) in Non Current Financial Assets-Loans	(3.75)	18.06
	Decrease (Increase) in Other Non Current Assets	(0.50)	3.86
	Decrease (Increase) in Other current financial assets	180.50	(40.19)
	Decrease (Increase) in Other Current Assets	(638.85)	(751.24)
	Decrease (Increase) in Inventories	2,115.69	38.58
	Increase (Decrease) in Other Non Current Financial Liabilities	(283.46)	(54.61)
	Increase (Decrease) in Other Current Liabilities	296.04	(245.80)
	Increase (Decrease) in Non Current Provisions	89.91	99.51
	Increase (Decrease) in Current Provisions	90.12	74.53
	Increase (Decrease) in Trade Payables	(3,273.41)	4,369.17
	Cash Generated from (Used in) Operations	**3,325.99**	**4,343.35**
	Direct Taxes Paid (Net of Refunds/Prior Years Adjustments)	(88.50)	(4.45)
	Net Cash generated from (Used in) Operating Activities	**3,237.49**	**4,338.90**
B	**Cash flows from Investing Activities**		
	Capital Expenditure on Property, Plant & Equipment including Capital Advances	(284.43)	(1,470.23)
	Interest Income Received	43.52	50.38
	Bank Balance not considered as Cash and Cash Equivalents (Net)	102.08	113.95
	Net Cash generated from (Used in) Investing Activities	**(138.83)**	**(1,305.90)**
C	**Cash flows from Financing Activities**		
	Interest and Other Finance Cost	(660.76)	(1,552.61)
	Repayment of Borrowings	(2,648.56)	(1,140.80)
	Unpaid dividend transfer to Investor Education Protection Fund	(4.15)	-
	Net Cash generated from (Used in) Financing Activities	**(3,313.47)**	**(2,693.41)**
	Net Increase (Decrease) in Cash & Cash Equivalents	**(214.80)**	**339.59**
	Cash and Cash equivalents as at the beginning of the Year	498.56	158.99
	Cash and Cash Equivalents as at the end of the Year (Refer Note 16)	**283.74**	**498.56**

1. Figures in brackets indicates outflow.
2. Previous year's figures are regrouped & recasted wherever required.

Significant Accounting Policies (Refer Note 6)

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

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

Statement of changes in equity for the year ended 31 March 2018

A. Equity Share Capital

Particulars	1 April 2016	Changes in Equity Share Capital during the year	31 March 2017	Changes in Equity Share Capital during the year	31 March 2018
Authorised					
20,00,000 Preference shares of ₹ 100/- each	2,000.00	-	2,000.00	-	2,000.00
3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	-	3,000.00	-	3,000.00
	5,000.00	**-**	**5,000.00**	**-**	**5,000.00**
Issued, Subscribed and Paid-up (Refer Note 21)	**1,996.93**	325.08	**2,322.01**	50.00	**2,372.01**

B. Other Equity

(₹ in Lakh)

Particulars	Other Equity								
	Reserves and Surplus						Share Application Money Pending Allotment	Compulsory Convertible Debentures	Total Other Equity
	Capital Reserve	Securities Premium Account	Debenture Redemption Reserve	General Reserve	Employee Stock Option Outstanding	Retained Earnings			
Balance as at 1 April 2016	683.41	4,103.02	412.25	1,323.52	-	(29,707.31)	1,222.31	-	(21,962.80)
Profit/(Loss) for the year	-	-	-	-	-	6,201.67	-	-	6,201.66
Other comprehensive income/ (loss) for the year (net of tax)"	-	-	-	-	-	14.25	-	-	14.25
Total comprehensive income /(loss) for the year	**-**	**-**	**-**	**-**	**-**	**6,215.91**	**-**	**-**	**6,215.91**
Transfer from retained earnings	-	-	-	-		-	-	-	-
Issue of Equity Shares	-	897.23	-	-	-	-	(1,222.31)	-	(325.08)
Issue of compulsory convertible debetures	-	-	-	-	-	-	-	1,000.00	1,000.00
Balance as at 31 March 2017	**683.41**	**5,000.25**	**412.25**	**1,323.52**	**-**	**(23,491.40)**	**-**	**1,000.00**	**(15,071.96)**
Loss for the year	-	-	-	-	-	(3,198.73)	-	-	(3,198.73)
Other comprehensive income/ (loss) for the year (net of tax)"	-	-	-	-	-	21.24	-	-	21.24
Total comprehensive income/ (loss) for the year	**-**	**-**	**-**	**-**	**-**	**(3,177.49)**	**-**	**-**	**(3,177.49)**
Transfer from retained earnings	-	-	-	-		-	-	-	-
Share based payments of employees	-	-	-	-	25.80	-	-	-	25.80
Conversion of compulsory convertible debetures into Equity Shares	-	950.00	-	-		-	-	(1,000.00)	(50.00)
Balance as at 31 March 2018	**683.41**	**5,950.25**	**412.25**	**1,323.52**	**25.80**	**(26,888.89)**	**-**	**-**	**(18,273.66)**

Nature of each Reserve and Surplus

Capital Reserve:-This Reserve repesents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations earlier.

Securities Premium Account:- This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve:- This reserve is created out of the retained earnings for the amount of debentures to be redeemed, as per the provisions of Companies Act, 2013.

General reserve:- This Reserve is created by an appropriation from one component of equity to another, not being an item of other comprehensive income.

Employee Stock Option Outstanding:-This Reserve relates to stock options granted by the Company to employees. This Reserve is transferred to securities premium or retained earnings on exercise or cancellation of vested options.

Retained earnings:- This is net surplus or deficit in the statement of profit and loss.

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. CORPORATE INFORMATION:

Wanbury Limited ("the Company") is a public limited company incorporated and domiciled in India.

Its shares are listed on Bombay Stock Exchange and National Stock Exchange. The Registered office of Company is located at BSEL Tech Park, B-Wing, 10th Floor, Sector 30-A, Opp. Vashi Railway Station, Vashi, Navi Mumbai – 400 703.

The Company is engaged in the business of pharmaceutical and related activities, including research. The financial statements of the Company for the year ended 31 March 2018 were authorized for issue by Company's Board of Directors on 10th August 2018.

2. BASIS OF PREPARATION

The financial statements of Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

These Financial Statements are Company's first Ind AS Financial Statements and are covered by Ind AS 101, "First-time adoption of Indian Accounting Standards".

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Companies (Accounts) Rules 2014 ("Previous GAAP").

An explanation of how the transition to Ind-AS has affected Company's equity and its net loss is provided in note no. 66.

The Financials statements have been prepared on an accrual basis and under the historical cost basis, except for certain financial instruments that are measured at fair value.

3. FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Indian Rupees ('INR' or 'Rupees' or 'Rs.' or '₹') which is the functional currency for Company.

4. ROUNDING OFF OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh.

5. CURRENT VERSUS NON-CURRENT CLASSIFCATION

The assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is a current asset when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle, or
- held primarily for the purpose of trading, or
- 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 assets.

A liability is a current liability when it is:

- expected to be settled in normal operating cycle, or
- held primarily for the purpose of trading, or
- 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.

All other liabilities are treated as non-current liabilities.

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

6. SIGNIFICANT ACCOUNTING POLICIES:

6.1. Property, plant and equipment :

Freehold land is carried at historical costs. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Cost includes cost of acquisition, installation or construction, other direct expenses incurred to bring the assets to its working condition and finance costs incurred upto the date the asset is ready for its intended use and excludes Cenvat / value added tax/GST eligible for credit/setoff.

When significant parts of plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

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

All identifiable Revenue expenses including interest incurred in respect of various projects/expansion, net of income earned during the project development stage prior to its intended use, are considered pre-operative expenses and disclosed under Capital Work-in-Progress.

Capital expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of the retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Depreciation & Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on the property, plant and equipment is provided based on straight line method, over the useful life of the assets as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis. Premium on Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of the land is beyond the life of the building. In other cases, building constructed on leasehold lands are amortised over the primary lease period of the lands.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

On transition to Ind AS, Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

6.2. Intangible Assets :

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to Company and the cost of the assets can be measured reliably.

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any.

Internally generated intangibles are not capitalised (except as per the below mentioned policy on research and development) and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Cost of software is amortised over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets is derecognised.

Research and Development

Revenue expenditure pertaining to research is charged to the Statement Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalized. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalized comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

On transition to Ind AS, Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

6.3. Non-Current assets held for sale

The Company classifies non-current asset as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and when actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that decision to sell will be withdrawn. Non-current asset as held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. These assets are presented separately in balance sheet. Property, plant and equipment are nor depreciated once classified as held for sale.

6.4. Impairment of non-financial assets

The carrying amount of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized in the Statement of Profit and Loss wherever the carrying amount of an asset/ cash generating unit exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. 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 risks specific to the assets. A previously recognised impairment loss is increased or reversed depending on the changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

6.5. 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:

Classification:

Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL), on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL/FVTOCI)
- Financial assets at amortised cost

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

Financial Assets measured at amortised cost (net of any write down for impairment, if any):

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial assets measured at Fair value through other comprehensive income ("FVTOCI"):

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Fair value movements are recognized in the other comprehensive income.

In case of investment in equity instruments, on initial recognition the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. In case an equity instrument is designated at FVTOCI, the fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Financial assets measured at fair value through profit or loss ("FVTPL"):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss. Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Investment in Subsidiary:

Investment in equity instruments of subsidiaries are measured at cost as per IND AS 27. In the financial statements, investments in subsidiary companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of investment.

Derecognition of Financial Assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Company has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets:

In accordance with Ind AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

i) Financial assets that are debt instruments, and are measured at amortised cost e.g.,loans,debt securities, deposits, and bank balance.

ii) Trade receivables.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial Liabilities:

Classification:

Company classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement:

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

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest bearing Loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and Losses are recognized in profit or loss when the liabilities are derecognized as well as through EIR amortization 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 amortization is included as finance costs in the Statement of Profit & Loss.

Derecognition of Financial Liabilities:

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.

Derivative Financial Instrument:

Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

6.6. Inventories:

Raw materials and packing materials are valued at lower of cost and net realizable value, cost of which includes duties and taxes (net of set offable CENVAT/VAT/GST/Custom Duty wherever applicable finished products including traded goods and work-in-progress are valued at lower of cost and net realizable value. Cost is arrived at moving average basis.

The cost of inventories have been computed to include all cost of purchases, cost of conversion, standard overheads and other related cost incurred in bringing the inventories to their present condition.

Slow and non-moving material, obsolesces defective inventory are fully provided for and valued at net realizable value.

Goods and materials in transit are valued at actual cost incurred up to the reporting date.

Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

6.7. Cash and Cash Equivalents :

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period 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.

6.8. Cash Flow Statements :

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash in nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Company is segregated.

6.9. Foreign Currency Transactions :

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the reporting date are re-measured at the exchange rate prevailing on the reporting date. Non-monetary foreign currency items denominated in foreign currency are carried at cost and not re-measured at the exchange rate prevailing as at reporting date.

Any income or expense on account of exchange difference either on settlement or on re-measurement is recognised in the Statement of Profit and Loss.

6.10. Revenue Recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty (upto 30 June 2017), excluding sales tax or value added taxes or service taxes (upto 30 June 2017) and GST (w.e.f.1 July,2017) or duties collected on behalf of the Government, and net of returns, trade discount/ allowances, rebates, and amounts collected on behalf of third parties.

Revenue from sale of goods is recognised, when all significant risks and rewards are transferred to the buyer, as per the terms of contracts and no significant uncertainty exists regarding amount of the consideration that will be derived from the sale of goods.

Dividend income is recognised when right to receive dividend is established. Interest income is recognised on time proportion basis. Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

6.11. Employee Benefits :

(i) Short term employee benefits

All employee benefits payable wholly within twelve months from reporting date are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives and the expected cost of bonus ex-gratia etc are recognised during the period in which the employee renders related service.

(ii) Defined benefit plans

Gratuity plan

Company provides for gratuity, a defined benefit retirement plan (‘the Gratuity Plan’) covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with Company.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, Performed by an independent actuary, at each balance sheet date using the Projected Unit Credit Method.

Company contributes all ascertained liabilities to the group gratuity scheme with Life Insurance Corporation of India as permitted by laws of India.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the annual reporting period to the net defined benefit liability or asset. Service cost and net interest expenses or income is recognised in profit or loss.

Compensated absences

Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Liability in respect of Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at the present value of the defined benefit obligation at the balance sheet date.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(iii) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. Company pays provident fund contributions to publicly administered provident funds as per local regulations. 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.

6.12. Share-based payment transactions:

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in Equity under "Share Based Payment Reserve". At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share based Payment Reserve.

6.13. Borrowing Costs :

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

6.14. Lease :

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Leases rentals are charged to the statement of profit and loss on straight line basis.

6.15. Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of Equity Shares outstanding during the period including instruments which are mandatorily convertible into Equity Shares of the Company Diluted earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of Equity Shares considered for deriving basic earnings per equity share and also the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential Equity Shares. The dilutive potential Equity Shares are adjusted for the proceeds receivable had the Equity Shares been actually issued at fair value. Dilutive potential Equity Shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential Equity Shares are determined independently for each period presented.

6.16. Income Taxes :

Income tax expense comprises current and deferred income tax. It is recognized in Statement of Profit and Loss except to the extent that it relates items recognized directly in equity or in OCI.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable of receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the company;

i) has a legally enforceable right to set off the recognized amounts; and

ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if;

i) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

6.17. Provisions and Contingent Liabilities :

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resoucres will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount 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 recognized as a finance cost.

Contingent liabilities are disclosed in the Notes to the Standalone Financial Statements. Contingent liabilities are disclosed for;

i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

6.18. Fair value measurement :

Company measures financial instruments, such as, derivatives at fair value at each balance sheet date in accordance with IND AS 113. Financial Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position;

i) Derivative financial instruments are measured at fair value received from Bank.

ii) Employee Stock Option Plan (ESOP) at fair value as per Actuarial Valuation Report.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date.

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 recognized in the financial statements on a recurring basis, Company determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

6.19. Standard issued but not effective

A. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On 28 March 2018, Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018.

B. Ind AS 115 – Revenue from Contracts with Customers

On 28 March 2018, MCA has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers.

The standard permits two possible methods of transition:

o Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

o Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Company will adopt the standard on 1 April 2018.

7. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities in future periods.

7.1. Property, plant and equipment :

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. Assumptions also need to be made, when Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

7.2. Intangible Assets :

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

7.3. Recognition and measurement of defined benefit obligations :

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

7.4. Recognition of deferred tax assets and income tax :

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

7.5. Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

7.6. Contingencies :

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/litigations against Company as it is not possible to predict the outcome of pending matters with accuracy.

7.7. Allowance for uncollected accounts receivable and advances :

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

7.8. Insurance Claims :

Insurance claims are recognized when the Company has reasonable certainty of recovery.

7.9. Impairment Reviews :

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

8.1 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Current Year (₹ in Lakhs)

	Description	Gross Block				DEPRECIATION/AMORTISATION				Net Block
		As at 1 April 2017	Addition	Deduction/ Adjustment	As at 31 March 2018	As at 1 April 2017	for the Period	Deduction/ Adjustment	As at 31 March 2018	As at 31 March 2018
		(1)	(2)	(3)	(4)= (1+2-3)	(5)	(6)	(7)	(8)=(5+6-7)	(9) =(4-8)
A	**Property, Plant & Equipments**									
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	4,739.81
	Lease Hold Land	440.24	-	-	440.24	6.31	6.31	-	12.62	427.62
	Factory Building	4,113.26	9.15	-	4,122.41	214.30	232.18	-	446.48	3,675.92
	Plant & Machinery	8,908.21	151.35	13.01	9,046.55	522.92	549.82	1.39	1,071.35	7,975.20
	Furniture & Fixtures	293.60	7.66	0.94	300.31	48.16	34.52	0.35	82.33	217.98
	Vehicles	127.78	-	-	127.78	39.29	34.61	-	73.90	53.88
	Office Equipments	135.70	9.90	1.91	143.69	34.42	30.83	1.12	64.13	79.56
	Electrical Installations	102.27	-	0.03	102.24	14.54	15.21	0.03	29.72	72.52
	Laboratory Equipments	565.32	54.66	6.76	613.22	72.71	58.47	1.65	129.53	483.69
	Computers	68.35	12.01	0.03	80.33	27.12	26.47	0.03	53.57	26.77
	Leasehold Improvement	51.13	-	35.29	15.84	21.16	21.12	29.17	13.11	2.73
	Total	**19,545.66**	**244.73**	**57.98**	**19,732.41**	**1,000.93**	**1,009.55**	**33.74**	**1,976.74**	**17,755.68**
B	**Other Intangible Asset**									
	Software	119.70	9.34	-	129.04	30.62	20.65	-	51.27	77.78
	Total	**119.70**	**9.34**	**-**	**129.04**	**30.62**	**20.65**	**-**	**51.27**	**77.78**
C	**Capital Work In Progress**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,004.84**
	Total (A+B+C)	**19,665.36**	**254.07**	**57.98**	**19,861.46**	**1,031.55**	**1,030.20**	**33.74**	**2,028.00**	**18,838.30**

8.2 Previous Year

(₹ in Lakhs)

	Description	Gross Block				DEPRECIATION/AMORTISATION				Net Block	Net Block
		As at 1 April 2016	Addition	Deduction/ Adjustment	As at 31 March 2017	As at 1 April 2016	for the Period	Deduction/ Adjustment	As at 31 March 2017	As at 31 March 2017	As at 1 April 2016
		(1)	(2)	(3)	(4)= (1+2-3)	(5)	(6)	(7)	(8)=(5+6-7)	(9) =(4-8)	
A	**Property, Plant & Equipments**										
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	4,739.81	4,739.81
	Lease Hold Land	440.24	-	-	440.24	-	6.31	-	6.31	433.93	440.24
	Factory Building	3,426.79	686.47	-	4,113.26	-	214.30	-	214.30	3,898.96	3,426.79
	Plant & Machinery	8,015.61	892.60	-	8,908.21	-	522.92	-	522.92	8,385.29	8,015.61
	Furniture & Fixtures	168.30	125.30	-	293.60	-	48.16	-	48.16	245.44	168.30
	Vehicles	120.92	6.86	-	127.78	-	39.29	-	39.29	88.49	120.92
	Office Equipments	82.07	53.63	-	135.70	-	34.42	-	34.42	101.28	82.07
	Electrical Installations	33.22	69.05	-	102.27	-	14.54	-	14.54	87.73	33.22
	Laboratory Equipments	420.98	144.34	-	565.32	-	72.71	-	72.71	492.61	420.98
	Computers	50.57	17.78	-	68.35	-	27.12	-	27.12	41.23	50.57
	Leasehold Improvement	51.13	-	-	51.13	-	21.16	-	21.16	29.97	51.13
	Total	**17,549.64**	**1,996.03**	**-**	**19,545.66**	**-**	**1,000.93**	**-**	**1,000.93**	**18,544.74**	**17,549.64**
B	**Other Intangible Asset**										
	Software	103.42	16.28	-	119.70	-	30.62	-	30.62	89.08	103.42
	Total	**103.42**	**16.28**	**-**	**119.70**	**-**	**30.62**	**-**	**30.62**	**89.08**	**103.42**
C	**Capital Work In Progress**			-	-	-	-	-	-	957.92	1,441.80
	Total (A+B+C)	**17,653.06**	**2,012.31**	**-**	**19,665.36**	**-**	**1,031.55**	**-**	**1,031.55**	**19,591.74**	**19,094.86**

8.3 The title deeds of the immovable properties transferred pursuant to the Scheme of Merger are yet to be transferred in the name of the Company.

8.4 Capital Work in Progress includes Machinery under installation, Construction material purchases and other assets under erection. It includes ₹ 896.54 **Lacs (31** March 2017 - ₹ 896.54 Lacs) of erstwhile PPIL (Refer Note 46).

8.5 Addition includes ₹ 4.33 Lakh (31 March 2017 - ₹ 3.61 Lakh) used for Research & Development

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
9	**Non Current Financial Assets - Investments**			
9.1	**Investment in Equity Instruments**			
	(i) In Subsidiaries - Unquoted (at cost/deemed cost)			
	Ningxia Wanbury Fine Chemicals			
	13,260 Share of USD 1 each fully paid up	-	-	-
	Wanbury Holding B. V.			
	6,489 Ordinary Share of Euro 1,000 each fully paid up	-	-	-
	(Pledged with Banks against loan given to the Cantabria Pharma S.L.)			
	Advance for Pending Allotment of ordinary shares	-	-	-
	Wanbury Global FZE			
	5 Shares of AED 1,00,000 each fully paid up	-	-	-
	Quasi Share Capital	-	-	-
	(ii) In Others - Unquoted (Fair Value through Profit & Loss)			
	The Saraswat Co-op. Bank Ltd.			
	706 Equity Share of ₹ 10 each fully paid up	0.07	0.07	0.07
	The Shamrao Vithal Co-op. Bank Ltd.			
	100 Equity Share of ₹ 25 each fully paid up	0.03	0.03	0.03
	Bravo Healthcare Limited			
	12,71,250 Equity Share of ₹ 10 each fully paid up	-	-	-
	(iii) In Others - Quoted (Fair Value through Profit & Loss)			
	Bank of India			
	1,800 Equity Share of ₹ 10 each fully paid up	1.86	2.51	1.75
		1.96	**2.61**	**1.85**
9.2	Aggregate carrying value of quoted investments	1.86	2.51	1.75
9.3	Aggregate market value of quoted investments	1.86	2.51	1.75
9.4	Aggregate carrying value of unquoted investments	0.10	0.10	0.10
9.5	Aggregate amount of impairment in value of investments	-	-	-
9.6	Details of investments at cost which has been fully provided for diminution in the value of investments under previous GAAP and accordingly deemed carrying value on transition to Ind AS is considered NIL:			
	Ningxia Wanbury Fine Chemicals			
	13,260 Share of USD 1 each fully paid up	5.29	5.29	5.29
	Wanbury Holding B. V.			
	6,489 Ordinary Share of Euro 1,000 each fully paid up	3,849.02	3,849.02	3,849.02
	Advance for Investment Pending Allotment	10,004.46	10,004.46	10,004.46
	Wanbury Global FZE			
	5 Shares of AED 1,00,000 each fully paid up	68.33	68.33	68.33
	Quasi Share Capital	1,254.35	1,254.35	1,254.35
	Bravo Healthcare Limited			
	12,71,250 Equity Share of ₹ 10 each fully paid up	53.40	53.40	53.40
		15,234.85	**15,234.85**	**15,234.85**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
10	**Non Current Financial Assets - Loans**			
	(Unsecured, considered good, unless otherwise stated)			
	Security Deposits	279.19	265.47	270.23
	Other Loans			
	- Considered Good	-	1,695.97	1,695.97
	- Considered Doubtful	1,471.78	372.29	372.29
		1,471.78	2,068.26	2,068.26
	Less: Allowance for Doubtful Other Loans	1,471.78	372.29	372.29
		-	1,695.97	1,695.97
		279.19	**1,961.44**	**1,966.20**
11	**Non Current Financial Assets - Others**			
	In Deposit Accounts with Banks (Under Lien)			
	-with original maturity of more than 12 months	35.48	37.45	26.32
	Interest Accrued on fixed deposit with Banks	0.05	-	0.11
		35.53	**37.45**	**26.43**
12	**Deferred Tax Assets**			
	MAT Credit Entitlement	336.38	336.38	336.38
		336.38	**336.38**	**336.38**
13	**Non Current Assets - Others**			
	Capital Advances	5.20	84.79	66.35
	Prepaid Expenses	5.68	5.17	9.03
		10.88	**89.96**	**75.38**
14	**Inventories**			
	Raw Materials and Packing Materials	357.02	1,698.98	1,150.18
	Work-in-Progress	131.01	535.28	1,149.15
	Finished Goods	247.23	430.47	567.40
	Stock-in-Trade	565.50	747.46	581.65
	Fuel	6.31	10.57	12.97
		1,307.07	**3,422.76**	**3,461.35**
15	**Trade Receivables**			
	Unsecured			
	- Considered Good	2,945.82	8,466.12	6,899.02
	- Considered Doubtful	1,922.43	609.01	477.50
		4,868.25	9,075.13	7,376.52
	Less: Allowance for doubtful trade receivables	1,922.43	609.01	477.50
		2,945.82	**8,466.12**	**6,899.02**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
16	**Cash and Cash Equivalents**			
	Balances with Banks:			
	- In Current Account	274.45	484.35	153.87
	- In EEFC Account	5.44	4.47	3.68
	Cash on Hand	3.85	9.74	1.44
		283.74	**498.56**	**158.99**
17	**Bank Balances other than Cash and Cash Equivalents**			
	Earmarked balances with banks			
	- Unpaid Dividend*	-	4.15	4.15
	In Deposit Accounts with Banks (Under Lien)			
	-with original maturity of more than 3 months and upto 12 months	316.06	370.96	540.25
	-with original maturity of more than 12 months	18.10	59.16	14.95
		334.16	**434.27**	**559.35**

*During the year ended 31 March 2018, Company has trasferred ₹ 4.15 lacs to Investor Education and Protection Fund within the due date

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
18	**Current Financial Assets - Loans**			
	Unsecured			
	Other Loans			
	- Considered Good	-	2,823.61	2,823.61
	- Considered Doubtful	56.54	619.82	619.82
		56.54	3,443.43	3,443.43
	Less: Allowance for Doubtful Other Loans	56.54	619.82	619.82
		-	**2,823.61**	**2,823.61**
19	**Current Financial Assets - Others**			
	Interest Accrued on fixed deposit with Banks	0.19	0.32	2.07
	Other Interest Receivable			
	- Considered Good	-	853.96	852.85
	- Considered Doubtful	313.50	186.79	186.79
		313.50	1,040.75	1,039.64
	Less: Allowance for Doubtful Other Interest Receivable	313.50	186.79	186.79
		-	853.96	852.85
	Mark to Market Derivative Assets	25.72	206.22	166.03
		25.91	**1,060.50**	**1,020.95**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
20	**Other Current Assets - Non Financial**			
	(Unsecured, considered good, unless otherwise stated)			
	Advance to Related Parties (Refer Note 62):			
	- Considered Good	-	-	-
	- Considered Doubtful	8,809.00	8,809.00	8,817.37
		8,809.00	8,809.00	8,817.37
	Less: Allowance for Doubtful Advances to Related Parties	8,809.00	8,809.00	8,817.37
		-	-	-
	Advance to Employees:			
	- Considered Good*	98.95	216.89	300.25
	- Considered Doubtful	204.76	85.00	-
		303.71	301.89	300.25
	Less: Allowance for Doubtful Advances to Employees	204.76	85.00	-
		98.95	216.89	300.25
	Advance to Suppliers :			
	- Considered Good	296.85	484.82	42.36
	- Considered Doubtful	218.88	-	-
		515.73	484.82	42.36
	Less: Allowance for Doubtful Advances to Suppliers	218.88	-	-
		296.85	484.82	42.36
	Prepaid Expenses	122.18	80.07	59.41
	Export Benefit Receivable	296.41	366.80	168.91
	Balance with Statutory/Government Authorities:			
	- Excise Authorities	-	253.02	211.94
	- VAT Receivable	371.92	563.64	516.13
	- GST Receivable	1,079.13	-	-
		2,265.44	**1,965.24**	**1,299.00**

*Includes excess remuneration receivable from Director- ₹ 137.31 Lakhs (31 March 2017 - ₹ 91.54 Lakhs ; 1 April 2016 - ₹ 215.96 Lakhs) (Refer Note 57)

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
21	**Share Capital**			
	Authorised			
	20,00,000 Preference shares of ₹ 100/- each	2,000.00	2,000.00	2,000.00
	3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	3,000.00	3,000.00
		5,000.00	**5,000.00**	**5,000.00**
	Issued, Subscribed and Paid-Up			
	2,37,20,117 (31 March 2017 - 2,32,20,117; 1 April 2016 - 1,99,69,286) Equity Shares of ₹ 10/- each fully paid up	2,372.01	2,322.01	1,996.93
	Total Share Capital	**2,372.01**	**2,322.01**	**1,996.93**

21.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period:

Particulars	31 March 2018		31 March 2017		1 April 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	2,32,20,117	2,322.01	1,99,69,286	1,996.93		
Add: Shares allotted as fully paid up during the year	5,00,000	50.00	32,50,831	325.08		
Shares outstanding at the end of the year	**2,37,20,117**	**2,372.01**	**2,32,20,117**	**2,322.01**	**1,99,69,286**	**1,996.93**

21.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares with voting rights having a par value of ₹ 10 per share. The Company declares & pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of Equity Shares held by the shareholders.

21.3 Outstanding Options to subscribe to Equity Shares

11,25,236 warrants of the face value of ₹ Nil have been allotted to the shareholders of Erstwhile PPIL as per the BIFR order. The warrant holders have the right to subscribe to one equity share of ₹ 10/- each at the premium of ₹ 125/- per share which is exercisable within five years from 27 June 2007,being the date of allotment of the warrants. Refer note 46.

58,199 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) of face value of ₹ 1,000/- each were allotted to the lenders of erstwhile PPIL pursuant to the order dated 24 April 2007 of Hon'ble BIFR. OFCD were convertible between 1 November 2008 and 30 April 2012 into its Equity Shares at a price of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right. Refer note 46.

Refer Note 47 for rights of lender under CDR scheme to convert dues into Equity Shares of the Company under certain condition stipulated in Master Restructuring Agreement dated 19 September 2011.

21.4 Details of Equity Shares held by each shareholders holding more than 5%

Name of Shareholder	31 March 2018		31 March 2017		1 April 2016	
	No. of Shares	% of No. of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Kingsbury Investments Inc	30,24,000	12.75%	30,24,000	13.02%	30,24,000	15.14%
Expert Chemicals (India) Pvt. Ltd.	1,00,05,561	42.18%	1,00,05,561	43.09%	67,54,730	33.83%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders/members regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

21.5

Particulars	31 March 2018	31 March 2017	1 April 2016
	No of Shares of FV ₹ 10	No of Shares of FV ₹ 10	No of Shares of FV ₹ 10
Equity Shares reserved for issuance under Employee Stock Options Plan 2016 of the Company	9,98,464	9,98,464	9,98,464
Aggregate number of Equity Shares issued during the last five years pursuant to Employee Stock Options Plan 2016 of the Company	-	-	-

21.6 In compliance with the terms of the Corporate Debt Restructuring Scheme, during the previous year ended 31 March 2017, the Company has allotted 32,50,831 Equity Shares of Face value of ₹10 each at a premium of ₹ 27.60 per equity share to the promoter Company Expert Chemicals (India) Pvt. Ltd., on preferential basis.

21.7 During the previous year ended 31 March 2017, the Company had allotted 5,00,000 numbers of Zero % Compulsorily Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 1,000 lakhs and during the current year ended 31 March 2018, CCDs has been converted into 5,00,000 Equity Shares of Face value of ₹ 10 each at premium of ₹ 190 per share.

21.8 The Company has neither allotted any shares as fully paid up pursuant to contract without payment being received in cash and by way of bonus shares nor bought back any shares during the period of five years preceding the date of this balance sheet.

21.9 The Company is not a subsidiary Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
22	**Other Equity**			
	Capital Reserves	683.41	683.41	683.41
	Securities Premium Account	5,950.25	5,000.25	4,103.02
	Debenture Redemption Reserve	412.25	412.25	412.25
	General Reserve	1,323.52	1,323.52	1,323.52
	Employee Stock Option Outstanding	25.80	-	-
	Retained Earnings	(26,668.89)	(23,491.39)	(29,707.31)
	Compulsorily Convertible Debentures (CCDs)	-	1,000.00	-
	Share Application Money Pending Allotment	-	-	1,222.31
	Total other equity	**(18,273.66)**	**(15,071.96)**	**(21,962.80)**
23	**Non-current Financial Liabilities - Borrowings Term loans (Secured)**			
	From Banks (Rupee)	1,854.28	4,841.18	18,282.00
	From Others (Rupee)*	8,046.01	9,384.90	-
	From Banks (Foreign Currency)	-	1,145.23	1,855.07
	Vehicle Loans (Secured)			
	From Others (Rupee)	0.82	2.02	6.90
		9,901.11	**15,373.33**	**20,143.97**

* Includes ₹ 1,223.22 lakhs (31 March 2017 - ₹ 1,915.35 Lakhs) dues of State Bank of Mysore (“SBM”) which is assigned by SBM to Edelweiss Asset Reconstruction Company Limited (“EARCL”), vide letter dated 31 March 2017. Refer note 49.

23.1 Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the current period

₹ in Lakhs

Particulars	31 March 2018	31 March 2017
Cash and cash equivalents	283.74	498.56
Non-current Borrowings	(9,901.11)	(15,373.33)
Current Borrowings	(8,266.92)	(6,318.62)
Current maturities of long term borrowings	(3,858.55)	(5,287.34)
Interest accrued	(1,271.59)	(1,343.56)
Unpaid dues	(3,191.13)	(3,226.37)
Net Debt	**(26,205.55)**	**(31,050.66)**

Particulars	Cash and Cash equivalent	Liability from financing activities	Total
Balance as on 1 April 2017	**498.56**	**(31,549.21)**	**(31,050.66)**
Cash outflows	(214.82)	2,648.55	2,433.74
Interest expense for the year	-	(3,073.93)	(3,073.93)
Interest payment	-	660.76	660.76
Gain on extinguishment of loan liability	-	5,296.02	5,296.02
Write back	-	1,738.27	1,738.27
Non-fundbased loan	-	(2,164.13)	(2,164.13)
Revaluation of foreign currency borrowings	-	(45.62)	(45.62)
Closing balance as on 31 March 2018	**283.74**	**(26,489.29)**	**(26,205.55)**

23.2

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Working Capital Term Loan I : First pari passu charge on all the present and future fixed assets of the Company excluding Tanuku plant & on all the present and future current assets of the Company including few brands of the Company. Second pari passu charges on all the present and future fixed assets of the Company, situated at Tanuku plant. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company	IDBI Bank : The loan is repayable in 4 equal annual instalments from 30th Sept 17 to 30th Sept 2020 All other lenders : The loan is repayable in 4 equal annual instalments from 31st March 2018 to 31st March 2021 Fixed Interest payable @ 1%	1,149.00	2,045.69	2,903.93
Funded Interest Term Loan : First pari passu charge on all the present and future fixed assets of the Company excluding Tanuku plant & on all the present and future current assets of the Company including few brands of the Company. Second pari passu charges on all the present and future fixed assets of the Company, situated at Tanuku plant. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals, Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.	The loan is repayable in 32 quarterly instalments starting from 1st Oct 2012 to 30th Sept. 2020. Interest rate of 3% p.a. for FY 10-11 which shall be increased by 1% each year till it reaches a level of 5% in Fy 12-13 and thereafter will remain constant.	1,062.52	1,454.36	2,696.77
Term loan EARC -Edelweiss : First pari passu charge on all the present and future fixed assets including few brands of the Company. Second pari passu charge on all the present and future current assets of the Company. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.		8,912.32	8,532.89	(50.00)

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Working Capital Term Loan II: First pari passu charge on all the present and future fixed assets of the Company excluding Tanuku plant & on all the present and future current assets of the Company including few brands of the Company. Second pari passu charges on all the present and future fixed assets of the Company, situated at Tanuku plant. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.	IDBI Bank :The loan is repayable in 4 equal annual instalments from 30th Sept 17 to 30th Sept. 2010 All other lenders : The loan is repayable in 4 equal annual instalments from 31st March 2018 to 31st March 2021 Ballooning interest 1% to 4% in FY 13-14 to 5% in FY 2015-16 and to 8% in Fy 2018-19 and thereafter it will remain same.	1,118.00	2,950.32	3,980.04
"**Term Loan** frst pari passu charge on all the present and future fixed assets of the Company, excluding Tanuku plant. First pari passu charge on few brands of the Company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the Company. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals, Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.	The Loan is repayable in 32 quarterly instalments from 31.12.12 to 30.09.2020 Interest @ 9.50% p.a.	3,014.95	2,968.33	6,953.04
Corporate Loan : First pari passu charge on all the present and future fixed assets of the Company, excluding Tanuku plant. First pari passu charge on few brands of the Company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the Company. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals, Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company."	SB Mysore :12 equal quarterly instalments of ₹ 22.50 lacs from Jan 17 to Oct 19 BOI:12 equal quarterly instalments of Rs 37.50 cr. from Mar 16 to Dec 18 SBI : 4 quarterly equal instalments of 2.65% of loan amount from April 15 to March 16, 4 quarterly equal instalments of 3.15% of loan amount from April 16 to March 17,4 quarterly equal instalments of 4.56% of loan amount from April 17 to March 18,4 quarterly equal instalments of 6.19% of loan amount from April 18 to March 19,4 quarterly equal instalments of 11.26% of loan amount from April 19 to Dec 19, Interest @ 11.5%	296.17	687.57	6886.75

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Capex Loan First pari passu charge on all the present and future fixed assets of the Company, excluding Tanuku plant. First pari passu charge on few brands of the Company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the Company. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals, Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.	Loan is repayable in five years from FY 2011-12 to FY 2016-17 Interest @ 11.50%	70.80	110.06	317.54
Priority Loan First pari passu charge on all the present and future fixed assets of the Company, excluding Tanuku plant. First pari passu charge on few brands of the Company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the Company. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals, Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company."	Loan is repayable in 12 quarterly instalments from 1.04.13 to 31.03.16 Interest @ 11.50%	-	-	374.89
Working Capital Term Loan III First pari passu charge on all the present and future fixed assets of the Company excluding Tanuku plant & on all the present and future current assets of the Company including few brands of the Company. Second pari passu charges on all the present and future fixed assets of the Company, situated at Tanuku plant. Pledge of unencumbered shareholding in the Company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.	Loan is repayable in 12 quarterly instalments from 1.10.12 to 31.03.16 Interest @ 11.50%	-	-	379.84

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
ECB Loan First pari passu charge on all the present and future fixed assets of the Company, excluding Tanuku plant, First pari passu charge on few brands of the Company, Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the Company, Pledge of unencumbered shares of Wanbury on pari passu basis, held by Expert Chemicals (I) Private Limited & kinsbury Investment Inc. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, Director of the Company.”	Loan is repayable in 28 quarterly instal-ments from 1.01.13 to 31.12.20 Interest @ Libor + 295 bps	-	2,651.55	2,616.30
Vehicle Loan First charge on vehicles against which loan is disbursed.”		1.92	2.02	6.9

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
24	**Non-Current Financial Liabilities - Others**			
	Dues Payable to FCCB 'B' Bond Holder (Refer Note 50)	-	-	523.62
	Dues payable to FCCB 'A' Bond Holder (Refer Note 50)	-	-	149.11
		-	**-**	**672.73**
25	**Non-Current Provisions**			
	Provision for employee benefits (Net) (Refer Note 59)			
	Provision for Gratuity	543.86	522.75	484.70
	Provision for Leave Benefits	470.52	432.60	391.76
		1,014.38	**955.35**	**876.46**
26	**Current Financial Liabilities - Borrowings**			
	Working Capital Loans repayable on demand (Secured) (Refer Note 26.1)			
	From Banks (Rupee)	7,200.44	5,350.31	8,652.11
	From Others (Rupee)*	815.31	815.31	-
	From Others (Foreign Currency) (Secured) (Refer Note 26.2)	200.92	102.75	357.59
	Loans repayable on demand (Unsecured) (Refer Note 46)			
	From Banks (Rupee)	29.94	29.94	29.94
	From Others (Rupee)	20.31	20.31	20.31
		8,266.92	**6,318.62**	**9,059.95**

* Represents dues of State Bank of Mysore ("SBM") assigned to Edelweiss Asset Reconstruction Company Limited ("EARCL") by SBM, vide letter dated 31 March 2017. Refer Note 49.

26.1 Above loans are secured by first pari-passu charge on current assets including few brands of the Company, second charge on both present and future fixed assets of the company and pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. and pledge of 12,71,250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Further there is Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.

26.2 Factoring facilities are secured by subservient (residual) charge on all present and future receivables, book debts, outstandings, monies receivables, claims and bills of the Company, which are now due and or which may be due at anytime of its approved debtors and subservient charge on all present and future fixed asset and current assets of the Company.

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
27	**Current Financial Liabilities - Trade Payables**			
	Trade Payables	8,179.88	13,972.46	9,625.38
		8,179.88	**13,972.46**	**9,625.38**

As at 31 March 2018, 31 March 2017 and 1 April 2016, there are no oustanding dues to Micro and Small enterprises. There are no interest due or oustanding of the same. Refer Note 54 for Micro, Small & Medium Enterprises Disclosures.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
28	**Current Other Financial Liabilities**			
	(Unsecured unless otherwise stated)			
	Current maturities of:			
	-Term Loan - Banks (Secured) (Refer Note 23)	1,122.48	2,695.56	4,032.30
	-Term Loan - Others (Secured) (Refer Note 23)	2,592.55	1,580.82	-
	-Vehicle Loan (Secured) (Refer Note 23)	1.10	4.88	7.52
	-Dues of FCCB Holders (Refer Note 50)	142.41	1,006.07	1,123.68
	Interest accrued but not due:			
	-On borrowings	418.21	1.99	6.44
	-On debentures (Secured)	328.98	328.98	328.98
	Interest accrued and due (Refer Note 28.3)			
	-On Secured Borrowings (Refer Note 23)	408.70	625.12	1,036.83
	-On Foreign Currency Convertible Bonds	115.70	387.46	329.28
	Unpaid dividends (Refer Note 28.6)	-	4.15	4.15
	Unpaid Dues:			
	-Of Long Term Borrowings (Secured) (Refer Note 28.3, 23)	1,991.40	1,481.86	1,852.89
	-Of FCCB Holders (Refer Note 28.3 & 50)	397.04	941.81	717.56
	-Of Long Term Borrowings of erstwhile PPIL (Secured) (Refer Note 28.4 & 28.5)	68.02	68.02	68.02
	-Of Matured Zero Coupon Non Convertible Redeemable Debentures (NCD) (Secured) (Refer Note 28.1 & 28.5)	152.67	152.67	152.67
	-Of Optionally Fully Convertible Debentures (OFCD) (Secured) (Refer Note 28.2 & 28.5)	581.99	581.99	581.99
	Other Payables:			
	- Capital Creditors	255.59	318.62	241.97
	- Others (Includes Inland bills payable, stale cheques, dues of PPIL etc)	134.61	414.08	441.09
	- Security Deposit	464.00	468.00	495.60
	- Liability against Corporate Guarantees issued	5,000.00	5,000.00	5,000.00
		14,175.45	**16,062.08**	**16,420.98**

28.1 The NCD are to be secured by a pari passu charge on the fixed assets of the Company situated at Patalganga and Plot No. J-17 at Tarapur. The NCD comprises of Part A of ₹ 60 and Part B of ₹ 40 which are redeemable at par at the end of two years and three years respectively from 1 May, 2007. The Company had redeemed Part A of ₹ 60 relating to 1,49,709 NCD's in the earlier years. NCD's amounting to ₹ 55.67 Lakhs and ₹ 97 Lakhs was due for repayment on 1 May 2009 and 1 May 2010 respectively. Refer Note 46.

28.2 The OFCD are to be secured by a pari passu charge on the fixed assets of erstwhile PPIL situated at Plot No 24 at Tarapur and fixed assets at Mazgaon. OFCD are convertible between 1 November, 2008 and 30 April, 2012 into Equity Shares at a price being higher of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right amounting to ₹ 290.99 Lakhs and ₹ 291 Lakhs was due for repayment on 30 April 2010 and 30 April 2011 respectively. Refer Note 46.

28.3 There is delay in repayment of

(i) term loan aggregating to ₹ 1,991.40 Lakhs (31 March 2017 - ₹ 1,481.86 Lakhs; 1 April 2016 - ₹ 1,852.89 Lakhs) ranging from 1 to 640 days (31 March 2017 - 1 to 366 days ; 1 April 2016 - 1 to 367 days).

(ii) amount payable to FCCB Holders aggregating to ₹ 397.04 Lakhs (31 March 2017 - ₹ 941.81 Lakhs ; 1 April 2016 - ₹ 717.56 Lakhs) ranging from 1439 to 2168 days (31 March 2017 -17 to 1803 days ; 1 April 2016 - 92 to 1438 days)

(iii) interest on secured borrowings aggregating to ₹ 408.70 Lakhs (31 March 2017 - ₹ 625.12 Lakhs ; 1 April 2016 - ₹ 1,036.83 Lakhs) ranging from 1 to 731 days (31 March 2017 - 1 to 457 days ; 1 April 2016 - 1 to 367 days) in respect of dues to banks/ financial institutions.

(iv) interest on FCCB aggregating to ₹ 115.70 (31 March 2017 - ₹ 387.46 Lakhs ; 1 April 2016 - ₹ 329.28 Lakhs) ranging from 2103 to 2467 days (31 March 2017 - 17 to 2102 days ; 1 April 2016 - 1438 to 1737 days).

28.4 Term loans of erstwhile PPIL amounting to ₹ 68.02 Lakhs are secured by a pari-passu first charge on its fixed assets of erstwhile PPIL.

28.5 The said dues were payable as per Merger Cum Revival Scheme approved by the BIFR vide its order dated 24 April, 2007. Refer Note 46.

28.6 During the year ended 31 March 2018, Company has trasferred unpaid dividend of ₹ 4.15 lacs to Investor Education and Protection Fund within due date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

			31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
29	**Other Current Liabilities**				
	- Advance received from customers		342.32	204.14	438.84
	- Statutory Dues Payable		674.11	516.25	527.35
			1,016.43	**720.39**	**966.19**
30	**Current Provisions**				
	Provision for employee benefits (Net) (Refer Note 59)				
	Provision for Gratuity		126.45	28.60	22.29
	Provision for Leave Benefits		46.89	53.47	25.16
	Bonus Provision		131.37	132.51	92.60
			304.71	**214.58**	**140.05**
31	**Current Tax Liabilities (Net)**				
	Provision for Income Tax (Net of Payment) (Refer Note 56)		80.74	197.37	157.11
			80.74	**197.37**	**157.11**
32	**Revenue From Operation**				
	Sale of products:				
	- Finished Goods		24,955.69	31,412.58	
	- Traded Goods		12,106.61	12,496.91	
	Processing Charges		-	-	
	Other Operating Revenue:				
	- Export Incentive		261.01	398.33	
	- Sale of Scrap		93.92	55.63	
			37,417.23	**44,363.45**	
33	**Other Income**				
	Interest on Bank Deposits		23.52	42.24	
	Other Interest		26.87	20.69	
	Exchange Difference (Net)		150.21	596.98	
	Insurance Claim		4.00	4.89	
	Amounts written back		2,108.17	10.93	
	Miscellaneous Income		5.06	99.97	
	Gain on Measurement of Equity Instrument at Fair Value		-	0.76	
	Gain on Extinguishment of Financial Liability		5,296.02	8,193.00	
			7,613.85	**8,969.46**	
34	**Cost of Materials Consumed**				
	Raw Materials & Packing Materials Consumed		12,844.86	15,195.12	
			12,844.86	**15,195.12**	
35	**Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**				
	Inventories at the beginning of the year				
	- Finished Goods		430.47	567.40	
	- Work-in-Progress		535.28	1,149.15	
	- Stock-in-Trade		747.46	581.65	
		(A)	**1,713.21**	**2,298.20**	
	Inventories at the end of the year				
	- Finished Goods		247.23	430.47	
	- Work-in-Progress		131.01	535.28	
	- Stock-in-Trade		565.50	747.46	
		(B)	**943.74**	**1,713.21**	
	Changes in Inventories				
	- Finished Goods		183.24	136.93	
	- Work-in-Progress		404.27	613.87	
	- Stock-in-Trade		181.97	(165.81)	
	Total changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	**(A-B)**	**769.47**	**584.99**	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs
36	**Employee Benefits Expense**		
	Salaries, Wages, Bonus and Allowances	7,879.30	8,019.72
	Contribution to Provident and Other Funds	620.76	557.79
	Expense on Employee Stock Option Scheme	25.80	-
	Staff Welfare Expenses	206.22	199.61
		8,732.08	**8,777.12**
37	**Finance Cost**		
	Interest expense	3,073.93	3,550.69
		3,073.93	**3,550.69**
38	**Depreciation and amortization expense** (Refer Note 8)		
	Depreciation and amortization expense of Tangible Asset (Refer Note 8A)	1,009.55	1,000.93
	Amortization expense of Intangible Asset (Refer Note 8B)	20.65	30.62
		1,030.20	**1,031.55**
39	**Other Expenses**		
	Advertisement & Sales Promotional Expenses	1,625.33	1,991.60
	Travelling & Conveyance	1,415.60	1,401.13
	Power & Fuel	1,525.80	1,873.97
	Allowances for Doubtful Loans & advances	1,001.57	85.00
	Allowances for Doubtful Trade Receivables	1,313.42	125.00
	Amounts written off-net	4,707.60	-
	Breakages & Expiry	552.80	765.16
	Carriage Outward	814.34	864.36
	Legal & Professional Charges	989.99	1,295.23
	Commission On Sales	399.04	464.52
	Consumption of Stores, Spares & Consumables	346.75	503.04
	Rent	320.40	367.75
	Loss on Measurement of Equity Instrument at Fair Value	0.65	-
	Repairs to Plant & Machineries	336.48	547.00
	Repairs to Buildings	154.07	212.49
	Repairs- Others	183.26	241.76
	Rates & Taxes	83.72	98.17
	Licence Fees	71.45	196.63
	Insurance	61.73	59.98
	Loss on sale/discard of Property, Plant & Equipments (Net)	24.23	-
	Sales Tax & Service Tax	109.97	157.42
	Excise duty expense	250.51	982.52
	Miscellaneous Expenses	1732.88	1,803.36
		18,021.59	**14,036.09**

40. Earnings Per Share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars		**31 March 2018**	**31 March 2017**
Basic and Diluted Earnings Per Share:			
Profit/ (loss) attributable to Equity shareholders- for Basic EPS (₹ in Lakhs)	(A)	(3,198.73)	6,201.66
Add: Dilutive effect on profit (₹ in Lakhs)	(B)	-	-
Profit/ (loss) attributable to Equity shareholders for Diluted EPS (₹ in Lakhs)	(C=A+B)	(3,198.73)	6,201.66
Weighted Average Number of Equity Shares outstanding-for Basic EPS	(D)	2,37,20,117	2,08,09,126
Add: Dilutive effect of Employee Stock options/other options outstanding -Number of Equity Shares	(E)	-	-
Weighted Average Number of Equity Shares for Diluted EPS	(F=D+E)	2,37,20,117	2,08,09,126
Face Value per Equity Share (₹)		10	10
Basic Earnings/ (Loss) Per Share (₹)	(A/D)	(13.49)	29.80
Diluted / (Loss) Earnings Per Share (₹) *	(C/F)	(13.49)	29.80

* Since there is loss for the year ended 31 March 2018, potential Equity Shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

41. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 21.63 Lakhs (31 March 2017 - ₹ 212.99 Lakhs, 1 April 2016 - ₹ 131.88 Lakhs).

b) Other Commitments- Non Cancellable operating leases (Refer Note 61).

42. Contingent Liabilities:

(₹ in Lakhs)

Sr. No.	Particulars	31 March 2018	31 March 2017	1 April 2016
a)	Contract of take out undertaking executed in favour of bank/financial institution for loans given to step down subsidiary-Cantabaria Pharma SL.	27,411.55 (Euro 340.00 Lakhs)	23,544.18 (Euro 340.00 Lakhs)	25,532.47 (Euro 340.00 Lakhs)
	Loans outstanding at the year end for undertaking as above. Refer Note 44.	17,193.99 (Euro 213.27 Lakhs)	14,217.76 (Euro 205.32 Lakhs)	15,747.99 (Euro 209.71 Lakhs)
b)	Disputed demands by Income Tax Authorities.	663.34	620.16	207.18
	Amount paid under protest and shown as advance.	113.43	Nil	59.01
c)	Disputed demands by Sales Tax Authorities.	3,015.23	3,308.95	3,342.22
	Amount paid under protest and shown as advance.	Nil	Nil	26.30
d)	Disputed demands by Service Tax Authorities.	382.13	368.22	368.22
	Amount paid under protest and shown as advance.	68.33	Nil	61.37
e)	Disputed demands by Excise Authorities.	88.07	68.04	127.00
f)	Disputed demand by National Pharmaceutical Pricing Authority (NPPA)	190.58	190.58	190.58
g)	Claims against the Company not acknowledged as debts.	2,687.65	1,613.70	1,600.82
h)	Custom Duty on import under Advance License Scheme, pending fulfillment of Exports obligation.	2,986.92	2,778.07	2,424.16

The management considers the Service Tax, Excise Duty, Custom Duty, Sales Tax, GST and Income Tax demand received from the authorities and demand received from NPPA are not tenable against the Company, and therefore no provision for these contingencies has been made. Further, in respect of aforesaid matters, the Company does not expect to have any material adverse effect on the Company's financial conditions, results of operations or cash flows. Future cash flows in respect of liability under clause (a) is dependent on terms agreed upon with the parties and in respect of liability under clause (b) to (g) are dependent on decisions by relevant authorities of respective disputes.

43.

a) Exim Bank has subscribed to 4,511 Preference Shares of Euro 1,000/- each of Wanbury Holding B. V., a subsidiary Company pursuant to the Preference Share Subscription Agreement dated 7 December 2006. Pursuant to the said agreement, Exim Bank has exercised Put Option vide letter dated 8 November, 2011 and Company is required to pay USD 60 Lakhs (Pr. Yr. USD 60 Lakhs) [₹ 3,902.65 Lakhs (Pr. Yr. ₹ 3,890.32 Lakhs)] to acquire aforesaid preference shares. The said dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement (Refer note 44)

b) State Bank of India, London has filed legal proceedings dated 28 February 2017, demanding repayment of Euro 38.23 Lakhs (Pr. Yr. Euro 38.23 Lakhs) [₹ 2,647.43 Lakhs (Pr. Yr.₹ 2,647.43 Lakhs)] together with interest till the date of repayment from the Company in terms of Guarantee & Loan agreement dated 27 September 2007 vide which aforesaid credit facilities was granted to Cantabria Pharma S L, the step down subsidiary of the Company. During the current Financial Year, State Bank of India, London vide One Time Settlement ("OTS") letter dated 11 August 2017 agreed to settle the dues in respect of loan availed by Cantabria Pharma SL at 20%. As per the terms agreed, Company has to pay the settled amount by March 2019. The above OTS is subject to approval from appropriate authority.(Refer note 44)

44. The Company expects to settle liability of Cantabria Pharma SL, the step down subsidiary of the Company & Wanbury Holding B.V., a subsidiary Company at approximately ₹ 50 crores. Hence Company has made provision for Corporate Guarantee of ₹ 50 crores as on transition date i.e 1 April 2016. Provision for Corporate guarantee is shown under Current other financial liabilities- Other payables. (Refer note 42(a) & 43)

45. The Company has one segment of activity namely "Pharmaceuticals".

46. Erstwhile the Pharmaceutical Products of India Limited (PPIL) was merged with the Company, pursuant to the Order dated 24 April 2007, passed by Hon'ble Board for Industrial and Financial Reconstruction (BIFR).

The Hon'ble Supreme Court vide its order dated 16 May 2008, had set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), in response to a petition filed by one of the unsecured creditors of erstwhile PPIL.

The BIFR had directed IDBI Bank, which was appointed as an Operating Agency, to formulate new Draft Rehabilitation Scheme (DRS) pursuant to the Order of Hon'ble Supreme Court of India dated 16 May 2008. In the meanwhile, the Company had sought legal opinion and the Company was advised to maintain status quo ante with respect to the merger under the said Scheme and that it should take further steps only on the basis of the fresh BIFR Order.

In view of the above, the Company had maintained a status quo in the past. However, all actions taken by the Company pursuant to the sanctioned scheme were kept subject to and without prejudice to the order that may be passed by the BIFR while considering the case afresh pursuant to the directions of the Hon'ble Supreme Court in its order dated 16 May 2008.

As per BIFR Order dated 24 April 2007, statutory dues of erstwhile PPIL comprising of income tax ₹ 250.36 Lakhs, profession tax ₹ 6.06 Lakhs, custom duty ₹ 230 Lakhs, sales tax ₹ 8.50 Lakhs and excise duty ₹ 15.62 Lakhs were required to be paid in six annual installments and the Company has pursuant to the scheme, allotted Non Convertible Debentures (NCDs) of ₹ 242.50 Lakhs and Optionally Fully Convertible Debentures (OFCDs) of ₹ 581.99 Lakhs, to some of the lenders of erstwhile PPIL, out of which dues amounting to ₹ 152.67 Lakhs and ₹ 581.99 Lakhs in respect of NCDs and OFCDs respectively, remains payable at the period end. Since BIFR was considering the matter afresh, pending fresh directives from the BIFR, aforesaid dues were not paid.

However, the Government of India had, vide Notification No. S.O. 3568(E) dated 25 November 2016, notified the SICA Repeal Act, 2003, w.e.f. 1 December 2016, and as a consequence thereof, BIFR and AAIFR stood dissolved w.e.f. 1 December 2016. Simultaneously, in terms of Section 252 of Insolvency & Bankruptcy Code ("IBC 2016"), the government amended Section 4(b) of the said repeal act in the manner specified in the Eighth Schedule of IBC 2016, resulting in the abatement of all pending proceedings including pending merger scheme before BIFR.

In view of the foregoing developments, the management is currently considering various other options under the available laws and as may be advised by experts either to regularize lawfully all acts and deeds done under the erstwhile merger scheme or to undo what was done in pursuance and as a sequel of the erstwhile merger scheme sanctioned by BIFR vide order dated 24 April 2007.

47. The Corporate Debt Restructuring (CDR) proposal of the Company, having 30 September 2010 as the cutoff date, has been approved by the CDR Cell vide its Letter of Approval (LOA) dated 23 May 2011. Subsequently on execution of the Master Restructuring Agreement (MRA) dated 19 September 2011, effect of CDR Scheme has been given in the financial statements as per the MRA in accordance with applicable Indian Accounting Standard.

MRA among other terms and conditions, provide for:

a) Additional fund, non fund based assistance from the CDR lenders;

b) Promoters to bring further contributions in stages;

c) Reporting and other compliances by the Company;

d) Right to the CDR lenders to convert at their option, the whole of the outstanding amount or 20% of rupee equivalent of the defaulted amount into fully paid up Equity Shares of the Company at par, in case of certain defaults by the Company; and

e) Right to receive recompense for the reliefs and sacrifices extended by Lenders within the CDR parameters with the approval of the CDR Empowered Group.

48. During the year, Bank of India ("BOI") has approved One Time Settlement("OTS") vide letter dated 29 September 2017 in respect of loans availed and outstanding by the Company including external commercial borrowing and interest accrued upto 9 June 2017. As per the terms of settlement, Company has to pay the agreed amount within 9 months from settlement date with an interest at base rate plus 1% on agreed amount. Consequently, a gain of ₹ 5,296.02 lakhs has been recognised on derecognition of earlier loan and included in "other income". The outstanding liability at the year end is shown under "Current Financial Liabilities- Borrowings". Further the Company's request for extension of time for payment of balance amount is under consideration by BOI. Pending the same, effect of OTS continues in the financial statements.

49. State Bank of Mysore ("SBM") vide its letter dated 31 March 2017, has informed about sale of its loan exposure on the Company to Edelweiss Asset Reconstruction Company Limited ("EARCL"). However, pending completion/execution of necessary agreements etc. no further impact has been considered in the financial statements for the year ended 31 March 2018. Considering the facts and generally accepted practice of the similar arrangements, no interest is charged by EARCL for the period from takeover of loan exposure till new repayment terms are agreed, hence the Company has not provided interest expenses from 1 April 2017.

50. FCCB 'A' Bonds have matured on 23 April 2012. The Company had negotiated terms with bond holders holding 200 bonds and had been accounted for accordingly. For 30 FCCB 'A' Bonds, pending negotiation with bond holders, effect given in the financial statements are as per the terms at the time of issue of the bonds.

51. During the year, on 26 January 2018, fire had broken out at R & D Center, Mahape, Navi Mumbai, and was brought under control. There is an adequate insurance cover to mitigate damages of assets. Appropriate effect of damages has been given in the books of accounts. Company has lodged claim to Insurance Company for the same. Pending admission of claim, no effect of the claim receivable has been given in the financial statements. Management does not expect any adverse financial losses.

52. Asset held for Sale

As per the scheme of rehabilitation and merger approved by BIFR, erstwhile PPIL is required to sale office premises at Saki Naka, Mumbai and R & D premises at Turbhe, Navi Mumbai in settlement of part dues of secured and unsecured payables mentioned in the aforesaid scheme(Refer note 46). Consequently, the said assets are classified as held for sale and measured at lower of carrying cost and fair value less cost to sell. The Company is not charging any depreciation on asset held for sale.

Details of the assets held for sale:

(₹ in Lakhs)

Description	31 March 2018	31 March 2017	1 April 2016
Office Premises	196.54	196.54	196.54
Building	177.05	177.05	177.05
Total	**373.59**	**373.59**	**373.59**

53. Some of the balances of trade receivables, trade payables, loans and advances are subject to confirmation/reconciliation and adjustments, if any.

54. Disclosure of trade payable as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of the suppliers:

(₹ in Lakhs)

Particulars	**31 March 2018**	**31 March 2017**	**1 April 2016**
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year Principal Interest	Nil Nil	Nil Nil	Nil Nil
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small And Medium Enterprises Development Act 2006.	Nil	Nil	Nil
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil	Nil

55. Research and Development Expenditure

The aggregate amount of revenue expenditure (except depreciation) incurred during the year on Research and Development and shown in the respective heads of account is ₹ 1,230.82 lakhs (previous year ₹ 1,354.79 lakhs)

56. Income Tax

Income tax (expense)/benefit recognized in the income statement consist of the following :

A. Current Tax :

Income tax (expense)/benefits recognised in the statement of profit and loss consist of the following: **(₹ in Lakhs)**

Particulars	**31 March 2018**	**31 March 2017**
Current tax on profit for the year	-	-
Adjustment for current tax on prior periods	(28.13)	44.71
Total Current Tax expenses	**(28.13)**	**44.71**
Deferred tax expense / (benefits)	-	-
Origination and reversal of timing difference	(9.63)	(6.37)
Total Deferred Tax expenses	**(9.63)**	**(6.37)**
Income tax expense for the year recognised in the statement of profit & loss.	**(37.76)**	**38.33**

B. Reconciliation of Effective Tax Rate:

a. The Company has incurred loss during the year ended 31 March 2018 and no tax is payable as per provisions of Income Tax Act, 1961.

b. The Company has incurred book loss as per previous GAAP (Refer note 67) and tax loss during the previous year ended 31 March 2017, not tax is payable as per provisions of Income Tax Act, 1961.

Therefore, calculation of effective tax rate is not relevant and hence, not given.

C. Deferred Tax Asset & (Liabilities) : **(₹ in Lakhs)**

Particulars	**31 March 2018**	**31 March 2017**	**1 April 2016**
Deferred Tax Liabilities	(7,255.56)	(5,819.35)	(3,019.19)
Deferred Tax Assets (restricted to deferred tax liabilities above)	7,255.56	5,819.35	3,019.19
MAT credit entitlement	336.38	336.38	336.38
Deferred tax assets/ (liabilities)	**336.38**	**336.38**	**336.38**

The tax effects of significant temporary difference that resulted in deferred tax asset & liabilities and a description of that created these difference in given below: **(₹ in Lakhs)**

Particulars	**31 March 2018**	**31 March 2017**	**1 April 2016**
Deferred Tax Liabilities			
Property, Plant and Equipment	2,477.85	2,469.14	2,358.22
Borrowing at amortised cost	4,777.71	3,350.22	1,020.37
Financial Instrument at Fair Value through Profit and Loss (FVTPL)	-	-	2.90
Total Deferred Tax Liabilities	**7,255.56**	**5,819.35**	**3,381.49**
Deferred Tax Assets			
Employee Benefit Expenses	460.94	404.89	351.79
Provision for Doubtful Debts/Receivable	4,393.60	3,667.38	3,624.76
Unabsorbed depreciation	2,673.21	2,560.60	2,113.80
Unabsorbed tax losses	220.96	218.83	465.32
Bank Gurantee Invoked	1,747.20	1,730.40	1,730.40
Expenses deductible on payment basis	1,848.98	996.05	304.55
IND -AS Adjustments	332.42	-	-
Total Deferred Tax Assets	**11,677.30**	**9,578.15**	**8,590.63**
Total Deferred Tax Assets Resticted to	**7,255.56**	**5,819.35**	**3,381.49**

Note: No deffered tax assets have been recognised on unused tax losses.

57. (a) Managerial Remuneration: **(₹ in Lakhs)**

Particulars	**31 March 2018**	**31 March 2017**
Salary & Allowances	Nil	Nil
Contribution of P.F. & Other Funds	5.23	5.23

Above excludes, provision for the future liabilities in respect of retirement benefits, which are based on actuarial valuation done on overall Company basis and excess remuneration.

The Company has applied to the Central Government on 18 January 2016 for the approval of excess remuneration amounting to ₹ 49.77 Lakhs pertaining to F.Y. 2015-16. Pending approval, the same is shown as recoverable in the Financial Statements. Further, excess remuneration amounting to ₹ 41.77 Lakhs for the F.Y. 2016-17 and ₹ 45.77Lakhs for the F.Y. 2017-18 is shown as recoverable in the Financial Statements. Amount recoverable from Director aggregating to ₹ 137.31 Lakhs (Pr. Yr. ₹ 91.54 Lakhs) is shown under “Other Current Assets – Non Financial” (Refer Note 20). In case of non-approval from Central Government, the Board of Directors at its meeting held on 10 August 2018 has decided to recover the said dues on or before 9 August 2019.

(b) Sitting fees to Directors’ ₹ 17.10 Lakhs (Pr. Yr. ₹ 13.30 Lakhs).

58. Details of Auditors Remuneration:

(₹ in Lakhs)

Particulars	**31 March 2018**	**31 March 2017**
Statutory Auditors Remuneration : - Audit Fees - Certification & Other Matters - Out of Pocket Expenses	 14.00 6.15 0.03	 12.50 6.56 0.40
Branch Auditors Remuneration : - Branch Auditor Fees - Certification & Other Matters - Out of Pocket Expenses	 Nil 0.50 0.37	 1.50 1.50 0.85
Cost Auditors Remuneration : - Cost Auditor Fees	 1.75	 1.75

Note: Above figures are exclusive of service tax / GST

59. Employee Benefits

As required by Ind AS 19 "Employees Benefits" the disclosure are as under:

Defined Contribution Plans

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government, and certain State plans such as Employees' State Insurance (ESI), PF and EPS cover substantially all regular employees and the ESI covers certain employees. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the provident fund and the ESI Scheme, contributions into the pension fund is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

During the year, the Company has contributed and recognized the following amounts as expenses in the statement of profit and loss:

(₹ in Lakhs)

Particulars	**31 March 2018**	**31 March 2017**
Provident Fund, Employee's Pension Scheme and MLWF	373.82	397.32
Employees State Insurance	76.65	40.16
Super Annuation Fund	4.15	4.04
TOTAL	**454.62**	**441.53**

Defined Benefit Plans

Gratuity: Under the gratuity plan, the eligible employees are entitled to post -retirement benefit at the rate of 15 days salary for each year of service until the retirement or resignation with a payment ceiling of ₹ 20 lakhs. The Company makes annual contributions to Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On the death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan), based on actuarial reports are as under:

(₹ in Lakhs)

	Particulars	**31 March 2018**	**31 March 2017**
(i)	**Changes in Defined Benefit Obligation**		
	Opening defined benefit obligation	564.26	518.41
	Current service cost	101.63	99.26
	Interest cost	41.25	35.52
	Actuarial loss / (gain)		
	-changes in financial assumptions	(17.61)	21.54
	-experience adjustments	(17.58)	(45.45)
	Past service cost*	58.86	-
	Benefit (paid)	(45.89)	(65.02)
	Closing defined benefit obligation	**684.91**	**564.26**
(ii)	**Changes in Value of Plan Assets**		
	Opening value of plan assets	22.38	20.90
	Expenses deducted from the fund	-	-
	Adjustment to the opening fund	-	-
	Interest Income	1.64	1.64
	Return on plan assets excluding amounts included in Interest Income	(4.32)	(3.29)
	Contributions by employer	4.38	3.13
	Benefits (paid)	Nil	Nil
	Closing value of plan assets	**24.08**	**22.38**

(iii)	**Amount recognised in the Balance Sheet**		
	Present value of funded obligations as at year end	684.91	564.26
	Fair value of the plan assets as at year end	(24.08)	(22.38)
	Net (asset) / liability recognised as at the year end	**660.83**	**541.88**
(iv)	**Expenses recognised in the Statement of Profit and Loss**		
	Current service cost	101.63	99.26
	Past service cost *	58.86	-
	Net Interest cost	39.61	33.87
	Expenses deducted from the fund	-	-
	Adjustment to the opening fund	-	-
	Expenses recognised in the Statement of Other Comprehensive Income		
	Net actuarial loss/(gain) recognized in the current year	(30.87)	(20.62)
	-changes in financial assumptions	(17.61)	21.54
	-experience adjustments	(17.58)	(45.45)
	Return on plan assets excluding amounts included in Interest Income	4.32	3.29
(v)	**Asset information**		
	Policy of Insurance	100%	100%
(vi)	**Principal actuarial assumptions used**		
	Discount rate (p.a.)	7.60%	7.31%
	Salary growth rate (p.a.)	7.50%	7.50%
	Mortality rate	Based on Indian Assured Lives Mortality2006-08 Table	

*Past Service cost is on account of increase in liability due to enhancement of the Gratuity ceiling from ₹ 10 Lakhs to ₹ 20 Lakhs in the current Financial Year.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation.

Following is the amount of defined benefit obligation that would have been if there is a certain change in assumption as indicated below:

(₹ in Lakhs)

Particulars	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	629.60	749.00	508.58	625.58
Salary growth rate (1% movement)	741.07	632.85	618.50	512.77

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of sensitivity of assumptions. The estimate of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The expected contribution for Defined Benefit Plan for the next Financial Year will be in line with current financial period.

Death Benefit:

The Company provides for death benefit, a defined benefit plan, (the death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death, being compensation received from the insurance Company and restricted to limits set forth in the said plan. The death benefit plan is non – funded.

Leave Encashment:

The Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using the "Projected Unit Credit Method".

Accordingly aggregate of ₹ 517.40 Lakhs (Pr. Yr. ₹ 486.07 Lakhs) being liability as at the year end for compensated absences as per actuarial valuation has been provided in the accounts.

The Actuary has outlined the following risks associated with the plan:

A. **Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates : If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates : If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. **Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. **Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company there can be strain on the cashflows.

D. **Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. **Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/ regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

60. Employees Stock Options Plan (‘ESOP’)

The Company has implemented an Employee Stock Options Plan 2016 (‘WANBURY ESOP – 2016’) which was approved by the shareholders vide their resolution dated 29 September 2016. During the year, the Board of Directors of the Company has granted 3,00,000 (Pr. Yr. 3,00,000) stock options to its employees pursuant to the ‘WANBURY ESOP -2016’. Each option entitles an employee to subscribe to one equity share of the Company at an exercise price of ₹ 10/- per share.

The options will be vested over a period of five years subject to continuous employment with the Company and the fulfillment of performance parameters.

Details of the options granted during the year under ‘WANBURY ESOP-2016’ are as under :

Grant Date	No. of Options	Exercise price	Weighted average fair value of options	Vesting Period
30 May 2017	2,00,000	₹ 10	₹ 39.89	Graded vesting from 30 May 2018 to 30 May 2022
8 Feb 2018	1,00,000	₹ 10	₹ 36.16	Graded vesting from 08 Feb 2019 to 08 Feb 2023
Total	**3,00,000**			

Wanbury Employee Stock Options Plan 2016 (‘WANBURY ESOP – 2016’)

Particulars	31 March 2018 (FV ₹ 10)	31 March 2017 (FV ₹ 10)
Options outstanding as at the beginning of the Year	Nil	N.A.
Add: Options granted during the Year	3,00,000	3,00,000
Less: Options lapsed during the Year	Nil	3,00,000
Less: Options Exercised during the Year	Nil	Nil
Options outstanding as at the End of the year	3,00,000	Nil

The Compensation cost of stock options granted to employees is measured by the fair value method and is amortised over the vesting period.The fair value is determined using black scholes option pricing model.

Particulars	The key assumptions used for calculating fair value are as under:
Expected life of the option	Between 2 to 6 years
Dividend yield	0%
Expected volatility	48.92%
Risk free rate of return	6.9%

61. Disclosure for operating leases under Ind AS 17 - "Leases":

The Company has taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 60 months and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by lease arangements and there are no sub leases. There are no contingent rents. The lease rent of ₹ 320.40 Lakhs (Pr. Yr. ₹ 367.75 Lakhs) are recognised in the Statement of Profit and Loss under "Rent" under Note 39.

The Company does not have non-cancellable operating leases during the current and previous Financial Year.

62. Disclosure required by regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements, 2015):

a) Interest free Advances to:

(₹ in Lakhs)

Particulars	Outstanding as on 31 March 2018	Maximum Balance Outstanding during the period
Bravo Healthcare Ltd.	7,589.67 (Pr. Yr. 7,589.67)	7,589.67 (Pr. Yr. 7,589.67)
Cantabria Pharma S. L. - a subsidiary Company	1,219.33 (Pr. Yr. 1,219.33)	1,219.33 (Pr. Yr. 1,219.33)

b) Investment by loanee:

Particulars	Number of Shares	Amount
Cantabria Pharma S.L. in Laboratories Wanbury S. L.	3,010 (Pr. Yr. 3,010)	₹ 2.03 Lakhs Equivalent to Euro 3,010 (Pr. Yr. ₹ 2.03 Lakhs Equivalent to Euro 3,010)

63. Related Party Disclosure:

A. Relationship:

Category I: Entity having significant influence over the Company:

- Expert Chemicals (India) Pvt. Ltd.

Category II: Subsidiary Companies:

- Wanbury Holding B. V. (Netherlands)
- Cantabria Pharma S. L. (Spain) (Under Liquidation)
- Ningxia Wanbury Fine Chemicals Co. Ltd (China)
- Wanbury Global FZE (Ras-Al-Khaimah, UAE)

Category III: Key Management Personnel and their relatives:

- Mr. K. Chandran-Vice Chairman
- Mr. Vinod Verma – Chief Financial Officer (w.e.f. 22.04.2016)
- Mr. Jitendra Gandhi – Company Secretary

Category IV: Enterprise over which persons covered under Category III above are able to exercise significant control:

- Wanbury Infotech Private Limited
- Bravo Healthcare Limited
- Wanbury Pharma Limited

B. Transactions carried out with related parties: **(₹ in Lakhs)**

Sr. No.	Transactions	Category	31 March 2018	31 March 2017
1)	**Allotment of Shares at Premium**			
	Expert Chemicals (India) Pvt. Ltd.	I	Nil	1,222.31
3)	**Key Management Compensation**			
	Short Term Employee Benefits			
	Mr. Vinod Verma	III	120.00	90.22
	Mr. Jitendra Gandhi	III	28.33	26.44
	Post-Employment Benefits	III	12.91	1.39
	Share Based Payments	III	11.99	Nil
4)	**Excess Remuneration to Director treated as Receivable** (Refer Note 57):			
	Mr. K. Chandran	III	45.77	41.77
5)	**Repayment of Advances given:**			
	Bravo Healthcare Ltd.	IV	Nil	8.37
6)	**Information Technology Services taken:**			
	Wanbury Infotech Pvt. Ltd.	IV	248.94	243.90

C. Balances due from/to related parties: **(₹ in Lakhs)**

Sr. No.	Particulars	Category	31 March 2018	31 March 2017	1 April 2016
1)	**Advances given:**				
	Cantabria Pharma S. L.	II	1,219.33	1,219.33	1,219.33
	Bravo Healthcare Ltd.	IV	7,589.67	7,589.67	7,598.04
2)	**Provision for doubtful Advances:**				
	Cantabria Pharma S. L.	II	1,219.33	1,219.33	1,219.33
	Bravo Healthcare Ltd.	IV	7,589.67	7,589.67	7,598.04
3)	**Share Application Money pending allotment**				
	Expert Chemicals (India) Pvt. Ltd.	I	Nil	Nil	1,222.31
4)	**Amount Payable for Services received:**				
	Wanbury Infotech Pvt. Ltd.	IV	56.25	49.79	57.82
5)	**Excess Remuneration Receivable:**				
	Mr. K. Chandran	III	137.31	91.54	215.96
6)	**For Investments and impairment in value of investments:** (Refer Note 9.6)				
7)	**For corporate guarantee given by the Company:** (Refer Note 42(a))				
8)	**For guarantee issued on behalf of the company:** (Refer Note 23.2 & 26.1)				

64. Net-worth of the Company as on 31 March 2018 is negative. The Company has initiated various measures, including restructuring of debts/ business and infusion of funds etc. Consequently, in the opinion of the management, operations of the Company will continue without interruption and hence, financial statements are prepared on a "going concern" basis.

65. Capital Management

The primary objective of the Company's capital management is to maximise shareholder value.

The capital structure of the Company is based on the management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company has initiated various measures, including restructuring of debts and infusion of funds etc.

In compliance with the terms of the Corporate Debt Restructuring Scheme, during the year ended 31 March 2017, the Company has allotted 32,50,831 Equity Shares of Face value of ₹ 10 each at a premium of ₹ 27.60 per equity share to the promoter Company Expert Chemicals (India) Pvt. Ltd., on preferential basis.

During the year ended 31 March 2017, the Company has allotted 5,00,000 numbers of Zero % Compulsorily Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 1,000 lakhs. Further, during the year ended 31 March 2018, the Company has converted the CCD's into 5,00,000 Equity Shares of face value of ₹ 10/- at premium of ₹ 190/-

For the purpose of the Company's capital management, Company monitors Net Debts and Equity.

Equity includes all components of equity i.e. issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company.

Net Debt includes all liabilities i.e. interest bearing loans and borrowings, trade payables, provisions and other liabilities less cash and cash equivalents.

Details of the Equity and Net Debts are as under:

			(₹ in Lakhs)
Particulars	**31 March 2018**	**31 March 2017**	**1 April 2016**
Equity Share Capital	2,372.01	2,322.01	1,996.93
Other Equity	(18,273.66)	(15,071.96)	(21,962.80)
Total Equity	**(15,901.65)**	**(12,749.95)**	**(19,965.87)**
Debt	42,939.62	53,814.18	58,062.81
Less: Cash and Cash Equivalents	283.74	498.56	158.99
Net Debt	**42,655.88**	**53,315.62**	**57,903.82**

66. Financial Instrument – Fair values and risk management

A. Category of Financial Instruments

(₹ in Lakhs)

Particulars	**31 Mar 2018**		**31 March 2017**		**1 April 2016**	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets						
Investment in equity instruments	1.96	-	2.61	-	1.85	-
Mark To Market -Derivative asset	25.72	-	206.22	-	166.03	-
Security deposits given	-	279.19	-	265.47	-	270.23
Loans	-	-	-	4,519.58	-	4,519.58
Trade Receivables	-	2,945.82	-	8,466.12	-	6,899.02
Cash and cash equivalents	-	283.74	-	498.56	-	158.99
Bank balances other than Cash and cash equivalents	-	334.16	-	434.27	-	559.35
Other financial assets	-	35.72	-	891.73	-	881.35
Total Financial Assets	**27.68**	**3,878.63**	**208.83**	**15,075.73**	**167.88**	**13,288.52**
Financial Liabilities						
Borrowings	-	25,217.69	-	30,205.63	-	37,740.55
Interest accrued on boorowings	-	1,271.59	-	1,343.55	-	1,701.53
Trade payables	-	8,179.88	-	13,972.46	-	9,625.38
Capital creditors	-	255.59	-	318.62	-	241.97
Security deposits received	-	464.00	-	468.00	-	495.60
Other financial liabilities	-	5,134.61	-	5,418.23	-	6,117.97
Total Financial Liabilities	**-**	**40,523.36**	**-**	**51,726.49**	**-**	**55,923.02**

B. Fair Value Measurements

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 Indian Accounting Standard. An explanation of each level is as follows -

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in active markets or identical assets and liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market (like forward contracts) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities etc. included in level 3.

Valuation techniques used to determine fair value

1. The fair value of the quoted investment is determined using traded quoted bid prices in an active market. The fair value of unquoted investments is determined using inputs other than quoted prices included in level 1 that are observable for assets and liabilities.
2. Fair value of forward contracts is determined using quoted forward exchange rates at the reporting date. Quotes are being taken from banks/ financial institutions.

(₹ in Lakhs)

Financial Assets and Liabilities measured at fair value	31 March 2018 Level			31 March 2017 Level			1 April 2016 Level		
	1	2	3	1	2	3	1	2	3
Financial Assets									
Recurring fair value measurements									
Investment in equity instruments	1.86	-	0.10	2.51	-	0.10	1.75	-	0.10
Mark To Market -Derivative asset	-	25.72	-	-	206.22	-	-	166.03	-
Total financial assets	**1.86**	**25.72**	**0.10**	**2.51**	**206.22**	**0.10**	**1.75**	**166.03**	**0.10**
Financial Liabilities									
Recurring fair value measurements	-	-	-	-	-	-	-	-	-
Total Financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

C. Financial Risk Management

Company has exposure to following risks arising from financial instruments:

- Credit Risk
  - Trade Receivables
  - Other Financial Instruments
- Liquidity Risk
- Market Risk
  - Currency Risk
  - Interest Rate Risk
  - Price Risk

i. Risk Management Framework

Company's board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. Management is responsible for developing and monitoring Company's risk management policies, under the guidance of Audit Committee.

Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

Company's Audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by Company. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee.

ii. Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(a) Trade Receivables

Customer credit risk is managed by the Company subject to Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are mainly from wholesalers, non-interest bearing and are generally on 7 days to 150 days credit term. Credit limits are established for all customers based on internal rating criteria and any deviation in credit limit require approval of Directors. Outstanding customer receivables are regularly monitored. Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Expected Credit Loss for trade receivable under simplified approach

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Balance as at the beginning of the year	609.01	477.50
Additional provision charged to statement of Profit and Loss during the year	1,313.42	131.51
Utilised during the year	-	-
Balance as at the end of the year	**1,922.43**	**609.01**

(b) Other Financial Instruments

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks or financial institutions with high credit rating assigned by credit rating agencies. For other financial assets, the Company assesses and manages the credit risk internally. Company considers the probability of default upon initial recognition and assess whether there has been a significant increase in credit risk subsequently based in the historical losses and forward looking supportable information. When there is a significant increase in credit risk of a financial asset since its initial recognition, Company recognises the life time expected credit losses otherwise 12 months expected credit losses.is based on general approach

Expected Credit Loss on financial assets other than trade receivables (based on general approach)

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Balance as at the beginning of the year	1178.90	1178.90
Additional provision charged to statement of Profit and Loss during the year	1226.20	-
Utilised during the year	(563.27)	-
Balance as at the end of the year	**1,841.83**	**1178.90**

iii. Liquidity Risk

Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to maintain optimum level of liquidity at all times, to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt etc. at an optimised cost. Working capital requirements are adequately addressed by internally generated and borrowed funds.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(₹ in Lakhs)

Particulars	As at 31 March 2018				
	Carrying	Cash Outflow			
	Amount	Within 1 Year	1 to 5 Years	More than 5 Year	Total
Borrowings and Interest thereon	26,489.29	17,078.49	14,154.35	-	31,232.84
Trade payables and other Payables	8,435.47	8,435.47	-	-	8,435.47
Other Financial liabilities	5,598.61	5,598.61	-	-	5,598.61
Total	**40,523.37**	**31,112.57**	**14,154.35**	**-**	**45,266.92**

(₹ in Lakhs)

Particulars	As at 31 March 2017				
	Carrying	Cash Outflow			
	Amount	Within 1 Year	1 to 5 Years	More than 5 Year	Total
Borrowings and Interest thereon	31,549.22	16,678.94	21,004.99	900.00	38,583.93
Trade payables and other Payables	14,291.07	14,291.07	-	-	14,291.07
Other Financial liabilities	5,886.23	5,886.23	-	-	5,886.23
Total	**51,726.52**	**36,856.24**	**21,004.99**	**900.00**	**58,761.23**

(₹ in Lakhs)

Particulars	As at 1 April 2016				
	Carrying	Cash Outflow			
	Amount	Within 1 Year	1 to 5 Years	More than 5 Year	Total
Borrowings and Interest thereon	39,442.09	21,120.69	27,762.39	-	48,883.08
Trade payables and other Payables	9,867.35	9,867.35	-	-	9,867.35
Other Financial liabilities	6,613.56	6,613.56	-	-	6,613.56
Total	**55,923.01**	**37,601.61**	**27,762.39**	**-**	**65,364.00**

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. Company uses derivative financial instruments such as foreign exchange contracts to manage its exposures to foreign exchange fluctuations. All such transactions are carried out within the guidelines set by the risk management committee.

The analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non financial assets and liabilities.

The sensitivity of the relevant income statement item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2018 and 31 March 2017.

(a) Currency Risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company.

The currencies in which these transactions are primarily denominated are US dollars (US $), Pound (GBP) and Euro.

Company uses forward exchange contracts to mitigate its currency risk, most with a maturity of less than one year from the reporting date.

During the period, the Company has entered into forward exchange contract, being derivative instrument to mitigate foreign currency risk, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables.

Details of the forward contract outstanding at the period end are as under:

Currency	Buy or Sell	Cross Currency	Amount in US $	
			31 March 2018	31 March 2017
US $	Sell	INR	16.25 Lakhs	64.75 Lakhs

Foreign Currency Risk Exposures:

The period end foreign currency exposures that have not been mitigated by a derivative instrument or otherwise are as below:

Particulars	Foreign Currency	Foreign Currency Amount in Lakhs			₹ in Lakhs		
		31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Amount Receivable	EURO	2.54	4.42	4.90	208.14	306.36	368.32
	US $	5.44	-	-	353.69	-	-
	GBP	0.15	-	-	14.01	-	-
	CNY	0.14	0.12	-	1.41	1.17	-
Amount Payable	EURO	10.56	34.13	40.66	851.29	2,363.52	3,053.05
	US $	3.35	69.63	53.10	218.02	4,514.81	3,522.48

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

The following table details the Company's sensitivity to 1% increase and decrease in the exchange rate between the Indian Rupee and respective currencies. A positive number below indicates an increase in profit/ decrease in losses and negative number indicates decrease in profit/ increase in losses:

Particulars	1% strengthening in INR			1% weakening in INR		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
EURO	6.43	20.57	26.85	(6.43)	(20.57)	(26.85)
US $	(1.36)	45.15	35.22	1.36	(45.15)	(35.22)
GBP	(0.14)	-	-	0.14	-	
CNY -	(0.01)	(0.01)	-	0.01	0.01	

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Majority of borrowings of the Company are at fixed interest rate and are carried at amortised cost. They are therefore not subject to interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because off a change in market interest rates.

(c) Price risk

The Company is exposed to equity price risks arising from equity investments. However, there is no material impact of the sensitivity.

67. First-time adoption of Ind AS

Pursuant to the Companies (Indian Accounting Standard) Rules, 2015, Company has applied Indian Accounting Standards (Ind AS) for the first time for the Financial Year ended 31 March 2018. The financial statements for the year ended 31 March 2018, are the first financials, prepared in accordance with Ind-AS. Upto the Financial Year ended 31 March 2017, Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Companies (Accounts) Rules 2014 (Previous GAAP). For preparing the financial statements as per Ind AS, opening balance sheet as per Ind AS was prepared as at 1 April 2016 i.e. the date of transition to Ind-AS. The figures for the previous comparative periods and for the year ended 31 March 2017 have been adjusted, regrouped and reclassified, wherever required to comply with Ind-AS and Division II of Schedule III to the Companies Act, 2013 and to make them comparable.

This note explains the principal adjustments made by Company in transitioning its financial statements from Previous GAAP to Ind AS, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions and Exceptions availed

Set out below are the applicable optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS in accordance with Ind AS 101"First-time Adoption of Indian Accounting Standards" (Ind AS 101)

Ind AS Optional Exemptions:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under Ind AS.

➢ **Business Combinations**

The Company has elected to not apply Ind AS 103 "Business Combinations" retrospectively to past business combinations pursuant to the exemption under Ind AS 101.Business combinations occurring prior to the transition date have not been restated.

➢ **Deemed Cost**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the respective assets.

➢ **Leases**

Appendix C of Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. This assessment should be carried out at the inception of the contract or arrangement. However, Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

➢ **Investment in Subsidiaries**

The Company has elected to continue with the carrying amount of all of its investment in subsidiaries as of 1 April 2016 measured as per previous GAAP as its deemed cost as on the date of transition to Ind AS.

Ind AS Mandatory Exceptions:

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

- **Estimates**

Ind AS estimates as at the date of transition are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL; and
- Impairment of financial assets based on expected credit loss model

- **Classification and measurement of financial assets**

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as at 31 March 2017 and 1 April 2016

Particulars	**Notes (refer below)**	**31 March 2017**	**1 April 2016**
Total equity (Shareholder's Funds) as reported under previous GAAP		**(16,810.92)**	**(16,305.90)**
Ind AS adjustments			
Measurement of borrowing at amortised cost	1	1,487.46	2,948.36
Gain on extinguishment of financial liability	2	8,193.00	-
Classification of compulsory convertible debentures as equity	3	1,000.00	-
Measurement of financial guarantees and provision on expected credit loss basis	4	(6,616.40)	(6,616.40)
Measurement of investment at fair value	5	1.70	0.94
Measurement of derivative at fair value	6	(3.82)	8.38
Others	8	(0.97)	(1.25)
Total impact on equity		**4,060.97**	**(3,659.97)**
Total equity (shareholder's funds) under Ind AS		**(12,749.95)**	**(19,965.87)**

Reconciliation of total comprehensive income for the year ended 31 March 2017:

Particulars	**Notes (refer below)**	**For the year ended 31 March 2017**
Total profit/ (loss) as reported under previous GAAP		**(505.02)**
Ind AS adjustments		
Measurement of borrowing at amortised cost	1	(1,460.90)
Gain on extinguishment of financial liability	2	8,193.00
Measurement of investment at fair value	5	0.76
Measurement of derivative at fair value	6	(12.20)
Recognition of remeasurement of defined benefit plans in other comprehensive income (net of tax)	7	(14.25)
Others	8	0.27
Profit under Ind AS		**6,201.66**
Other comprehensive income (net of tax)	7	14.25
Total comprehensive income under Ind AS		**6,215.91**

Measurement and recognition difference between Ind AS and Previous GAAP for the year ended 31 March 2017.

1. **Measurement of borrowings at amortised cost**

As per the CDR scheme, there was substantial change in terms of the loans including extension of repayment schedule and reduction in interest rates. The restructuring of corporate loans qualifies as substantial modification as per Ind AS resulting into extinguishment of liability for old loans and recognition of new liability under Ind AS from the date of modification. New loans are recorded at fair value on initial recognition. Gain arising thereon has been recognised as on 1 April 2016 and given effect in retained earnings. This has resulted in an increase in equity by ₹ 2,948.36 lakhs as at 1 April 2016 and ₹ 1,487.46 lakhs as at 31 March 2017. Interest expenses have been recognised using effective interest method which has resulted in decrease of profit by ₹ 1,460.90 for the year ended 31 March 2017.

2. Gain on extinguishment of financial liability

During the previous year ended 31 March 2017, State bank of India has sold its loan exposure on the Company to Edelweiss Asset Reconstruction Company Limited (EARCL) at an agreed value. As part of the settlement, Company has agreed to pay the agreed value in structured installments.This arrangement has been accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference being gain arising on extinguishment of financial liability has been recognised in the year ended 31 March 2017. This has resulted an increase in profit for the year ended 31 March 2017 by ₹ 8,193 Lakhs and equity as at 31 March 2017 by ₹ 8,193 lakhs.

3. Classification of compulsory convertible debentures as equity

During the previous year ended 31 March 2017, as a part of the settlement as mentioned in point 2 above, the Company has allotted 5,00,000 Zero % Compulsory Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 1,000 lakhs to Edelweiss Asset Reconstruction Company Limited (EARC) as a Trustee of EARC Trust SC145. Each CCD is convertible to 1 equity share of ₹ 10/- each at a premium of ₹ 190/- within a period of 18 months from the date of allotment of CCDs. CCDs were recognised as liability under previous GAAP. However, as per the terms of instrument under Ind AS, CCDs has been recognised as equity under Ind AS. This has resulted in increase in equity by ₹ 1,000 lakhs as at 31 March 2017.

4. Expected Credit Loss

Under previous GAAP, the Company has created provision for doubtful debts on receivables on the basis of incurred loss. Under Ind AS, loss allowance on financial assets has been determined on the basis of Expected Credit Loss (ECL) model. Consequently, the Company has recognized Expected credit loss on its financial assets and expected credit loss on financial guarantees issued by the Company. This has resulted in decrease in equity by ₹ 6,616.40 lakhs as at 1 April 2016 and 31 March 2017

5. Fair Valuation of Investment

Under the previous GAAP, investments in equity instruments were classified as long term investments and are carried at cost less provision for other than the temporary decline in the value.Under Ind AS these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss. This has resulted in increase in equity by ₹ 0.94 lakhs as at 1 April 2016 and ₹ 1.70 as at 31 March 2017, and increase in profit by ₹ 0.76 lakhs for the year ended 31 March 2017.

6. Measurement of Derivative at Fair Value

Under previous GAAP, foreign currency forward contract has been accounted by amortising the forward premium/ discount. Under Ind AS, these derivative instruments are measured at fair value at each reporting date and changes in the fair value is recognised in the Statement of Profit and Loss. This has resulted into increase in equity by ₹ 8.38 lakhs as at 1 April 2016 and decrease in equity by ₹ 3.82 lakhs as at 31 March 2017 and decrease in profit by ₹ 12.20 lakhs for the year ended 31 March 2017.

7. Defined Benefit Obligation

Both under Previous GAAP & Ind AS, Company recognised costs related to its post-employment defined benefit plan on an actuarial valuation basis. Under Previous GAAP, the entire cost related to post- employment defined benefit plans, including actuarial gains and losses, were charged to statement of profit and loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income. This has resulted in increase in employee benefit expenses by ₹ 14.25 Lakhs and corresponding increase in income by ₹ 14.25 Lakhs which is recognised in Other Comprehensive Income.

8. Other adjustment

Under the previous GAAP, interest free lease security deposits (that are refundable in cash) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition. Accordingly, the Company has measured these security deposits at fair value at initial recognition under Ind AS. These deposits are measured at amortised cost subsequently by recognising interest income using effective interest method. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent and amortised on stratight line basis over the lease term. This has resulted in decrease in equity by ₹ 1.25 lakhs as at 1 April 2016 and ₹ 0.98 lakhs as at 31 March 2017 and increase in profit by ₹ 0.27 lakhs for the year ended 31 March 2017.

9. Deferred Tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP.

In addition, the various transitional adjustments lead to different temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

10. Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under the previous GAAP.

11. Statement of Cash Flows

The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

12. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2017 by ₹ 982.52 lakhs. There is no impact on the total equity and profit.

13. Cash Discount

Under previous GAAP, cash discount and other rebates of ₹ 281.90 lakhs was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31 March 2017. This has resulted in decrease in total revenue and total expenses for the year ended 31 March 2017 by ₹ 281.90 lakhs. There is no impact on the total equity and profit.

14. In the preparation of these Ind-AS Financial Statements, the Company has made several presentation differences between previous GAAP and Ind-AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statements, some line items are described differently under Ind-AS compared to previous GAAP, although the assets and liabilities included in these line items are unaffected.

68. Specified Bank Note

During the previous year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification are as follows:

Particulars	Specified bank notes	Other denomination notes	Total
Closing cash in hand as on 8 Nov 2016	9,99,500	1,09,197	11,08,697
Add: Permitted receipts	-	12,96,411	12,96,411
Less: Amount deposited in banks	-	11,25,316	11,25,316
Less: Cash payments	9,99,500	60	9,99,560
Closing cash in hand as on 30 Dec 2016	-	2,80,232	2,80,232

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016. No similar disclosure has been given for the year ended 31 March 2018 as it is not applicable.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WANBURY LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **WANBURY LIMITED** ("the Holding Company") and its subsidiaries (collectively referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss including Other Comprehensive Income (Loss), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of the consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income (loss), consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the 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 the consolidated Loss, other comprehensive income (loss) of the Group, its consolidated cash flows and the consolidated changes in equity of the Group for the year ended on that date.

Material Uncertainty Related to Going Concern

In spite of negative net worth of the Group, financial statements have been prepared on going concern basis for the reasons stated in Note No. 65 of the consolidated financial statements.

Our opinion is not modified in respect of the same.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

1. Note No. 45(a) of the Consolidated financial statements regarding guarantee given in respect of Exim Bank's investment in Wanbury Holding B.V., a subsidiary of the Holding Company which has been invoked. The said dues being part of the CDR Scheme will be accounted upon arriving at mutually agreed terms of settlement.
2. Note No. 48 of the consolidated financial statements regarding the status of merger of erstwhile PPIL with the Company.

Our opinion is not modified in respect of these matters.

Other Matters

a) The comparative financial information for the year ended 31 March 2017 and the transition date opening balance sheet as at 1 April 2016, prepared in accordance with Ind AS and included in these consolidated financial statements, are based on the previously issued statutory consolidated financial statements for the year ended 31 March 2017 and 31 March 2016, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the predecessor auditor whose reports dated 30 May 2017 and 18 May 2016, respectively, expressed unmodified opinion on those consolidated financial statements, and have been adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by us.

b) We did not audit the financial statements / financial information of three subsidiaries whose financial statements / financial information reflect total assets of ₹146.43 Lakhs as at 31 March 2018, total revenues of ₹ 0.22 Lakhs and net cash outflow amounting to ₹ 0.97 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section143 (3) of the Act, we report, to the extent applicable, that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

   c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder;

   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 Holding company is disqualified as on 31 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 with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

   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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated Ind AS financial statements disclose the impact, of pending litigations as at 31 March 2018, on its financial position – Refer Note 44 to the consolidated financial statements;

      ii. The Group has not entered into any long-term contracts including derivative contracts, requiring provision under the applicable law or Ind AS, for material foreseeable losses;

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

      iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited consolidated financial statements for the year ended 31 March 2017 have been disclosed – Refer note 70 to the Consolidated Ind AS financial statements.

For V. Parekh & Associates
Chartered Accountants
ICAI FRN 107488W

Rasesh V. Parekh
Partner
M. No. 38615

Mumbai, 10th August, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(The Annexure referred to in para 1 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of **WANBURY LIMITED** on the consolidated Ind AS financial statements for the year ended 31 March 2018.)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to financial statements of the Holding Company as of that date.

Management's Responsibility for Internal Financial Controls

Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI")". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 and presentation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be 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 above mentioned 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements is restricted to the Holding Company since all the subsidiaries of the Group are foreign subsidiaries, which are not subject to the report on the Internal Financial Controls.

For V. Parekh & Associates
Chartered Accountants
ICAI FRN 107488W

Rasesh V. Parekh
Partner
Mumbai, 10th August, 2018 **M. No. 38615**

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

(₹ in Lakhs)

		Note No.	31 March 2018	31 March 2017	1 April 2016
A	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipment	9	17,755.68	18,544.74	17,549.64
	(b) Capital work-in-progress	9	1,004.84	957.92	1,441.80
	(c) Other Intangible assets	9	77.78	89.08	103.42
	(d) Financial Assets				
	(i) Investments	10	1.96	2.61	1.85
	(ii) Loans	11	279.19	1,961.44	1,966.20
	(iii) Other financial assets	12	35.53	37.45	26.43
	(e) Deferred tax assets (net)	13	336.38	336.38	336.38
	(f) Other non-current assets	14	10.88	89.98	75.38
	Total Non - Current Assets		**19,502.24**	**22,019.60**	**21,501.10**
2	**Current Assets**				
	(a) Inventories	15	1307.07	3,422.76	3,461.35
	(b) Financial Assets				
	(i) Trade receivables	16	2,945.82	8,466.12	6,899.02
	(ii) Cash and cash equivalents	17	286.75	502.54	163.32
	(iii) Bank balances other than (ii) above	18	334.16	434.27	559.35
	(iv) Loans	19	-	2,823.61	2,823.61
	(v) Other financial assets	20	25.91	1,060.50	1,020.95
	(c) Other current assets	21	2,408.86	2,089.44	1,433.69
			7,308.57	**18,799.24**	**16,361.29**
	Non-Current Assets classified as held for sale	54	373.59	373.59	373.59
	Total Current Assets		**7,682.16**	**19,172.83**	**16,734.88**
	Total Assets		**27,184.40**	**41,192.43**	**38,235.98**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity Share capital	22	2,372.01	2,322.01	1,996.93
	(b) Other Equity	23	(20,840.30)	(17,649.77)	(24,533.05)
	Total equity		**(18,468.29)**	**(15,327.76)**	**(22,536.12)**
	Liabilities				
2	**Minority Interest**		**-**	**-**	**-**
3	**Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	24	9,901.11	15,373.33	20,143.97
	(ii) Other financial liabilities	25	-	-	672.73
	(b) Provisions	26	1,014.38	955.35	876.46
	Total Non - Current Liabilities		**10,915.49**	**16,328.68**	**21,693.16**
4	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	27	8,266.92	6,318.62	9,059.95
	(ii) Trade payables	28	8,225.82	14,011.32	9,667.53
	(iii) Other financial liabilities	29	16,841.70	18,728.32	19,087.21
	(b) Other current liabilities	30	1,017.31	721.30	967.09
	(c) Provisions	31	304.71	214.58	140.05
	(d) Current Tax Liabilities (Net)	32	80.74	197.37	157.11
	Total Current Liabilities		**34,737.20**	**40,191.51**	**39,078.94**
	Total Equity and Liabilities		**27,184.40**	**41,192.43**	**38,235.98**

Significant Accounting Policies 7

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2018

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31 March 2018	For the year ended 31 March 2017
Income :			
Revenue from operations	33	37,417.23	44,363.45
Other Income	34	7,614.07	8,969.46
Total Income		**45,031.30**	**53,332.91**
EXPENSES			
(a) Cost of materials consumed	35	12,844.86	15,195.12
(b) Purchases of Stock-in-trade		3,795.44	3,917.35
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	36	769.47	584.99
(d) Employee benefits expense	37	8,732.08	8,777.12
(e) Finance costs	38	3,073.93	3,550.69
(f) Depreciation and amortisation expense	39	1,030.20	1,031.55
(g) Other expenses	40	18,023.87	14036.26
Total Expenses		**48,269.85**	**47,093.08**
Profit/(Loss) before tax		**(3,238.55)**	**6,239.83**
Tax Expense	58		
- Current tax (net)		(28.13)	44.71
- Deferred tax (net)		(9.63)	(6.37)
Total tax expense		**(37.76)**	**38.33**
Profit/(loss) for the year		**(3,200.79)**	**6,201.48**
Other Comprehensive Income/(Loss)			
A (i) Items that will not be reclassified to profit or loss			
- Acturial gain/ loss on defined benefit obligation		30.87	20.62
(ii) Income tax effect on above		(9.63)	(6.37)
B (i) Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		13.21	(7.35)
(ii) Income tax on items that may be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss) for the year, net of tax		**34.45**	**6.90**
Total comprehensive Income/(Loss) for the year,		**(3,166.34)**	**6,208.38**
There are no exceptional items and discontinued operations			
Earnings per equity share (Face value of ₹ 10/-)	41		
(1) Basic		(13.49)	29.80
(2) Diluted		(13.49)	29.80

Significant Accounting Policies 7

The accompanying notes are an integral part of these financial statements.

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Mumbai, 10 August 2018

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Company Secretary

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Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

(₹ in Lakhs)

		31 March 2018	31 March 2017
A	**Cash flows from Operating Activities**		
	Net Profit (Loss) before Tax	(3,238.55)	6,239.83
	Adjustments for:		
	Depreciation and amortisation	1,030.20	1,031.55
	(Profit) Loss on Fixed Assets Sold (Net)	24.23	-
	Provision for Doubtful Trade Receivables	1,313.42	125.00
	Provision for Doubtful Advances	1,001.57	85.00
	Amounts Written Off	4,707.60	
	Finance Cost	3,073.92	3,550.69
	Unrealised Exchange (Gain) Loss (Net)	235.99	(254.06)
	Interest Income	(50.39)	(62.93)
	Gain on Extinguishment of Financial Liability	(5,296.02)	(8,193.00)
	Amount Written Back	(2,108.17)	(10.93)
	Fair value gain on financial asset measured at fair value	0.65	(0.76)
	Share based payment expenses	25.80	-
	Operating Profit (Loss) before Working Capital Changes	**720.25**	**2,510.39**
	Changes in Working Capital:		
	Decrease (Increase) in Trade Receivable	4,031.36	(1,679.09)
	Decrease (Increase) in Non Current Financial Assets-Loans	(3.75)	18.06
	Decrease (Increase) in Other Non Current Assets	(0.50)	3.83
	Decrease (Increase) in Other current financial assets	180.50	(40.19)
	Decrease (Increase) in Other Current Assets	(658.06)	(740.75)
	Decrease (Increase) in Inventories	2,115.68	38.58
	Increase (Decrease) in Other Non Current Financial Liabilities	(283.46)	(54.61)
	Increase (Decrease) in Other Current Liabilities	296.01	(245.79)
	Increase (Decrease) in Non Current Provisions	89.91	99.51
	Increase (Decrease) in Current Provisions	90.12	74.54
	Increase (Decrease) in Trade Payables	(3266.32)	4,365.89
	Increase (Decrease) in Foreign Currency Translation Reserve	13.21	(7.35)
	Cash Generated from (Used in) Operations	**3324.96**	**4,343.03**
	Direct Taxes Paid (Net of Refunds/Prior Years Adjustments)	(88.50)	(4.45)
	Net Cash generated from (Used in) Operating Activities	**3236.46**	**4,338.58**
B	**Cash flows from Investing Activities**		
	Capital Expenditure on Property, Plant & Equipment including Capital Advances	(284.43)	(1,470.22)
	Interest Income Received	43.52	50.38
	Bank Balance not considered as Cash and Cash Equivalents (Net)	102.08	113.95
	Net Cash generated from (Used in) Investing Activities	**(138.83)**	**(1,305.89)**
C	**Cash flows from Financing Activities**		
	Interest and Other Finance Cost	(660.75)	(1552.67)
	Repayment of Borrowings	(2648.52)	(1,140.80)
	Unpaid dividend transfer to Investor Education Protection Fund	(4.15)	
	Net Cash generated from (Used in) Financing Activities	**(3313.42)**	**(2693.46)**
	Net Increase (Decrease) in Cash & Cash Equivalents	**(215.79)**	**339.27**
	Cash and Cash equivalents as at the beginning of the Year	502.54	163.32
	Cash and Cash Equivalents as at the end of the Year (Refer Note 17)	**286.75**	**502.54**

1. Figures in brackets indicates outflow.
2. Previous year's figures are regrouped & recasted wherever required.

Significant Accounting Policies (Refer Note 7)
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

Statement of changes in equity for the year ended 31 March 2018

A. Equity Share Capital

Particulars	1 April 2016	Changes in Equity Share Capital during the year	31 March 2017	Changes in Equity Share Capital during the year	31 March 2018
Authorised					
20,00,000 Preference shares of ₹ 100/- each	2,000.00	-	2,000.00	-	2,000.00
3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	-	3,000.00	-	3,000.00
	5,000.00	-	5,000.00	-	5,000.00
Issued, Subscribed and Paid-up (Refer Note 22)	**1,996.93**	**325.08**	**2,322.01**	**50.00**	**2,372.01**

B. Other Equity

(₹ in Lakhs)

Particulars	Other Equity									
	Reserves and Surplus							Share Application Money Pending Allotment	Compulsory Convertible Debentures	Total Other Equity
	Capital Reserve	Securities Premium Account	Debenture Redemption Reserve	General Reserve	Employee Stock Option Outstanding	Employee Fluctuation Reserve	Retained Earnings			
Balance as at 1 April 2016	683.41	4,103.02	412.25	1,323.52	-	-	(32,277.56)	1,222.31	-	(24,533.05)
Profit for the year							6,201.48			6,201.48
"Other comprehensive income /(loss) for the year(net of tax)"						(7.35)	14.25			6.90
Total comprehensive income/ (loss) for the year	-	-	-	-	-	**(7.35)**	**6,215.74**		-	**6,208.38**
Transfer from retained earnings										
Issue of equity shares		897.23						(1,222.31)		(325.08)
Issue of compulsory convertible debetures								-	1,000.00	1,000.00
Balance at March 31 2017	**683.41**	**5,000.25**	**412.25**	**1,323.52**	-	**(7.35)**	**(26,061.83)**		**1,000.00**	**(17,649.77)**
Profit/(Loss) for the year							(3,200.79)			(3,200.79)
"Other comprehensive income/ (loss) for the year (net of tax)"						13.21	21.24			34.45
Total comprehensive income/ (loss) for the year	-	-	-	-	-	13.21	(3,179.55)		-	(3,166.34)
Transfer from retained earnings				-			-			-
Share based payments of employees					25.80					25.80
Conversion of compulsory convertible debetures into Equity Shares		950.00				-			(1,000.00)	(50.00)
Balance at March 31 2018	**683.41**	**5,950.25**	**412.25**	**1,323.52**	**25.80**	**5.86**	**(29,241.38)**		-	**(20,840.30)**

Nature of each Reserve and Surplus

Capital Reserve:-This Reserve repesents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations earlier.

Securities Premium Account:- This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve:- As per the provisions of Companies Act, debenture redemption reserve is created out of the retained earnings for the amount of debentures to be redeemed.
General reserve:- This Reserve is created by an appropriation from one component of equity to another, not being an item of other comprehensive income.

Employee Stock Option Outstanding:-This Reserve relates to stock options granted by the Company to employees. This Reserve is transferred to securities premium or retained earnings on exercise or cancellation of vested options.

Retained earnings:- This is net surplus or deficit in the statement of profit and loss.

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For M/s. V. Parekh & Associates.
Chartered Accountants

Rasesh V. Parekh
Partner

Mumbai, 10 August 2018

For and on behalf of the Board

K.Chandran
Vice Chairman
(DIN: 00005868)

N. K. Puri
Director
(DIN : 00002226)

Jitendra J. Gandhi
Company Secretary

Vinod Verma
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. CORPORATE INFORMATION:

Wanbury Limited ("the Holding Company") is a public limited company incorporated and domiciled in India.

Its shares are listed on Bombay Stock Exchange and National Stock Exchange. The Registered office of Company is located at BSEL Tech Park, B-Wing, 10th Floor, Sector 30-A, Opp. Vashi Railway Station, Vashi, Navi Mumbai – 400 703.

The Consolidated Financial Statement("CFS") comprises the Holding Company and its subsidiaries(referred to collectively as the "Group")

The Holding Company is engaged in the business of pharmaceutical and related activities, including research. The Consolidated Financial Statements of the Group for the year ended 31 March 2018 were authorized for issue by Holding Company's Board of Directors on 10 August 2018.

2. BASIS OF ACCOUNTING

The Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

These Financial Statements are Group's first Ind AS Financial Statements and covered by Ind AS 101, "First time adoption of India Accounting Standards".

For all periods up to and including the year ended 31 March 2017, the group prepared its Financial Statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Companies (Accounts) Rules 2014 ("Previous GAAP").

An explanation of how the transition to Ind-AS has affected Group's equity and its net loss is provided in note no. 68.

The Financial Statements have been prepared on an accrual basis and under the historical cost basis, except for certain financial instruments that are measured at fair value.

3. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements comprises the financial statement of the Holding Company and its subsidiaries. The Financial Statements of the Holding Company and its subsidiaries have been consolidated on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions, intra-group balances and unrealized losses resulting there from and are presented to the extent possible, in the same manner as the Group's independent financial statements. The statement of profit and loss and each component of other comprehensive income are attributed to the equity holders of the Holding Company of the group.

The Financial Statement of the Holding Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financials statements of subsidiaries to bring their accounting policies into line with the Groups accounting policies.

The financial statement of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Holding Company's i.e., year ended 31 March 2018.

4. FUNCTIONAL AND PRESENTATION CURRENCY

Functional currencies of Subsidiary companies are the respective local currencies. These financial statements are presented in Indian Rupees ('INR' or 'Rupees' or 'Rs.' or '₹') which is the functional currency of the Holding Company.

5. ROUNDING OFF OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh.

6. CURRENT VERSUS NON-CURRENT CLASSIFCATION

The assets and liabilities in the balance sheet are presented based on current/non-current classification.

An asset is a current asset when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle, or
- held primarily for the purpose of trading, or
- 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 assets.

A liability is a current liability when it is:

- expected to be settled in normal operating cycle, or
- held primarily for the purpose of trading, or

- 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.

All other liabilities are treated as non-current liabilities.

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

7. SIGNIFICANT ACCOUNTING POLICIES:

7.1. Property, plant and equipment :

Freehold land is carried at historical costs. All other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Cost includes cost of acquisition, installation or construction, other direct expenses incurred to bring the assets to its working condition and finance costs incurred upto the date the asset is ready for its intended use and excludes Cenvat / value added tax/GST eligible for credit/setoff.

When significant parts of plant and equipment are required to be replaced at intervals, Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

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

All identifiable Revenue expenses including interest incurred in respect of various projects/expansion, net of income earned during the project development stage prior to its intended use, are considered pre-operative expenses and disclosed under Capital Work-in-Progress.

Capital expenditure on tangible assets for research and development is classified under property, plant and equipment and is depreciated on the same basis as other property, plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of the retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Depreciation & amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on the property, plant and equipment is provided based on straight line method, over the useful life of the assets as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis.

Premium on Leasehold lands are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of the land is beyond the life of the building. In other cases, building constructed on leasehold lands are amortised over the primary lease period of the lands.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

On transition to Ind AS, Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

7.2. Intangible Assets :

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to Group and the cost of the assets can be measured reliably.

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any.

Internally generated intangibles are not capitalised (except as per the below mentioned policy on research and development) and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Cost of software is amortised over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets is derecognised.

Research and Development

Revenue expenditure pertaining to research is charged to the Consolidated Statement Profit and Loss. Development costs of products are also charged to the Consolidated Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalized. These costs are charged to the respective heads in the Consolidated Statement of Profit and Loss in the year it is incurred. The amount capitalized comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

On transition to Ind AS, Group has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2016 measured as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

7.3. Non-Current assets held for sale

The Group classifies non-current asset as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and when actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that decision to sell will be withdrawn. Non-current asset as held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. These assets are presented separately in balance sheet. Property, plant and equipment are nor depreciated once classified as held for sale.

7.4. Impairment of non-financial assets

The carrying amount of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized in the Consolidated Statement of Profit and Loss wherever the carrying amount of an asset/ cash generating unit exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. 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 risks specific to the assets. A previously recognised impairment loss is increased or reversed depending on the changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

7.5. 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:

Classification:

Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL), on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL/FVTOCI)
- Financial assets at amortised cost

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

Financial Assets measured at amortised cost (net of any write down for impairment, if any):

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial assets measured at Fair value through other comprehensive income ("FVTOCI"):

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Fair value movements are recognized in the other comprehensive income.

In case of investment in equity instruments, on initial recognition the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. In case an equity instrument is designated at FVTOCI, the fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Financial assets measured at fair value through profit or loss ("FVTPL"):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss. Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Derecognition of Financial Assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Group has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets:

In accordance with Ind AS 109, Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

i) Financial assets that are debt instruments, and are measured at amortised cost e.g.,loans,debt securities, deposits, and bank balance.

ii) Trade receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial Liabilities:

Classification:

Group classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement:

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

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest bearing Loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and Losses are recognized in profit or loss when the liabilities are derecognized as well as through EIR amortization 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 amortization is included as finance costs in the Statement of Profit & Loss.

Derecognition of Financial Liabilities:

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.

Derivative Financial Instrument:

Group uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

7.6. Inventories:

Raw materials and packing materials are valued at lower of cost and net realizable value, cost of which includes duties and taxes (net of set offable CENVAT/VAT/GST/Custom Duty wherever applicable finished products including traded goods and work-in-progress are valued at lower of cost and net realizable value. Cost is arrived at moving average basis.

The cost of inventories have been computed to include all cost of purchases, cost of conversion, standard overheads and other related cost incurred in bringing the inventories to their present condition.

Slow and non-moving material, obsolesces defective inventory are fully provided for and valued at net realizable value.

Goods and materials in transit are valued at actual cost incurred up to the reporting date.

Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

7.7. Cash and Cash Equivalents :

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period 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.

7.8. Cash Flow Statements :

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash in nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Group is segregated.

7.9. Foreign Currency Transactions :

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the reporting date are re-measured at the exchange rate prevailing on the reporting date. Non-monetary foreign currency items denominated in foreign currency are carried at cost and not re-measured at the exchange rate prevailing as at reporting date.

Any income or expense on account of exchange difference either on settlement or on re-measurement is recognised in the Statement of Profit and Loss.

In case of foreign operations whose functional currency is different from the holding company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income/ (loss) and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to the Consolidated Statement of Profit and Loss as a part of gain or loss on disposal.

7.10. Revenue Recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty (upto 30 June 2017), excluding sales tax or value added taxes or service taxes (upto 30 June 2017) and GST (w.e.f.1 July,2017) or duties collected on behalf of the Government, and net of returns, trade discount/ allowances, rebates, and amounts collected on behalf of third parties.

Revenue from sale of goods is recognised, when all significant risks and rewards are transferred to the buyer, as per the terms of contracts and no significant uncertainty exists regarding amount of the consideration that will be derived from the sale of goods.

Dividend income is recognised when right to receive dividend is established.

Interest income is recognised on time proportion basis. Insurance and other claims are recognised as revenue on certainty of receipt on prudent basis.

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

7.11. Employee Benefits :

(i) Short term employee benefits

All employee benefits payable wholly within twelve months from reporting date are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives and the expected cost of bonus ex-gratia etc are recognised during the period in which the employee renders related service.

(ii) Defined benefit plans

Gratuity plan

Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with Group.

Liabilities with regard to Gratuity Plan are determined by actuarial valuation, Performed by an independent actuary, at each balance sheet date using the Projected Unit Credit Method.

Company contributes all ascertained liabilities to the group gratuity scheme with Life Insurance Corporation of India as permitted by laws of India.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the annual reporting period to the net defined benefit liability or asset. Service cost and net interest expenses or income is recognised in profit or loss.

Compensated absences

Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

Liability in respect of Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at the present value of the defined benefit obligation at the balance sheet date.

Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(iii) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. Group pays provident fund contributions to publicly administered provident funds as per local regulations. Group 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.

7.12. Share-based payment transactions:

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Group estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in Equity under "Share Based Payment Reserve". At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share based Payment Reserve.

7.13. Borrowing Costs :

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

7.14. Lease :

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Leases rentals are charged to the statement of profit and loss on straight line basis.

7.15. Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period including instruments which are mandatorily convertible into equity shares of the Group Diluted earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

7.16. Income Taxes :

Income tax expense comprises current and deferred income tax. It is recognized in Statement of Profit and Loss except to the extent that it relates items recognized directly in equity or in OCI.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable of receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group;

i) has a legally enforceable right to set off the recognized amounts; and
ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purpose.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if;

i) The Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

7.17. Provisions and Contingent Liabilities :

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resoucres will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount 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 recognized as a finance cost.

Contingent liabilities are disclosed in the Notes to the Standalone Financial Statements. Contingent liabilities are disclosed for;

i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group, or

ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

7.18. Fair value measurement :

Group measures financial instruments, such as, derivatives at fair value at each balance sheet date in accordance with IND AS 113. Financial Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position;

i) Derivative financial instruments are measured at fair value received from Bank.

ii) Employee Stock Option Plan (ESOP) at fair value as per Actuarial Valuation Report.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date.

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 recognized in the financial statements on a recurring basis, Group determines whether transfers have occurred between levels in the hierarchy by reassessing 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 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.

7.19. Standard issued but not effective

A. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from 1 April 2018.

B. Ind AS 115 – Revenue from Contracts with Customers

On 28 March 2018, MCA has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

o Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

o Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.

The Group will adopt the standard on 1 April 2018.

8. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS:

The preparation of Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities in future periods.

8.1. Property, plant and equipment :

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. Assumptions also need to be made, when Group assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

8.2. Intangible Assets :

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

8.3. Recognition and measurement of defined benefit obligations :

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

8.4. Recognition of deferred tax assets and income tax :

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

8.5. Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

8.6. Contingencies :

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/litigations against Group as it is not possible to predict the outcome of pending matters with accuracy.

8.7. Allowance for uncollected accounts receivable and advances :

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

8.8. Insurance Claims :

Insurance claims are recognized when there is reasonable certainty of recovery.

8.9. Impairment Reviews :

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9.1 PROPERTY, PLANT & EQUIPMENTS

Current Year (₹ in Lakhs)

	Description	Gross Block				DEPRECIATION/AMORTISATION				Net Block
		As at 1 April 2017	Addition	Deduction/ Adjustment	As at 31 March 2018	As at 1 April 2017	for the Period	Deduction/ Adjustment	As at 31 March 2018	As at 31 March 2018
		(1)	(2)	(3)	(4)= (1+2-3)	(5)	(6)	(7)	(8)=(5+6-7)	(9) =(4-8)
A	**Property, Plant & Equipments**									
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	4,739.81
	Lease Hold Land	440.24	-	-	440.24	6.31	6.31	-	12.62	427.62
	Factory Building	4,113.26	9.15	-	4,122.41	214.30	232.18	-	446.48	3,675.92
	Plant & Machinery	8,908.21	151.35	13.01	9,046.55	522.92	549.82	1.39	1,071.35	7,975.20
	Furniture & Fixtures	293.60	7.66	0.94	300.31	48.16	34.52	0.35	82.33	217.98
	Vehicles	127.78	-	-	127.78	39.29	34.61	-	73.90	53.88
	Office Equipments	135.70	9.90	1.91	143.69	34.42	30.83	1.12	64.13	79.56
	Electrical Installations	102.27	-	0.03	102.24	14.54	15.21	0.03	29.72	72.52
	Laboratory Equipments	565.32	54.66	6.76	613.22	72.71	58.47	1.65	129.53	483.69
	Computers	68.35	12.01	0.03	80.33	27.12	26.47	0.03	53.57	26.77
	Leasehold Improvement	51.13	-	35.29	15.84	21.16	21.12	29.17	13.11	2.73
	Total	**19,545.66**	**244.73**	**57.98**	**19,732.41**	**1,000.93**	**1,009.55**	**33.74**	**1,976.74**	**17,755.68**
B	**Other Intangible Asset**									
	Software	119.70	9.34	-	129.04	30.62	20.65	-	51.27	77.78
	Total	**119.70**	**9.34**	**-**	**129.04**	**30.62**	**20.65**	**-**	**51.27**	**77.78**
C	**Capital Work In Progress**	-	-	-	-	-	-	-	-	**1,004.84**
	Total (A+B+C)	**19,665.36**	**254.07**	**57.98**	**19,861.46**	**1,031.55**	**1,030.20**	**33.74**	**2,028.00**	**18,838.30**

9.2 Previous Year

	Current Year										(₹inLakhs)
	Description	Gross Block				DEPRECIATION/AMORTISATION				Net Block	Net Block
		As at 1 April 2016	Addition	Deduction/ Adjustment	As at 31 March 2017	As at 1 April 2016	for the Period	Deduction/ Adjustment	As at 31 March 2017	As at 31 March 2017	As at 31 March 2018
		(1)	(2)	(3)	(4)= (1+2-3)	(5)	(6)	(7)	(8)=(5+6-7)	(9) =(4-8)	
A	**Property, Plant & Equipments**										
	Free Hold Land	4,739.81	-	-	4,739.81	-	-	-	-	4,739.81	4,739.81
	Lease Hold Land	440.24	-	-	440.24	-	6.31	-	6.31	433.93	440.24
	Factory Building	3,426.79	686.47	-	4,113.26	-	214.30	-	214.30	3,898.96	3,426.79
	Plant & Machinery	8,015.61	892.60	-	8,908.21	-	522.92	-	522.92	8,385.29	8,015.61
	Furniture & Fixtures	168.30	125.30	-	293.60	-	48.16	-	48.16	245.44	168.30
	Vehicles	120.92	6.86	-	127.78	-	39.29	-	39.29	88.49	120.92
	Office Equipments	82.07	53.63	-	135.70	-	34.42	-	34.42	101.28	82.07
	Electrical Installations	33.22	69.05	-	102.27	-	14.54	-	14.54	87.73	33.22
	Laboratory Equipments	420.98	144.34	-	565.32	-	72.71	-	72.71	492.61	420.98
	Computers	50.57	17.78	-	68.35	-	27.12	-	27.12	41.23	50.57
	Leasehold Improvement	51.13	-	-	51.13	-	21.16	-	21.16	29.97	51.13
	Total	**17,549.64**	**1,996.03**	**-**	**19,545.66**	**-**	**1,000.93**	**-**	**1,000.93**	**18,544.74**	**17,549.64**
B	**Other Intangible Asset**										
	Software	103.42	16.28	-	119.70	-	30.62	-	30.62	89.08	103.42
	Total	**103.42**	**16.28**	**-**	**119.70**	**-**	**30.62**	**-**	**30.62**	**89.08**	**103.42**
C	**Capital Work In Progress**			**-**	**-**	**-**	**-**	**-**	**-**	**957.92**	**1,441.80**
	Total (A+B+C)	**17,653.06**	**2,012.31**	**-**	**19,665.36**	**-**	**1,031.55**	**-**	**1,031.55**	**19,591.74**	**19,094.86**

9.3 The title deeds of the immovable properties transferred pursuant to the Scheme of Merger are yet to be transferred in the name of the Company.

9.4 Capital Work in Progress includes Machinery under installation, Construction material purchases and other assets under erection. It includes ₹ 896.54 Lacs (31 March 2017 - ₹ 896.54 Lacs) of erstwhile PPIL (Refer Note 48).

9.5 Addition includes ₹ 4.33 Lakh (31 March 2017 - ₹ 3.61 Lakh) used for Research & Development

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
10 Non Current Financial Assets - Investments			
10.1 Investment in Equity Instruments			
(i) In Subsidiaries - Unquoted (at cost/deemed cost)			
Cantabaria Pharma S.L.			
1000 Shares of Euro 60 each of Cantabria Pharma SL, Spain fully paid up	-	-	-
(ii) In Others - Unquoted (Fair Value through Profit & Loss) The Saraswat Co-op. Bank Ltd.			
706 Equity Share of ₹ 10 each fully paid up	0.07	0.07	0.07
The Shamrao Vithal Co-op. Bank Ltd.			
100 Equity Share of ₹ 25 each fully paid up	0.03	0.03	0.03
Bravo Healthcare Limited			
12,71,250 Equity Share of ₹ 10 each fully paid up	-	-	-
(iii) In Others - Quoted (Fair Value through Profit & Loss)			
Bank of India			
1,800 Equity Share of ₹ 10 each fully paid up	1.86	2.51	1.75
	1.96	**2.61**	**1.85**
10.2 Aggregate carrying value of quoted investments	1.86	2.51	1.75
10.3 Aggregate market value of quoted investments	1.86	2.51	1.75
10.4 Aggregate carrying value of unquoted investments	0.10	0.10	0.10
10.5 Aggregate amount of impairment in value of investments	-	-	-

10.6

Details of investments at cost which has been fully provided for diminution in the value of investments under previous GAAP and accordingly deemed carrying value on transition to Ind AS is considered NIL:

Cantabaria Pharma S.L.			
1000 Shares of Euro 60 each of Cantabria Pharma SL, Spain fully paid up	381.28	381.28	381.28
Bravo Healthcare Limited			
12,71,250 Equity Share of ₹10 each fully paid up	53.40	53.40	53.40
	434.68	**434.68**	**434.68**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
11	**Non Current Financial Assets - Loans**			
	(Unsecured, considered good, unless otherwise stated)			
	Security Deposits	279.19	265.47	270.23
	Other Loans			
	- Considered Good	-	1,695.97	1,695.97
	- Considered Doubtful	2,934.57	1,835.07	1,835.07
		2,934.57	3,531.04	3,531.04
	Less: Allowance for Doubtful Other Loans	2,934.57	1,835.07	1,835.07
		-	1,695.97	1,695.97
		279.19	**1,961.44**	**1,966.20**
12	**Non Current Financial Assets - Others**			
	In Deposit Accounts with Banks (Under Lien)			
	-with original maturity of more than 12 months	35.48	37.45	26.32
	Interest Accrued on fixed deposit with Banks	0.05	-	0.11
		35.53	**37.45**	**26.43**
13	**Deferred Tax Assets**			
	MAT Credit Entitlement	336.38	336.38	336.38
		336.38	**336.38**	**336.38**
14	**Non Current Assets - Others**			
	Capital Advances	5.20	84.78	66.35
	Prepaid Expenses	5.68	5.20	9.04
		10.88	**89.99**	**75.38**
15	**Inventories**			
	Raw Materials and Packing Materials	357.02	1,698.98	1,150.18
	Work-in-Progress	131.01	535.28	1,149.15
	Finished Goods	247.23	430.47	567.40
	Stock-in-Trade	565.50	747.46	581.65
	Fuel	6.31	10.57	12.97
		1,307.07	**3,422.76**	**3,461.35**
16	**Trade Receivables**			
	Unsecured			
	- Considered Good	2,945.82	8,466.12	6,899.02
	- Considered Doubtful	1,922.43	609.01	477.50
		4,868.25	9,075.13	7,376.52
	Less: Allowance for doubtful trade receivables	1,922.43	609.01	477.50
		2,945.82	**8,466.12**	**6,899.02**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
17	**Cash and Cash Equivalents**			
	Balances with Banks:			
	- In Current Account	277.46	488.33	158.20
	- In EEFC Account	5.44	4.47	3.68
	Cash on Hand	3.85	9.74	1.44
		286.75	**502.54**	**163.32**
18	**Bank Balances other than Cash and Cash Equivalents** Earmarked balances with banks			
	- Unpaid Dividend*	-	4.15	4.15
	In Deposit Accounts with Banks (Under Lien)			
	-with original maturity of more than 3 months and upto 12 months	316.06	370.96	540.25
	-with original maturity of more than 12 months)	18.10	59.16	14.95
		334.16	**434.27**	**559.35**

*During the year ended 31 March 2018, company has trasferred ₹ 4.15 lacs to Investor Education and Protection Fund within the due date

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
19	**Current Financial Assets - Loans**			
	Unsecured			
	Other Loans			
	- Considered Good	-	2,823.61	2,823.61
	- Considered Doubtful	56.54	619.82	619.82
		56.54	3,443.43	3,443.43
	Less: Allowance for Doubtful Other Loans	56.54	619.82	619.82
		-	**2,823.61**	**2,823.61**
20	**Current Financial Assets - Others**			
	Interest Accrued on fixed deposit with Banks	0.19	0.32	2.07
	Other Interest Receivable			
	- Considered Good	-	853.96	852.85
	- Considered Doubtful	313.50	186.79	186.79
		313.50	1,040.75	1,039.64
	Less: Allowance for Doubtful Other Interest Receivable	313.50	186.79	186.79
		-	853.96	852.85
	Mark to Market Derivative Assets	25.72	206.22	166.03
		25.91	**1,060.50**	**1,020.95**
21	**Other Current - Non Financial Assets**			
	(Unsecured, Considered Good)			
	Advances to related parties (Refer Note 64):			
	- Considered Good	-	-	-
	- Considered Doubtful	8,809.00	8,809.00	8,817.37
		8,809.00	8,809.00	8,817.37
	Less: Allowance for Doubtful Advances to related parties	8,809.00	8,809.00	8,817.37
		-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
Advance to Employees:			
- Considered Good*	98.95	216.89	300.25
- Considered Doubtful	204.76	85.00	-
	303.71	301.89	300.25
Less: Allowance for Doubtful Advances	204.76	85.00	-
	98.95	216.89	300.25
Advance to Suppliers			
- Considered Good*	440.28	609.02	177.03
- Considered Doubtful	337.72	118.84	-
	777.99	727.85	177.03
Less: Allowance for Doubtful Advances	337.72	118.84	-
	440.28	609.02	177.03
Prepaid Expenses	122.1 7	80.07	59.41
Export Benefit Receivable	296.41	366.80	168.91
Balance with Statutory/Government Authorities:			
- Excise Authorities	-	253.02	211.94
- VAT Receivable	371.92	563.64	516.13
- GST Receivable	1,079.13	-	-
	2,408.86	**2,089.44**	**1,433.69**

*Includes excess remuneration receivable from Directors- ₹ 137.31 Lakhs (31 March 2017 - ₹ 91.54 Lakhs ; 01 April 2016 - ₹ 215.96 Lakhs) (Refer Note 59)

22 Share Capital

	31 March 2018	31 March 2017	1 April 2016
Authorised			
20,00,000 Preference shares of ₹ 100/- each	2,000.00	2,000.00	2,000.00
3,00,00,000 Equity Shares of ₹ 10/- each	3,000.00	3,000.00	3,000.00
	5,000.00	**5,000.00**	**5,000.00**
Issued, Subscribed and Paid-Up			
2,37,20,117 (31 March 2017 - 2,32,20,117;1 April 2016 - 1,99,69,286) Equity Shares of ₹ 10/- each fully paid up	2,372.01	2,322.01	1,996.93
Total Share Capital	**2,372.01**	**2,322.01**	**1,996.93**

22.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	31 March 2018		31 March 2017		1 April 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	2,32,20,117	2,322.01	1,99,69,286	1,996.93		
Add: Shares allotted as fully paid up during the year	5,00,000	50.00	32,50,831	325.08		
Shares outstanding at the end of the year	**2,37,20,117**	**2,372.01**	**2,32,20,117**	**2,322.01**	**1,99,69,286**	**1,996.93**

22.2 Terms/Rights attached to equity shares

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares & pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

22.3 Outstanding Options to subscribe to equity shares

11,25,236 warrants of the face value of ₹ Nil have been allotted to the shareholders of Erstwhile PPIL as per the BIFR order. The warrant holders have the right to subscribe to one equity share of ₹ 10/- each at the premium of ₹ 125/- per share which is exercisable within five years from 27 June 2007,being the date of allotment of the warrants. Refer note 48.

58,199 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) of face value of ₹ 1,000/- each were allotted to the lenders of erstwhile PPIL pursuant to the order dated 24 April 2007 of Hon'ble BIFR. OFCD were convertible between 1 November 2008 and 30 April 2012 into its equity shares at a price of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right. Refer note 48.

Refer Note 49 for rights of lender under CDR scheme to convert dues into equity shares of the Company under certain condition stipulated in Master Restructuring Agreement dated 19 September 2011.

22.4 Details of equity shares held by each shareholders holding more than 5%

Name of Shareholder	31 March 2018		31 March 2017		1 April 2016	
	No. of Shares	% of No. of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Kingsbury Investments Inc	30,24,000	12.75%	30,24,000	13.02%	30,24,000	15.14%
Expert Chemicals (India) Pvt. Ltd.	1,00,05,561	42.18%	1,00,05,561	43.09%	67,54,730	33.83%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders/members regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

22.5

Particulars	31 March 2018	31 March 2017	1 April 2016
	No of Shares of FV ₹ 10	No of Shares of FV ₹ 10	No of Shares of FV ₹ 10
Equity Shares reserved for issuance under Employee Stock Options Plan 2016 of the Company	**9,98,464**	**9,98,464**	**9,98,464**
Aggregate number of Equity Shares issued during the last five years pursuant to Employee Stock Options Plan 2016 of the Company	-	-	-

22.6 In compliance with the terms of the Corporate Debt Restructuring Scheme, during the year ended 31 March 2017, the Company has allotted 32,50,831 equity shares of Face value of ₹ 10 each at a premium of ₹ 27.60 per equity share to the promoter company Expert Chemicals (India) Pvt. Ltd., on preferential basis.

22.7 During the previous year ended 31 March 2017, the Company had allotted 5,00,000 numbers of Zero % Compulsorily Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 1,000 lakhs and during the current year ended 31 March 2018, CCDs has been converted into 5,00,000 equity shares of Face value of ₹ 10 each at premium of ₹ 190 per share.

22.8 The Company has neither allotted any shares as fully paid up pursuant to contract without payment being received in cash and by way of bonus shares nor bought back any shares during the period of five years preceding the date of this balance sheet.

22.9 The Company is not a subsidiary company.

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
23	**Other Equity**			
	Capital Reserves	683.41	683.41	683.41
	Securities Premium Account	5,950.25	5,000.25	4,103.02
	Debenture Redemption Reserve	412.25	412.25	412.25
	General Reserve	1,323.52	1,323.52	1,323.52
	Employee Stock Option Outstanding	25.80	-	-
	Retained Earnings	(29241.39)	(26,061.83)	(32,277.56)
	Compulsorily Convertible Debentures (CCDs)	-	1,000.00	-
	Share Application Money Pending Allotment		-	1,222.31
	Exchange Fluctuation Reserve	5.86	(7.35)	-
	Total other equity	**(20,840.30)**	**(17,649.77)**	**(24,533.06)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
24 Non-current Financial Liabilities - Borrowings			
Term loans (Secured)			
From Banks (Rupee)	1,854.28	4,841.18	18,282.00
From Others (Rupee) *	8,046.01	9,384.90	-
From Banks (Foreign Currency)	-	1,145.23	1,855.07
Vehicle Loans (Secured)			
From Others (Rupee)	0.82	2.02	6.90
	9,901.11	**15,373.33**	**20,143.97**

* Includes ₹ 1,223.22 lakhs (31 March 2017 - ₹ 1,915.35 Lakhs) dues of State Bank of Mysore (“SBM”) which is assigned by SBM to Edelweiss Asset Reconstruction Company Limited (“EARCL”), vide letter dated 31 March 2017. Refer note 51.

24.1 Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the current period

(₹ in Lakhs)

Particulars	Interest	Borrowings
Cash and cash equivalents	286.75	502.54
Non-current Borrowings	(9,901.11)	(15,373.33)
Current Borrowings	(8,266.92)	(6,318.62)
Current maturities of long term borrowings	(3,858.55)	(5,287.34)
Interest accrued	(1,271.59)	(1,343.56)
Unpaid dues	(3,191.13)	(3,226.37)
Net Debt	**(26,776.04)**	**(32,051.75)**

Particulars	Cash and cash equivalent	Liability from financing activities	Total
Opening balance	502.54	(31,549.21)	32,051.75
Cash outflows	(215.85)	2,648.55	2,432.71
Interest expenese for the year	-	(3,073.92)	(3,073.92)
Gain on extinguishment of loan liability	-	5,296.02	5,296.02
Write back	-	1,738.27	1,738.27
Interest payment	-	660.75	660.75
Revaluation of foreign currency borrowings	-	(45.62)	(45.62)
Non-fundbased loan		(2,164.13)	(2,164.13)
Closing balance	**286.75**	**(26,489.29)**	**26,776.04**

24.2 (₹ in Lakhs)

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Working Capital Term Loan I : First pari passu charge on all the present and future fixed assets of the company excluding Tanuku plant & on all the present and future current assets of the company including few brands of the company. Second pari passu charges on all the present and future fixed assets of the company, situated at Tanuku plant. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company	IDBI Bank : The loan is repayable in 4 equal annual instalments from 30th Sept 17 to 30th Sept 2020 All other lenders : The loan is repayable in 4 equal annual instalments from 31st March 2018 to 31st March 2021 Fixed Interest payable @ 1%	1,149.00	2,045.69	2,903.93
Funded Interest Term Loan : First pari passu charge on all the present and future fixed assets of the company excluding Tanuku plant & on all the present and future current assets of the company including few brands of the company. Second pari passu charges on all the present and future fixed assets of the company, situated at Tanuku plant. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	The loan is repayable in 32 quarterly instalments starting from 1st Oct 2012 to 30th Sept. 2020 Interest rate of 3% p.a. for Fy 10-11 which shall be increased by 1% each year till it reaches a level of 5% in Fy 12-13 and thereafter will remain constant.	1,062.52	1,454.36	2,696.77
Term loan EARC -Edelweiss : First pari passu charge on all the present and future fixed assets including few brands of the company. Second pari passu charge on all the present and future current assets of the company. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.		8,912.32	8,532.89	(50.00)

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Working Capital Term Loan II: First pari passu charge on all the present and future fixed assets of the company excluding Tanuku plant & on all the present and future current assets of the company including few brands of the company. Second pari passu charges on all the present and future fixed assets of the company, situated at Tanuku plant. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	IDBI Bank :The loan is repayable in 4 equal annual instalments from 30th Sept 17 to 30th Sept. 2010 All other lenders : The loan is repayable in 4 equal annual instalments from 31st March 2018 to 31st March 2021 Ballooning interest 1% to 4% in Fy 13-14 , to 5% in Fy 2015-16 and to 8% in Fy 2018-19 and thereafter it will remain same	1,118	2,950.32	3,980.04
“**Term Loan** frst pari passu charge on all the present and future fixed assets of the company, excluding Tanuku plant. First pari passu charge on few brands of the company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the company. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	The Loan is repayable in 32 quarterly instalments from 31.12.12 to 30.09.2020 Interest @ 9.50% p.a.	3014.95	2,968.33	6,953.04
Corporate Loan : First pari passu charge on all the present and future fixed assets of the company, excluding Tanuku plant. First pari passu charge on few brands of the company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the company. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals, Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.”	SB Mysore :12 equal quarterly instalments of Rs. 22.50 lacs from Jan 17 to Oct 19 BOI:12 equal quarterly instalments of Rs 37.50 cr. from Mar 16 to Dec 18 SBI : 4 quarterly equal instalments of 2.65% of loan amount from April 15 to March 16, 4 quarterly equal instalments of 3.15% of loan amount from April 16 to March 17,4 quarterly equal instalments of 4.56% of loan amount from April 17 to March 18,4 quarterly equal instalments of 6.19% of loan amount from April 18 to March 19,4 quarterly equal instalments of 11.26% of loan amount from April 19 to Dec 19, Interest @ 11.5%	296.17	687.57	6886.75

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Capex Loan First pari passu charge on all the present and future fixed assets of the company, excluding Tanuku plant. First pari passu charge on few brands of the company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the company. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	Loan is repayable in five years from Fy 2011-12 to Fy 2016-17 Interest @ 11.50%	70.80	110.06	317.54
Priority Loan First pari passu char.ge on all the present and future fixed assets of the company, excluding Tanuku plant. First pari passu charge on few brands of the company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the company. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	Loan is repayable in 12 quarterly instalments from 1.04.13 to 31.03.16 Interest @ 11.50%	-	-	374.89
Working Capital Term Loan III First pari passu charge on all the present and future fixed assets of the company excluding Tanuku plant & on all the present and future current assets of the company including few brands of the company. Second pari passu charges on all the present and future fixed assets of the company, situated at Tanuku plant. Pledge of unencumbered shareholding in the company held by Expert Chemicals (I) Private Limited & Kingsbury Investment Inc. on pari passu basis. Pledge of 1271250 shares of Bravo Healthcare ltd and pledge of 5 shares of Wanbury Global FZE on pari passu basis. Corporate Guarantee of Experts Chemicals , Bravo Healthcare, Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	Loan is repayable in 12 quarterly instalments from 1.10.12 to 31.03.16 Interest @ 11.50%	-	-	379.84

Nature of Security	Term of Interest and Repayment	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
ECB Loan First pari passu charge on all the present and future fixed assets of the company, excluding Tanuku plant, First pari passu charge on few brands of the company. Second pari passu charge on all the present and future fixed assets situated at Tanuku plant. Second pari passu charge on all the present and future current assets of the company. Pledge of unencumbered shares of Wanbury on pari passu basis, held by Expert Chemicals (I) Private Limited & kinsbury Investment Inc. Pledge of 1271250 shares of Bravo Healthcare ltd. and pledge of 5 shares of Wanbury Global FZE, Corporate Guarantee of Experts Chemicals , Bravo Healthcare,Wanbury Global FZE and Kingsbury investments and Personal Guarantee of Mr. K Chandran, director of the company.	Loan is repayable in 28 quarterly instalments from 1.01.13 to 31.12.20 Interest @ Libor + 295 bps	-	2,651.55	2,616.30
Vehicle Loan First charge on vehicles against which loan is disbursed.”		1.92	2.02	6.9

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
25	**Non-Current Financial Liabilities - Others**			
	Dues Payable to FCCB 'B' Bond Holder (Refer Note 52)	-	-	523.62
	Dues payable to FCCB 'A' Bond Holder (Refer Note 52)	-	-	149.11
		-	**-**	**672.73**
26	**Non-Current Provisions**			
	Provision for employee benefits (Net) (Refer Note 61)			
	Provision for Gratuity	543.86	522.75	484.70
	Provision for Leave Benefits	470.52	432.60	391.76
		1,014.38	**955.35**	**876.46**
27	**Current Financial Liabilities - Borrowings**			
	Working Capital Loans repayable on demand (Secured) (Refer Note 27.1)			
	From Banks (Rupee)	7,200.44	5,350.31	8,652.11
	From Others (Rupee)*	815.31	815.31	-
	From Others (Foreign Currency) (Refer Note 27.2)	200.92	102.75	357.59
	Loans repayable on demand (Unsecured) (Refer Note 48)			
	From Banks (Rupee)	29.94	29.94	29.94
	From Others (Rupee)	20.31	20.31	20.31
		8,266.92	**6,318.62**	**9,059.95**

* Represents dues of State Bank of Mysore ("SBM") assigned to Edelweiss Asset Reconstruction Company Limited ("EARCL") by SBM, vide letter dated 31 March 2017. Refer Note 49.

27.1 Above loans are secured by a pari-passu first charge on current assets and few brands of the Company, second charge on fixed assets and pledge of entire holding of equity shares of the Company held by Expert Chemicals (I) Pvt. Ltd. & Kingsbury Investments Inc, in addition to guarantee of Expert Chemicals (I) Pvt. Ltd., Bravo Healthcare Ltd. ,Wanbury Global FZE, Kingsbury Investments Inc and Mr. K. Chandran, director of the Company.

27.2 Factoring facilities are secured by subservient (residual) charge on all present and future receivables, book debts, outstandings, monies receivables, claims and bills of the company, which are now due and or which may be due at anytime of its approved debtors and subservient charge on all present and future fixed asset and current assets of the company.

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
28	**Current Financial Liabilities - Trade Payables**			
	Trade Payables	8,225.82	14,011.32	9,667.53
		8,225.82	**14,011.32**	**9,667.53**

As at 31 March 2018, 31 March 2017 and 1 April 2016, there are no oustanding dues to Micro and Small enterprises. There are no interest due or oustanding of the same. Refer Note 56 for Micro, Small & Medium Enterprises Disclosures.

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
29	**Current Other Financial Liabilities**			
	(Unsecured unless otherwise stated)			
	Current maturities of:			
	-Term Loan - Banks (Secured) (Refer Note 24)	1,122.48	2,695.56	4,032.30
	-Term Loan - Others (Secured) (Refer Note 24)	2,592.55	1,580.82	-
	-Vehicle Loan (Secured) (Refer Note 24)	1.10	4.88	7.52
	-Dues of FCCB Holders (Refer Note 52)	142.41	1,006.07	1,123.68
	Interest accrued but not due:			
	-On borrowings	418.21	1.99	6.44
	-On debentures (Secured)	328.98	328.98	328.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
Interest accrued and due (Refer Note 29.3)			
-On Secured Borrowings (Refer Note 24)	408.70	625.12	1,036.83
-On Foreign Currency Convertible Bonds	115.70	387.46	329.28
Unpaid dividends (Refer Note 29.6)	-	4.15	4.15
Unpaid Dues:			
-Of Long Term Borrowings (Secured) (Refer Note 29.3, 24)	1,991.40	1,481.86	1,852.89
-Of FCCB Holders (Refer Note 29.3 & 52)	397.04	941.81	717.56
-Of Long Term Borrowings of erstwhile PPIL (Secured) (Refer Note 29.4 & 29.5)	68.02	68.02	68.02
-Of Matured Zero Coupon Non Convertible Redeemable Debentures (NCD) (Secured) (Refer Note 29.1 & 29.5)	152.67	152.67	152.67
-Of Optionally Fully Convertible Debentures (OFCD) (Secured) (Refer Note 29.2 & 29.5)	581.99	581.99	581.99
Other Payables:			
- Capital Creditors	255.59	318.62	241.97
- Others (Includes Inland bills payable, stale cheques, dues of PPIL etc)	134.61	414.08	441.09
- Security Deposit	464.00	468.00	495.60
- Liability against Corporate Guarantees issued	5,000.00	5,000.00	5,000.00
- Redeemable preference shares (4,511 Preference Shares of Euro 1000 each)	2,666.24	2,666.24	2,666.24
	16,841.70	**18,728.32**	**19,087.21**

29.1 The NCD are to be secured by a pari passu charge on the fixed assets of the Company situated at Patalganga and Plot No. J-17 at Tarapur. The NCD comprises of Part A of ₹ 60 and Part B of ₹ 40 which are redeemable at par at the end of two years and three years respectively from 1 May, 2007. The Company had redeemed Part A of ₹ 60 relating to 1,49,709 NCD's in the earlier years. NCD's amounting to ₹ 55.67 Lakhs and ₹ 97 Lakhs was due for repayment on 1 May 2009 and 1 May 2010 respectively. Refer Note 48.

29.2 The OFCD are to be secured by a pari passu charge on the fixed assets of erstwhile PPIL situated at Plot No 24 at Tarapur and fixed assets at Mazgaon. OFCD are convertible between 1 November, 2008 and 30 April, 2012 into equity shares at a price being higher of ₹ 125/- and 67% of the three months average weekly closing price prior to the date of exercise of such right amounting to ₹ 290.99 Lakhs and ₹ 291 Lakhs was due for repayment on 30 April 2010 and 30 April 2011 respectively. Refer Note 48.

29.3 There is delay in repayment of

(i) term loan aggregating to ₹ 1,991.40 Lakhs (31 March 2017 - ₹ 1481.86 Lakhs;1 April 2016 - ₹ 1,852.89 Lakhs) ranging from 1 to 640 days (31 March 2017 - 1 to 366 days ; 1 April 2016 - 1 to 367 days).

(ii) amount payable to FCCB Holders aggregating to ₹ 397.04 Lakhs (31 March 2017 - ₹ 941.81 Lakhs ; 1 April 2016 - ₹ 717.56 Lakhs) ranging from to days (31 March 2017 -17 to 1803 days ; 1 April 2016 - 92 to 1438 days).

(iii) interest on secured borrowings aggregating to ₹ 408.70Lakhs (31 March 2017 - ₹ 625.12 Lakhs ; 1 April 2016 - ₹ 1,036.83 Lakhs) ranging from 1 to 731 days (31 March 2017 - 1 to 457 days ; 1 April 2016 - 1 to 367 days) in respect of dues to banks/ financial institutions.

(iv) interest on FCCB aggregating to 115.70 (31 March 2017 - ₹ 387.46 Lakhs ; 1 April 2016 - ₹ 329.28 Lakhs) ranging from 2103 to 2467 days (31 March 2017 - 17 to 2102 days ; 1 April 2016 - 1438 to 1737 days).

29.4 Term loans of erstwhile PPIL amounting to ₹ 68.02 Lakhs are secured by a pari-passu first charge on its fixed assets of erstwhile PPIL.

29.5 The said dues were payable as per Merger Cum Revival Scheme approved by the BIFR vide its order dated 24 April, 2007. Refer Note 48.

29.6 During the year ended 31 March 2018, company has trasferred unpaid dividend of ₹ 4.15 lacs to Investor Education and Protection Fund

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

			31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs	1 April 2016 ₹ in Lakhs
30	**Other Current Liabilities**				
	- Advance received from customers		343.20	205.05	439.74
	- Statutory Dues Payable		674.11	516.25	527.35
			1,017.31	**721.30**	**967.09**
31	**Current Provisions**				
	Provision for employee benefits (Net) (Refer Note 61)				
	Provision for Gratuity		126.45	28.60	22.29
	Provision for Leave Benefits		46.89	53.47	25.16
	Bonus Provision		131.37	132.51	92.60
			304.71	**214.58**	**140.05**
32	**Current Tax Liabilities (Net)**				
	Provision for Income Tax (Net of Payment) (Refer Note 58)		80.74	197.37	157.11
			80.74	**197.37**	**157.11**
33	**Revenue From Operation**				
	Sale of products:				
	- Finished Goods		24,955.69	31,412.58	
	- Traded Goods		12,106.61	12,496.91	
	Other Operating Revenue:				
	- Export Incentive		261.01	398.33	
	- Sale of Scrap		93.92	55.63	
			37,417.23	**44,363.45**	
34	**Other Income**				
	Interest on Bank Deposits		23.52	42.24	
	Other Interest		26.87	20.69	
	Exchange Difference (Net)		150.43	596.98	
	Insurance Claim		4.00	4.89	
	Amounts written back (net)		2,108.17	10.93	
	Miscellaneous Income		5.06	99.97	
	Gain on Measurement of Equity Instrument at Fair Value		-	0.76	
	Gain on Extinguishment of Financial Liability		5,296.02	8,193.00	
			7,614.07	**8,969.46**	
35	**Cost of Materials Consumed**				
	Raw Materials & Packing Materials Consumed		12,844.86	15,195.12	
			12,844.86	**15,195.12**	
36	**Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**				
	Inventories at the beginning of the period				
	- Finished Goods		430.47	567.40	
	- Work-in-Progress		535.28	1,149.15	
	- Stock-in-Trade		747.46	581.65	
		(A)	**1,713.21**	**2,298.20**	
	Inventories at the end of the period				
	- Finished Goods		247.23	430.47	
	- Work-in-Progress		131.01	535.28	
	- Stock-in-Trade		565.50	747.46	
		(B)	**943.74**	**1,713.21**	
	Changes in Inventories				
	- Finished Goods		183.24	136.93	
	- Work-in-Progress		404.27	613.87	
	- Stock-in-Trade		181.96	(165.82)	
	Total changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	**(A-B)**	**769.47**	**584.99**	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

		31 March 2018 ₹ in Lakhs	31 March 2017 ₹ in Lakhs
37	**Employee Benefits Expense**		
	Salaries, Wages, Bonus and Allowances	7,879.30	8,019.72
	Contribution to Provident and Other Funds	620.76	557.79
	Expense on Employee Stock Option Scheme	25.80	-
	Staff Welfare Expenses	206.22	199.61
		8,732.08	**8,777.13**
38	**Finance Cost**		
	Interest expense	3,073.93	3,550.69
		3,073.93	**3,550.69**
39	**Depreciation and amortization expense (Refer Note 9)**		
	Depreciation and amortization expense of Tangible Asset (Refer Note 9A)	1,009.55	1,000.93
	Amortization expense of Intangible Asset (Refer Note 9B)	20.65	30.62
		1,030.20	**1,031.55**
40	**Other Expenses**		
	Advertisement & Sales Promotional Expenses	1,625.33	1,991.60
	Travelling & Conveyance	1,415.60	1,401.13
	Power & Fuel	1,525.80	1,873.97
	Breakages & Expiry	552.80	765.16
	Carriage Outward	814.34	864.36
	Legal & Professional Charges	991.07	1,295.23
	Commission On Sales	399.04	464.52
	Consumption of Stores, Spares & Consumables	346.75	503.04
	Rent	320.40	367.75
	Loss on Measurement of Equity Instrument at Fair Value	0.65	-
	Repairs to Plant & Machineries	336.48	547.00
	Repairs to Buildings	154.07	212.49
	Repairs- Others	183.26	241.76
	Rates & Taxes	83.72	98.17
	Licence Fees	71.45	196.63
	Allowances for Doubtful Trade Receivables	1,313.42	125.00
	Allowances for Doubtful Advances	1,001.57	85.00
	Amounts Written Off	4,707.60	-
	Insurance	61.73	59.98
	Loss on sale/discard of Property, Plant & Equipments (Net)	24.23	-
	Excise Duty	250.51	982.52
	Sales Tax & Service Tax	109.97	157.42
	Miscellaneous Expenses	1,734.07	1797.02
		18,023.87	**14,036.26**

41. Earnings Per Share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars		31 March 2018	31 March 2017
Basic and Diluted Earnings Per Share:			
(Loss)/Profit attributable to Equity shareholders- for Basic EPS (₹ in Lakhs)	(A)	(3,200.79)	6201.48
Add: Dilutive effect on profit (₹ in Lakhs)	(B)	-	-
(Loss)/Profit attributable to Equity shareholders for Diluted EPS (₹ in Lakhs)	(C=A+B)	(3,200.79)	6201.48
Weighted Average Number of Equity Shares outstanding-for Basic EPS	(D)	2,37,20,117	2,08,09,126
Add: Dilutive effect of Employee Stock options/other options outstanding -Number of Equity Shares	(E)	-	-
Weighted Average Number of Equity Shares for Diluted EPS	(F=D+E)	2,37,20,117	2,08,09,126
Face Value per Equity Share (₹)		10	10
Basic Earnings/ (Loss) Per Share (₹)	(A/D)	(13.49)	29.80
Diluted / (Loss) Earnings Per Share (₹) *	(C/F)	(13.49)	29.80

* Since there is loss for the year ended 31 March 2018, potential equity shares are not considered as dilutive and hence Diluted EPS is same as Basic EPS.

42. Consolidated Financial Statements present the consolidated accounts of Wanbury Limited (“the Holding Company”) and the following Subsidiaries(collectively referred as “the Group”)

Name of the Company	Country of Incorporation	% of voting power held as at 31 March 2018	% of beneficial ownership held as at 31 March 2018
Wanbury Holding B.V.	Netherland	100%	100%
Ningxia Wanbury Fine Chemicals Company Limited	China	100%	100%
Wanbury Global FZE	UAE	100%	100%

Accounts of the above subsidiary companies are for the period from 1 April 2017 to 31 March 2018 and are incorporated in the Consolidated Financial Statements. Financial statement and other financial information of aforesaid subsidiaries have been audited by other auditors.

Cantabria Pharma S. L. (CP), a wholly owned subsidiary of Wanbury Holding B. V., had filed for voluntary insolvency in the Commercial Court of Madrid, Spain on 4 November 2013. As per the order of Commercial Court of Madrid, Spain, the Receiver has taken the control of CP on 26 February 2014.

Consequent to the appointment of Receiver on 26 February 2014, Wanbury Holding BV ceased to have control over its wholly owned subsidiary, Cantabria Pharma S.L., Spain and wholly owned step down subsidiary Laboratories Wanbury S.L., Spain. Accordingly, effect of desubsidarization had already been given and, in respect of investment in and amounts recoverable from aforesaid subsidiaries have already been fully provided for in the Consolidated Financial Statements for the period ended 30 September 2014.

43. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 21.63 Lakhs (31 March 2017 - ₹ 212.99 Lakhs, 1 April 2016 - ₹ 131.88 Lakhs).

b) Other Commitments- Non Cancellable operating leases (Refer Note 63).

44. Contingent Liabilities:

(₹ in Lakhs)

Sr. No.	Particulars	31 March 2018	31 March 2017	1 April 2016
a)	Contract of take out undertaking executed in favour of bank/financial institution for loans given to step down subsidiary-Cantabaria Pharma SL.	27,411.55 (Euro 340.00 Lakhs)	23,544.18 (Euro 340.00 Lakhs)	25,532.47 (Euro 340.00 Lakhs)
	Loans outstanding at the year end for undertaking as above.(Refer note 46)	17,193.99 (Euro 213.27 Lakhs)	14,217.76 (Euro 205.32 Lakhs)	15,747.99 (Euro 209.71 Lakhs)

Sr. No.	Particulars	31 March 2018	31 March 2017	1 April 2016
b)	Disputed demands by Income Tax Authorities.	663.34	620.16	207.18
	Amount paid under protest and shown as advance.	113.43	Nil	59.01
c)	Disputed demands by Sales Tax Authorities.	3,015.23	3,308.95	3,342.22
	Amount paid under protest and shown as advance.	Nil	Nil	26.3
d)	Disputed demands by Service Tax Authorities.	382.13	368.22	368.22
	Amount paid under protest and shown as advance.	68.33	Nil	61.37
e)	Disputed demands by Excise Authorities.	88.07	68.04	127
f)	Disputed demand by National Pharmaceutical Pricing Authority (NPPA)	190.58	190.58	190.58
g)	Claims against the Company not acknowledged as debts.	2,687.65	1,613.70	1,600.82
h)	Custom Duty on import under Advance License Scheme, pending fulfillment of Exports obligation.	2,986.92	2,778.07	2,424.16

The management considers the Service Tax, Excise Duty, Custom Duty, Sales Tax, GST and Income Tax demand received from the authorities and demand received from NPPA are not tenable against the company, and therefore no provision for these contingencies has been made. Further, in respect of aforesaid matters, the management does not expect to any material adverse effect on the company's financial conditions, results of operations or cash flows.

Future cash flows in respect of liability under clause (a) is dependent on terms agreed upon with the parties and in respect of liability under clause (b) to (g) are dependent on decisions by relevant authorities of respective disputes.

45. a. 4,511 (Pr. Yr. 4,511) Preference Shares of Euro 1,000/- each of Wanbury Holding B. V. The said preference shares are redeemable/ convertible into equity shares subject to the fulfillment of certain conditions mentioned in the agreement as per the agreed terms. Exim Bank has subscribed to 4,511 Preference Shares of Euro 1,000/- each of Wanbury Holding B. V., pursuant to the Preference Share Subscription Agreement dated 7 December 2006. Pursuant to the said agreement, Exim Bank has exercised Put Option vide letter dated 8 November 2011 and Holding company is required to pay USD 60 Lakhs (Pr. Yr. USD 60 Lakhs) [₹ 3902.65 Lakhs (Pr. Yr. ₹ 3,890.32 Lakhs)] to acquire aforesaid preference shares. The said dues being part of the CDR scheme will be accounted upon arriving at mutually agreed terms of settlement. (Refer 46).

b. State Bank of India, London has filed legal proceedings dated 28 February 2017, demanding repayment of Euro 38.23 Lakhs (Pr. Yr. Euro 38.23 Lakhs) [₹ 2,647.43 Lakhs (Pr. Yr. ₹ 2,647.43 Lakhs)] together with interest till the date of repayment from the Holding Company in terms of Guarantee & Loan agreement dated 27 September 2007 vide which aforesaid credit facilities was granted to Cantabria Phadrma S L, the step down subsidiary of the Holding Company. During the current financial year, State Bank of India, London vide One Time Settlement ("OTS") letter dated 11 August 2017 agreed to settle the dues in respect of loan availed by Cantabria Pharma SL, at 20%. As per the terms agreed, Holding Company has to pay the settled amount by March 2019. The above OTS is subject to approval from appropriate authority. (Refer 46)

46. The Holding company expects to settle liability of Cantabria Pharma SL & Wanbury Holding B.V. at approximately ₹ 50 crores. Hence holding company has made provision for Corporate Guarantee of ₹ 50 crores as on transition date i.e 1 April 2016. Provision for Corporate guarantee is shown under Current other financial liabilities- Other payables. (Refer note 44(a) & 45)

47. The Group has one segment of activity namely "Pharmaceuticals".

48. Erstwhile the Pharmaceutical Products of India Limited (PPIL) was merged with the Company, pursuant to the Order dated 24 April 2007, passed by Hon'ble Board for Industrial and Financial Reconstruction (BIFR).

The Hon'ble Supreme Court vide its order dated 16 May 2008, had set aside the above referred BIFR order and remitted the matter back to BIFR for considering afresh as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), in response to a petition filed by one of the unsecured creditors of erstwhile PPIL.

The BIFR had directed IDBI Bank, which was appointed as an Operating Agency, to formulate new Draft Rehabilitation Scheme (DRS) pursuant to the Order of Hon'ble Supreme Court of India dated 16 May 2008. In the meanwhile, the Company had sought legal opinion and the Company was advised to maintain status quo ante with respect to the merger under the said Scheme and that it should take further steps only on the basis of the fresh BIFR Order.

In view of the above, the Company had maintained a status quo in the past. However, all actions taken by the Company pursuant to the sanctioned scheme were kept subject to and without prejudice to the order that may be passed by the BIFR while considering the case afresh pursuant to the directions of the Hon'ble Supreme Court in its order dated 16 May 2008.

As per BIFR Order dated 24 April 2007, statutory dues of erstwhile PPIL comprising of income tax ₹ 250.36 Lakhs, profession tax ₹ 6.06 Lakhs, custom duty ₹ 230 Lakhs, sales tax ₹ 8.50 Lakhs and excise duty ₹ 15.62 Lakhs were required to be paid in six annual installments and the Company has pursuant to the scheme, allotted Non Convertible Debentures (NCDs) of ₹ 242.50 Lakhs and Optionally Fully Convertible Debentures (OFCDs) of ₹ 581.99 Lakhs, to some of the lenders of erstwhile PPIL, out of which dues amounting to ₹ 152.67 Lakhs and ₹ 581.99 Lakhs in respect of NCDs and OFCDs respectively, remains payable at the period end. Since BIFR was considering the matter afresh, pending fresh directives from the BIFR, aforesaid dues were not paid.

However, the Government of India had, vide Notification No. S.O. 3568(E) dated 25 November 2016, notified the SICA Repeal Act, 2003, w.e.f. 1 December 2016, and as a consequence thereof, BIFR and AAIFR stood dissolved w.e.f. 1

December 2016. Simultaneously, in terms of Section 252 of Insolvency & Bankruptcy Code ("IBC 2016"), the government amended Section 4(b) of the said repeal act in the manner specified in the Eighth Schedule of IBC 2016, resulting in the abatement of all pending proceedings including pending merger scheme before BIFR.

In view of the foregoing developments, the management is currently considering various other options under the available laws and as may be advised by experts either to regularize lawfully all acts and deeds done under the erstwhile merger scheme or to undo what was done in pursuance and as a sequel of the erstwhile merger scheme sanctioned by BIFR vide order dated 24 April 2007.

49. The Corporate Debt Restructuring (CDR) proposal of the Company, having 30 September 2010 as the cutoff date, has been approved by the CDR Cell vide its Letter of Approval (LOA) dated 23 May 2011. Subsequently on execution of the Master Restructuring Agreement (MRA) dated 19 September 2011, effect of CDR Scheme has been given in the financial statements as per the MRA in accordance with applicable Indian Accounting Standard.

MRA among other terms and conditions, provide for:

a) Additional fund, non fund based assistance from the CDR lenders;

b) Promoters to bring further contributions in stages;

c) Reporting and other compliances by the Company;

d) Right to the CDR lenders to convert at their option, the whole of the outstanding amount or 20% of rupee equivalent of the defaulted amount into fully paid up equity shares of the Company at par, in case of certain defaults by the Company; and

e) Right to receive recompense for the reliefs and sacrifices extended by Lenders within the CDR parameters with the approval of the CDR Empowered Group.

50. During the year, Bank of India ("BOI") has approved One Time Settlement("OTS") vide letter dated 29 September 2017 in respect of loans availed and outstanding by the Company including external commercial borrowing and interest accrued upto 9 June 2017. As per the terms of settlement, Company has to pay the agreed amount within 9 months from settlement date with an interest at base rate plus 1% on agreed amount. Consequently, a gain of ₹ 5,296.02 lakhs has been recognised on derecognition of earlier loan and included in "other income". The outstanding liability at the year end is shown under "Current Financial Liabilities- Borrowings".

Further the Company's request for extension of time for payment of balance amount is under consideration by BOI. Pending the same, effect of OTS continues in the financial statements.

51. State Bank of Mysore ("SBM") vide its letter dated 31 March 2017, has informed about sale of its loan exposure on the company to Edelweiss Asset Reconstruction Company Limited ("EARCL"). However, pending completion/execution of necessary agreements etc. no further impact has been considered in the financial statements for the year ended 31 March 2018. Considering the facts and generally accepted practice of the similar arrangements, no interest is charged by EARCL for the period from takeover of loan exposure till new repayment terms are agreed, hence the Company has not provided interest expenses from 1 April 2017.

52. FCCB 'A' Bonds have matured on 23 April 2012. The Company had negotiated terms with bond holders holding 200 bonds and had been accounted for accordingly. For 30 FCCB 'A' Bonds, pending negotiation with bond holders, effect given in the financial statements are as per the terms at the time of issue of the bonds.

53. During the year, on 26 January 2018, fire had broken out at R & D Center, Mahape, Navi Mumbai, and was brought under control. There is an adequate insurance cover to mitigate damages of assets. Appropriate effect of damages has been given in the books of accounts. Company has lodged claim to Insurance Company for the same. Pending admission of claim, no effect of the claim receivable has been given in the financial statements. Management does not expect any adverse financial losses.

54. Asset held for Sale

As per the scheme of rehabilitation and merger approved by BIFR, erstwhile PPIL is required to sale office premises at Saki Naka, Mumbai and R & D premises at Turbhe, Navi Mumbai in settlement of part dues of secured and unsecured payables mentioned in the aforesaid scheme(Refer note 48). Consequently, the said assets are classified as held for sale and measured at lower of carrying cost and fair value less cost to sell. The Company is not charging any depreciation on asset held for sale.

Details of the assets held for sale are as under:

(₹ in Lakhs)

Description	**31 March 2018**	**31 March 2017**	**1 April 2016**
Office Premises	196.54	196.54	196.54
Building	177.05	177.05	177.05
Total	**373.59**	**373.59**	**373.59**

55. Some of the balances of trade receivables, trade payables, loans and advances are subject to confirmation/reconciliation and adjustments, if any.

56. Disclosure of trade payable as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the Company regarding the status of the suppliers:

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017	1 April 2016
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year Principal Interest	Nil Nil	Nil Nil	Nil Nil
b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small And Medium Enterprises Development Act 2006.	Nil	Nil	Nil
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil	Nil

57. Research and Development Expenditure

The aggregate amount of revenue expenditure (except depreciation) incurred during the year on Research and Development and shown in the respective heads of account is ₹ 1,230.82 lakhs (previous year ₹ 1,354.79 lakhs)

58. Income Tax

Income tax (expense)/benefit recognized in the income statement consist of the following :

A. Current Tax :

Income tax (expense)/benefits recognised in the statement of profit and loss consist of the following:

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Current tax on profit for the year	-	-
Adjustment for current tax on prior periods	(28.13)	44.71
Total Current Tax expenses	**(28.13)**	**44.71**
Deferred tax expense / (benefits)	-	-
Origination and reversal of timing difference	(9.63)	(6.37)
Total Deffered Tax expenses	**(9.63)**	**(6.37)**
Total Income tax expense recognised in the income statement	**(37.76)**	**38.33**

C. Reconciliation of Effective Tax Rate:

a. The Group has incurred loss during the year ended 31 March 2018 and no tax is payable.

b. The Group has incurred book loss as per previous GAAP (Refer note 68) and tax losses during the previous year ended 31 March 2017 AND no tax is payable.

Therefore, calculation of effective tax rate is not relevant and hence, not given.

D. Deferred Tax Asset & (Liabilities) : **(₹ in Lakhs)**

Particulars	31 March 2018	31 March 2017	1 April 2016
Deferred Tax Liabilities	(7,255.56)	(5,819.35)	(3,019.19)
Deferred Tax Assets (restricted to deferred tax liabilities above)	7,255.56	5,819.35	3,019.19
MAT credit entitlement	336.38	336.38	336.38
Total deferred tax assets/(liabilities)	**336.38**	**336.38**	**336.38**

The tax effects of significant temporary difference that resulted in deferred tax asset & liabilities and a description of that created these difference in given below:

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017	1 April 2016
Deferred Tax Liabilities			
Property, Plant and Equipment	2,477.85	2,469.14	2,358.22
Borrowing at amortised cost	4,777.71	3,350.22	1,020.37
Financial Instrument at Fair Value through Profit and Loss (FVTPL)	-	-	2.90
Total Deferred Tax Liabilities	**7,255.56**	**5,819.35**	**3,381.49**
Deferred Tax Assets			
Employee Benefit Expenses	460.94	404.89	314.10
Provision for Doubtful Debts/Receivable	4,393.60	3,667.38	3,624.76
Unabsorbed depreciation	2,673.21	2,560.60	2,113.80
Unabsrobed tax losses	220.96	218.83	465.32
Bank gurantee invoked	1,747.20	1,730.40	1,730.40
Expenses deductible on payment basis	1,848.98	996.05	304.55
Ind-AS Adjustments	332.42	-	-
Total Deferred Tax Assets	**11,677.31**	**9,578.15**	**8,590.63**
Total Deferred Tax Assets restricted to	**7,255.56**	**5,819.35**	**3,381.49**

59. (a) Managerial Remuneration:

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Salary & Allowances	Nil	Nil
Contribution of P.F. & Other Funds	5.23	5.23

Above excludes, provision for the future liabilities in respect of retirement benefits, which are based on actuarial valuation done on overall Company basis and excess remuneration.

The Holding Company has applied to the Central Government on 18 January 2016 for the approval of excess remuneration amounting to ₹ 49.77 Lakhs pertaining to F.Y. 2015-16. Pending approval, the same is shown as recoverable in the Financial Statements. Further, excess remuneration amounting to ₹ 41.77 Lakhs for the F.Y. 2016-17 and ₹ 45.77Lakhs for the F.Y. 2017-18 is shown as recoverable in the Financial Statements. Amount recoverable from Director aggregating to ₹ 137.31 Lakhs (Pr. Yr. ₹ 91.54 Lakhs) is shown under “Other Current Assets – Non Financial” (Refer Note 21).

(b) Sitting fees to directors’ ₹ 17.10 Lakhs (Pr. Yr. ₹ 13.30 Lakhs)

60. Details of Auditors Remuneration:

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Statutory Auditors Remuneration :		
- Audit Fees	15.08	12.50
- Certification & Other Matters	6.15	6.56
- Out of Pocket Expenses	0.03	0.40
Branch Auditors Remuneration :		
- Branch Auditor Fees	Nil	1.50
- Certification & Other Matters	0.50	1.50
- Out of Pocket Expenses	0.37	0.85
Cost Auditors Remuneration :		
- Cost Auditor Fees	1.75	1.75

Note: Above figures are exclusive of service tax / GST

61. Employee Benefits

As required by Ind AS 19 “Employees Benefits” the disclosure are as under:

Defined Contribution Plans

The Holding Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees’ Pension Scheme (EPS) with the Government, and certain State plans such as Employees’ State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain employees. Contributions are made to the Government’s funds. While both the employees and the Holding Company pay predetermined contributions into the provident fund and the ESI Scheme, contributions into the pension fund is made only by the Holding Company. The contributions are normally based on a certain proportion of the employee’s salary.

During the year, the following amounts are recognised in the statement of profit and loss:

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Provident Fund, Employee’s Pension Scheme and MLWF	373.82	397.32
Employees State Insurance	76.65	40.16
Super Annuation Fund	4.15	4.04
TOTAL	**454.62**	**441.53**

Defined Benefit Plans

Gratuity:

Under the gratuity plan, the eligible employees are entitled to post -retirement benefit at the rate of 15 days salary for each year of service until the retirement or resignation with a payment ceiling of Rs. 20 lakhs. The Holding Company makes annual contributions to Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of Payments of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On the death in service:

As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan), based on actuarial reports are as under:

(₹ in Lakhs)

	Particulars	**31 March 2018**	**31 March 2017**
(i)	**Changes in Defined Benefit Obligation**		
	Opening defined benefit obligation	564.26	518.41
	Current service cost	101.63	99.26
	Interest cost	41.25	35.52
	Actuarial loss / (gain)		
	-changes in financial assumptions	(17.61)	21.54
	-experience adjustments	(17.58)	(45.45)
	Past service cost*	58.86	-
	Benefit (paid)	(45.89)	(65.02)
	Closing defined benefit obligation	**684.91**	**564.26**
(ii)	**Changes in Value of Plan Assets**		
	Opening value of plan assets	22.38	20.90
	Expenses deducted from the fund	-	-
	Adjustment to the opening fund	-	-
	Interest Income	1.64	1.64
	Return on plan assets excluding amounts included in Interest Income	(4.32)	(3.29)
	Contributions by employer	4.38	3.13
	Benefits (paid)	Nil	Nil
	Closing value of plan assets	**24.08**	**22.38**
(iii)	**Amount recognised in the Balance Sheet**		
	Present value of funded obligations as at year end	684.91	564.26
	Fair value of the plan assets as at year end	(24.08)	(22.38)
	Net (asset) / liability recognised as at the year end	**660.83**	**541.88**
(iv)	**Expenses recognised in the Statement of Profit and Loss**		
	Current service cost	101.63	99.26
	Past service cost *	58.86	-
	Net Interest cost	39.61	33.87
	Expenses deducted from the fund	-	-
	Adjustment to the opening fund	-	-
	Expenses recognised in the Statement of Other		
	Comprehensive Income		
	Net actuarial loss/(gain) recognized in the current year	(30.87)	(20.62)
	-changes in financial assumptions	(17.61)	21.54
	-experience adjustments	(17.58)	(45.45)
	Return on plan assets excluding amounts included in Interest Income	4.32	3.29
(v)	**Asset information**		
	Policy of Insurance	100%	100%
(vi)	**Principal actuarial assumptions used**		
	Discount rate (p.a.)	7.60%	7.31%
	Salary growth rate (p.a.)	7.50%	7.50%
	Mortality rate	Based on Indian Assured Lives Mortality2006-08 Table	

*Past Service cost is on account of increase in liability due to enhancement of the Gratuity ceiling from Rs. 10 Lakhs to Rs. 20 Lakhs in the current financial year.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation.

Following is the amount of defined benefit obligation that would have been if there is a certain change in assumption as indicated below:

Particulars	31 March 2018		31 March 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	629.60	749.00	508.58	625.58
Salary growth rate (1% movement)	741.07	632.85	618.50	512.77

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Although the analysis does not take into account full distribution of cash flows expected under the plan, it does provide an approximation of sensitivity of assumptions. The estimate of future increase in compensation levels, considered in the actuarial valuation, have been taken on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The expected contribution for Defined Benefit Plan for the next financial year will be in line with current financial period.

Death Benefit:

The Holding Company provides for death benefit, a defined benefit plan, (the death benefit plan) to certain categories of employees. The death benefit plan provides a lump sum payment to vested employees on death, being compensation received from the insurance company and restricted to limits set forth in the said plan. The death benefit plan is non – funded.

Leave Encashment:

The Holding Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using the "Projected Unit Credit Method".

Accordingly aggregate of ₹ 517.40 Lakhs (Pr. Yr. ₹ 486.07 Lakhs) being liability as at the year end for compensated absences as per actuarial valuation has been provided in the accounts.

The Actuary has outlined the following risks associated with the plan:

A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates : If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates : If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/ regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

62. Employees Stock Options Plan ('ESOP')

The Holding Company has implemented an Employee Stock Options Plan 2016 ('WANBURY ESOP – 2016') which was approved by the shareholders vide their resolution dated 29 September 2016. During the year, the Board of Directors of the Company has granted 3,00,000 (Pr. Yr. 3,00,000) stock options to its employees pursuant to the 'WANBURY ESOP -2016'. Each option entitles an employee to subscribe to one equity share of the Company at an exercise price of ₹ 10/- per share.

The options will be vested over a period of five years subject to continuous employment with the Company and the fulfillment of performance parameters.

Details of the options granted during the year under 'WANBURY ESOP-2016' are as under:

Grant Date	No. of Options	Exercise price	Weighted average fair value of options	Vesting Period
30 May 2017	2,00,000	₹ 10	₹ 39.89	Graded vesting from 30 May 2018 to 30 May 2022
8 Feb 2018	1,00,000	₹ 10	₹ 36.16	Graded vesting from 08 Feb 2019 to 08 Feb 2023
Total	**3,00,000**			

Wanbury Employee Stock Options Plan 2016 ('WANBURY ESOP – 2016')

Particulars	31 March 2018 (FV ₹ 10)	31 March 2017 (FV ₹ 10)
Options outstanding as at the beginning of the Year	Nil	N.A.
Add: Options granted during the Year	3,00,000	3,00,000
Less: Options lapsed during the Year	Nil	3,00,000
Less: Options Exercised during the Year	Nil	Nil
Options outstanding as at the End of the year	3,00,000	Nil

The Compensation cost of stock options granted to employees is measured by the fair value method and is amortised over the vesting period.The fair value is determined using black scholes option pricing model.

The key assumptions for calculating fair value are as under:

Particulars	Key Assumptions
Expected life of the option	Between 2 to 6 years
Dividend yield	0%
Expected volatility	48.92%
Risk free rate of return	6.9%

63. Disclosure for operating leases under Ind AS 17 - "Leases":

The Options outstanding as at the End of the year Group has taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 60 months and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by lease arangements and there are no sub leases. There are no contingent rents. The lease rent of ₹ 320.40 Lakhs (Pr. Yr. ₹ 372.73 Lakhs) are recognised in the Statement of Profit and Loss under "Rent" under Note 40.

The Group does not have non-cancellable operating leases during the current and previous financial year.

64. Related Party Disclosure:

A. Relationship:

Category I: Entity having significant influence over the Company:

- Expert Chemicals (India) Pvt. Ltd.

Category II: Subsidiary Companies:

- Cantabria Pharma S. L. (Spain) (Under Liquidation)

Category III: Key Management Personnel and their relatives:

- Mr. K. Chandran-Vice Chairman
- Mr. Vinod Verma – Chief Financial Officer (w.e.f. 22.04.2016)
- Mr. Jitendra Gandhi – Company Secretary

Category IV: Enterprise over which persons covered under Category III above are able to exercise significant control:

- Wanbury Infotech Private Limited
- Bravo Healthcare Limited
- Wanbury Pharma Limited

B. Transactions carried out with related parties: **(₹ in Lakhs)**

Sr. No.	Transactions	Category	31 March 2018	31 March 2017
1)	**Allotment of Shares at Premium**			
	Expert Chemicals (India) Pvt. Ltd.	I	Nil	1,222.31
3)	**Key Management Compensation**			
	Short Term Employee Benefits			
	Mr. Vinod Verma	III	120.00	90.22
	Mr. Jitendra Gandhi	III	28.33	26.44
	Post-Employment Benefits	III	12.91	1.39
	Share Based Payments	III	11.99	Nil
4)	**Excess Remuneration to Director treated as Receivable:**(Refer Note 59)			
	Mr. K. Chandran	III	45.77	41.77
5)	**Repayment of Advances given:**			
	Bravo Healthcare Ltd.	IV	Nil	8.37
6)	**Information Technology Services taken:**			
	Wanbury Infotech Pvt. Ltd.	IV	248.94	243.90

C. Balances due from/to related parties: **(₹ in Lakhs)**

Sr. No.	Particulars	Category	31 March 2018	31 March 2017	1 April 2016
1)	**Advances given:**				
	Cantabria Pharma S. L.	II	1,219.33	1,219.33	1,219.33
	Bravo Healthcare Ltd.	IV	7,589.67	7,589.67	7,598.04
2)	**Provision for doubtful Advances:**				
	Cantabria Pharma S. L.	II	1,219.33	1,219.33	1,219.33
	Bravo Healthcare Ltd.	IV	7,589.67	7,589.67	7,598.04
3)	**Share Application Money pending allotment**				
	Expert Chemicals (India) Pvt. Ltd.	I	Nil	Nil	1,222.31
4)	**Amount Payable for Services received:**				
	Wanbury Infotech Pvt. Ltd.	IV	56.25	49.79	57.82
5)	**Excess Remuneration Receivable:**				
	Mr. K. Chandran	III	137.31	91.54	215.96
6)	**For Investments and impairment in value of investments:** (Refer Note 10.6)				
7)	**For corporate guarantee given by the company:** (Refer Note 44(a))				
8)	**For guarantee issued on behalf of the company:** (Refer Note 24.2 & 27.1)				

65. Net-worth of the Group as on 31 March 2018, based on Consolidated Financial Statement is negative. The Group has initiated various measures, including restructuring of debts/ business and infusion of funds etc. Consequently, in the opinion of the management, operations of the Group will continue without interruption and hence, Consolidated Financial Statements are prepared on a "going concern" basis.

66. Capital Management

The primary objective of the Group's capital management is to maximise shareholder value.

The capital structure of the Group is based on the management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Group has initiated various measures, including restructuring of debts and infusion of funds etc.

In compliance with the terms of the Corporate Debt Restructuring Scheme, during the year ended 31 March 2017, the Holding Company has allotted 32,50,831 equity shares of Face value of ₹ 10 each at a premium of ₹ 27.60 per equity share to the promoter company Expert Chemicals (India) Pvt. Ltd., on preferential basis.

During the year ended 31 March 2017, the Holding Company has allotted 5,00,000 numbers of Zero % Compulsorily Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to ₹ 1,000 lakhs. Further, during the year ended 31 March 2018, the Holding Company has converted the CCD's into 5,00,000 Equity shares of face value of ₹ 10/- at premium of ₹ 190/-

For the purpose of the Wanbury Group's capital management, Holding Company monitors Net Debts and Equity.

Equity includes all components of equity i.e. issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Wanbury Group.

Net Debt includes all liabilities i.e. interest bearing loans and borrowings, trade payables, provisions and other liabilities less cash and cash equivalents.

Details of the Equity and Net Debts are as under:

			(₹ in Lakhs)
Particulars	**31 March 2018**	**31 March 2017**	**1 April 2016**
Equity Share Capital	2,372.01	2,322.01	1,996.93
Other Equity	(20,840.30)	(17,649.77)	(24,533.05)
Total Equity	**(18,468.29)**	**(15,327.76)**	**(22,536.12)**
Debt	45,652.70	56,520.20	60,772.10
Less: Cash and Cash Equivalents	286.75	502.54	163.32
Net Debt	**45,365.95**	**56,017.66**	**60,608.78**

67. Financial Instrument – Fair values and risk management

A. Category of Financial Instruments

(₹ in Lakhs)

Particulars	**31 Mar 2018**		**31 March 2017**		**1 April 2016**	
	FVTPL	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets						
Investment in equity instruments	1.96	-	2.61	-	1.85	-
Mark To Market -Derivative asset	25.72	-	206.22	-	166.03	-
Security deposits given	-	279.19	-	265.47	-	270.23
Loans	-	-	-	4,519.58	-	4,519.58
Trade Receivables	-	2,945.82	-	8,466.12	-	6,899.02
Cash and cash equivalents	-	286.76	-	502.55	-	163.32
Bank balances other than Cash and cash equivalents	-	334.16	-	434.27	-	559.35
Other financial assets	-	35.72	-	891.73	-	881.35
Total Financial Assets	**27.68**	**3,881.64**	**208.83**	**15,079.72**	**167.88**	**13292.85**
Financial Liabilities						
Borrowings	-	25,217.71	-	30,205.65	-	37,740.55
Interest accrued on boorowings	-	1,271.59	-	1,343.56	-	1,701.54
Trade payables	-	8,225.82	-	14,011.32	-	9,667.53
Capital creditors	-	255.59	-	318.62	-	241.97
Security deposits received	-	464.00	-	468.00	-	495.60
Other financial liabilities	-	7,800.85	-	8,084.47	-	8,784.21
Total Financial Liabilities	**-**	**43,235.56**	**-**	**54,431.62**	**-**	**58,631.40**

B. Fair Value Measurements

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 Indian Accounting Standard. An explanation of each level is as follows -

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in active markets or identical assets and liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market (like forward contracts) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities etc. included in level 3.

Valuation techniques used to determine fair value

1. The fair value of the quoted investment is determined using traded quoted bid prices in an active market. The fair value of unquoted investments is determined using inputs other than quoted prices include in level 1 that are observable for assets and liabilities.
2. Fair value of forward contracts is determined using quoted forward exchange rates at the reporting date. Quotes are being taken from banks/ financial institutions.

(₹ in Lakhs)

Financial Assets and Liabilities measured at fair value	31 March 2018 Level			31 March 2017 Level			1 April 2016 Level		
	1	2	3	1	2	3	1	2	3
Financial Assets									
Recurring fair value measurements									
Investment in equity instruments	1.86	-	0.10	2.51	-	0.10	1.75	-	0.10
Mark To Market -Derivative asset	-	25.72	-	-	206.22	-	-	166.03	-
Total Financial assets	**1.86**	**25.72**	**0.10**	**2.51**	**206.22**	**0.10**	**1.75**	**166.03**	**0.10**
Financial Liabilities									
Recurring fair value measurements	-	-	-	-	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-	-	-	-	-

C. Financial Risk Management

Group has exposure to following risks arising from financial instruments:

- Credit Risk
  - Trade Receivables
  - Other Financial Instruments
- Liquidity Risk
- Market Risk
  - Currency Risk
  - Interest Rate Risk
  - Price Risk

i. Risk Management Framework

Group's board of directors has overall responsibility for the establishment and oversight of Wanbury Group's risk management framework. Management is responsible for developing and monitoring Group's risk management policies, under the guidance of Audit Committee.

Group's risk management policies are established to identify and analyse the risks faced by the Wanbury Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Group's activities. Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations

Group's Audit committee oversees how management monitors compliance with Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by Group. The Audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit committee.

ii. Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(a) Trade Receivables

Customer credit risk is managed by the Group subject to Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are mainly from wholesalers, non-interest bearing and are generally on 14 days to 150 days credit term. Credit limits are established for all customers based on internal rating criteria and any deviation in credit limit require approval of Directors. Outstanding customer receivables are regularly monitored. Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Expected Credit Loss for trade receivable under simplified approach

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Balance as at the beginning of the year	609.01	477.50
Additional provision charged to statement of Profit and Loss during the year	1,313.42	131.51
Utilised during the year	-	-
Balance as at the end of the year	**1,922.43**	**609.01**

(b) Other Financial Instruments

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks or financial institutions with high credit rating assigned by credit rating agencies. For other financial assets, the Group assesses and manages the credit risk internally. Group considers the probability of default upon initial recognition and assess whether there has been a significant increase in credit risk subsequently based in the historical losses and forward looking supportable information. When there is a significant increase in credit risk of a financial asset since its initial recognition, Group recognises the life time expected credit losses otherwise 12 months expected credit losses.is based on general approach

Expected Credit Loss on financial assets other than trade receivables (based on general approach)

(₹ in Lakhs)

Particulars	31 March 2018	31 March 2017
Balance as at the beginning of the year	2,641.27	2,641.68
Additional provision charged to statement of Profit and Loss during the year	1,226.20	-
Utilised during the year	(563.27)	-
Balance as at the end of the year	**3,304.61**	**2,641.68**

iii. Liquidity Risk

Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to maintain optimum level of liquidity at all times, to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt etc. at an optimised cost. Working capital requirements are adequately addressed by internally generated and borrowed funds.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

(₹ in Lakhs)

Particulars	As at 31 March 2018				
	Carrying	Cash Outflow			
	Amount	Within 1 Year	1 to 5 Years	More than 5 Year	Total
Borrowings and Interest thereon	26,489.29	17,078.49	14,154.35	-	31,232.84
Trade payables and other Payables	8,481.41	8,481.41	-	-	8,481.41
Other Financial liabilities	8,264.85	8,264.85	-	-	8,264.85
Total	**43,235.56**	**33,824.75**	**14,154.35**	**-**	**4,7979.10**

(₹ in Lakhs)

Particulars	As at 31 March 2017				
	Carrying	Cash Outflow			
	Amount	Within 1 Year	1 to 5 Years	More than 5 Year	Total
Borrowings and Interest thereon	31,549.22	16,678.94	21,004.99	900.00	38,583.93
Trade payables and other Payables	14,329.93	14,329.93	-	-	14,329.93
Other Financial liabilities	8,552.47	8,552.47	-	-	8,552.47
Total	**54,431.62**	**39,561.34**	**21,004.99**	**900.00**	**61,466.34**

(₹ in Lakhs)

Particulars	As at 1 April 2016				
	Carrying	Cash Outflow			
	Amount	Within 1 Year	1 to 5 Years	More than 5 Year	Total
Borrowings and Interest thereon	39,442.09	21,120.69	27,762.39	-	48,883.08
Trade payables and other Payables	9,909.50	9,909.50	-	-	9,909.50
Other Financial liabilities	9,279.80	9,279.80	-	-	9,279.80
Total	**58,631.39**	**40,309.99**	**27,762.39**	**-**	**68,072.38**

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. Company uses derivative financial instruments such as foreign exchange contracts to manage its exposures to foreign exchange fluctuations. All such transactions are carried out within the guidelines set by the risk management committee.

The analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non financial assets and liabilities.

The sensitivity of the relevant income statement item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2018 and 31 March 2017.

(a) Currency Risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company.

The currencies in which these transactions are primarily denominated are US dollars (US $), Pound (GBP) and Euro.

Company uses forward exchange contracts to mitigate its currency risk, most with a maturity of less than one year from the reporting date.

During the period, the Company has entered into forward exchange contract, being derivative instrument to mitigate foreign currency risk, to establish the amount of currency in Indian Rupees required or available at the settlement date of certain payables and receivables.

Details of the forward contract outstanding at the period end are as under:

Currency	Buy or Sell	Cross Currency	Amount in US $	
			31 March 2018	31 March 2017
US $	Sell	INR	16.25 Lakhs	64.75 Lakhs

Foreign Currency Risk Exposures:

The period end foreign currency exposures that have not been mitigated by a derivative instrument or otherwise are as below:

Particulars	Foreign Currency	Foreign Currency Amount in Lakhs			₹ in Lakhs		
		31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Amount Receivable	EURO	2.58	4.42	4.90	208.14	306.36	368.32
	US $	5.44	-	-	353.69	-	-
	GBP	0.15	-	-	14.01	-	-
	CNY	0.14	0.12	-	1.41	1.17	-
Amount Payable	EURO	10.56	34.13	40.66	851.29	2,363.52	3,053.05
	US $	3.35	69.63	53.10	218.02	4,514.81	3,522.48

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

The following table details the Company's sensitivity to 1% increase and decrease in the exchange rate between the Indian Rupee and respective currencies. A positive number below indicates an increase in profit/ decrease in losses and negative number indicates decrease in profit/ increase in losses:

Particulars	1% strengthening in INR			1% weakening in INR		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
EURO	6.43	20.57	26.85	(6.43)	(20.57)	(26.85)
US $	(1.36)	45.15	35.22	1.36	(45.15)	(35.22)
GBP	(0.14)	-	-	0.14	-	-
CNY	(0.01)	(0.01)	-	0.01	0.01	-

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Majority of borrowings of the Company are at fixed interest rate and are carried at amortised cost. They are therefore not subject to interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because off a change in market interest rates.

(c) Price risk

The Company is exposed to equity price risks arising from equity investments. However, there is no material impact of the sensitivity.

68. First-time adoption of Ind AS

Pursuant to the Companies (Indian Accounting Standard) Rules, 2015, Company has applied Indian Accounting Standards (Ind AS) for the first time for the financial year ended 31 March 2018. The financial statements for the year ended 31 March 2018, are the first financials, prepared in accordance with Ind-AS. Upto the Financial year ended 31 March 2017, Company prepared its financial statements in accordance with the Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Companies (Accounts) Rules 2014 (Previous GAAP). For preparing the financial statements as per Ind AS, opening balance sheet as per Ind AS was prepared as at 1 April 2016 i.e. the date of transition to Ind-AS. The figures for the previous comparative periods and for the year ended 31 March 2017 have been adjusted, regrouped and reclassified, wherever required to comply with Ind-AS and Division II of Schedule III to the Companies Act, 2013 and to make them comparable.

This note explains the principal adjustments made by Company in transitioning its financial statements from Previous GAAP to Ind AS, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemptions and Exceptions availed

Set out below are the applicable optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS in accordance with Ind AS 101"First-time Adoption of Indian Accounting Standards" (Ind AS 101)

Ind AS Optional Exemptions:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under Ind AS.

➢ **Business Combinations**

The Company has elected to not apply Ind AS 103 "Business Combinations" retrospectively to past business combinations pursuant to the exemption under Ind AS 101.Business combinations occurring prior to the transition date have not been restated.

- **Deemed Cost**

  The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the respective assets.

- **Leases**

  Appendix C of Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. This assessment should be carried out at the inception of the contract or arrangement. However, Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

- **Investment in Subsidiaries**

  The Company has elected to continue with the carrying amount of all of its investment in subsidiaries as of 1 April 2016 measured as per previous GAAP as its deemed cost as on the date of transition to Ind AS.

  Ind AS Mandatory Exceptions:

  The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

- **Estimates**

Ind AS estimates as at the date of transition are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL; and
- Impairment of financial assets based on expected credit loss model

- **Classification and measurement of financial assets**

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Reconciliation of equity as at 31 March 2017 and 1 April 2016 **(₹ in Lakhs)**

Particulars	**Notes (refer below)**	**31 March 2017**	**1 April 2016**
Total equity (Shareholder's Funds) as reported under previous GAAP		**(19,388.73)**	**(18,876.79)**
Ind AS adjustments			
Measurement of borrowing at amortised cost	1	1,487.46	2,948.36
Gain on extinguishment of financial liability	2	8,193.00	-
Classification of compulsory convertible debentures as equity	3	1,000.00	-
Measurement of financial guarantees and provision on expected credit loss basis	4	(6,616.40)	(6,616.40)
Measurement of investment at fair value	5	1.70	0.94
Measurement of derivative at fair value	6	(3.82)	8.38
Others	8	(0.98)	(1.25)
Total impact on equity		**4,060.97**	**(3,659.97)**
Total equity (shareholder's funds) under Ind AS		**(15,327.76)**	**(22,536.12)**

Reconciliation of total comprehensive income for the year ended 31 March 2017: **(₹ in Lakhs)**

Particulars	**Notes (refer below)**	**For the year ended 31 March 2017**
Total profit/ (loss) as reported under previous GAAP		**(505.20)**
Ind AS adjustments		
Measurement of borrowing at amortised cost	1	(1,460.90)
Gain on extinguishment of financial liability	2	8,193.00
Measurement of investment at fair value	5	0.76
Measurement of derivative at fair value	6	(12.20)
Recognition of remeasurement of defined benefit plans in other comprehensive income (net of tax)	7	(14.25)
Others	8	0.27
Profit under Ind AS		**6201.48**
Other comprehensive income (net of tax)	7	6.90
Total comprehensive income under Ind AS		**6208.38**

Measurement and recognition difference between Ind AS and Previous GAAP for the year ended 31 March 2017.

1. **Measurement of borrowings at amortised cost**

   As per the CDR scheme, there was substantial change in terms of the loans including extension of repayment schedule and reduction in interest rates. The restructuring of corporate loans qualifies as substantial modification as per Ind AS resulting into extinguishment of liability for old loans and recognition of new liability under Ind AS from the date of modification. New loans are recorded at fair value on initial recognition. Gain arising thereon has been recognised as on 1 April 2016 and given effect in retained earnings. This has resulted in an increase in equity by Rs. 2,948.36 lakhs as at 1 April 2016 and ₹ 1,487.46 lakhs as at 31 March 2017. Interest expenses have been recognised using effective interest method which has resulted in decrease of profit by ₹ 1,460.90 for the year ended 31 March 2017.

2. **Gain on extinguishment of financial liability**

   During the previous year ended 31 March 2017, State bank of India has sold its loan exposure on the Company to Edelweiss Asset Reconstruction Company Limited (EARCL) at an agreed value. As part of the settlement, Company has agreed to pay the agreed value in structured installments.This arrangement has been accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference being gain arising on extinguishment of financial liability has been recognised in the year ended 31 March 2017. This has resulted an increase in profit for the year ended 31 March 2017 by ₹ 8,193 Lakhs and equity as at 31 March 2017 by ₹ 8,193 lakhs.

3. **Classification of compulsory convertible debentures as equity**

   During the previous year ended 31 March 2017, as a part of the settlement as mentioned in point 2 above, the Company has allotted 5,00,000 Zero % Compulsory Convertible Debentures (CCDs) of face value of ₹ 200/- each at par aggregating to Rs. 1,000 lakhs to Edelweiss Asset Reconstruction Company Limited (EARC) as a Trustee of EARC Trust SC145. Each CCD is convertible to 1 equity share of Rs. 10/- each at a premium of ₹ 190/- within a period of 18 months from the date of allotment of CCDs. CCDs were recognised as liability under previous GAAP. However, as per the terms of instrument under Ind AS, CCDs has been recognised as equity under Ind AS. This has resulted in increase in equity by ₹ 1,000 lakhs as at 31 March 2017.

4. **Expected Credit Loss**

   Under previous GAAP, the Company has created provision for doubtful debts on receivables on the basis of incurred loss. Under Ind AS, loss allowance on financial assets has been determined on the basis of Expected Credit Loss (ECL) model. Consequently, the Company has recognized Expected credit loss on its financial assets and expected credit loss on financial guarantees issued by the Company. This has resulted in decrease in equity by ₹ 6,616.40 lakhs as at 1 April 2016 and 31 March 2017.

5. **Fair Valuation of Investment**

   Under the previous GAAP, investments in equity instruments were classified as long term investments and are carried at cost less provision for other than the temporary decline in the value.Under Ind AS these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the statement of profit and loss. This has resulted in increase in equity by ₹ 0.94 lakhs as at 1 April 2016 and ₹ 1.70 as at 31 March 2017, and increase in profit by ₹ 0.76 lakhs for the year ended 31 March 2017.

6. **Measurement of Derivative at Fair Value**

   Under previous GAAP, foreign currency forward contract has been accounted by amortising the forward premium/ discount. Under Ind AS, these derivative instruments are measured at fair value at each reporting date and changes in the fair value is recognised in the Statement of Profit and Loss. This has resulted into increase in equity by ₹ 8.38 lakhs as at 1 April 2016 and decrease in equity by ₹ 3.82 lakhs as at 31 March 2017 and decrease in profit by ₹ 12.20 lakhs for the year ended 31 March 2017.

7. **Defined Benefit Obligation**

   Both under Previous GAAP & Ind AS, Company recognised costs related to its post-employment defined benefit plan on an actuarial valuation basis. Under Previous GAAP, the entire cost related to post- employment defined benefit plans, including actuarial gains and losses, were charged to statement of profit and loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income. This has resulted in increase in employee benefit expenses by ₹ 14.25 Lakhs and corresponding increase in income by ₹ 14.25 Lakhs which is recognised in Other Comprehensive Income.

8. **Other adjustment**

   Under the previous GAAP, interest free lease security deposits (that are refundable in cash) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value on initial recognition. Accordingly, the Company has measured these security deposits at fair value at initial recognition under Ind AS. These deposits are measured at amortised cost subsequently by recognising interest income using effective interest method. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent and amortised on stratight line basis over the lease term. This has resulted in decrease in equity by ₹ 1.25 lakhs as at 1 April 2016 and ₹ 0.98 lakhs as at 31 March 2017 and increase in profit by ₹ 0.27 lakhs for the year ended 31 March 2017.

9. **Deferred Tax**

   Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under previous GAAP.

   In addition, the various transitional adjustments lead to different temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

10. Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under the previous GAAP.

11. Statement of Cash Flows

The transition from Previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

12. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2017 by ₹ 982.52 lakhs. There is no impact on the total equity and profit.

13. Cash Discount

Under previous GAAP, cash discount and other rebates of ₹ 281.90 lakhs was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31 March 2017. This has resulted in decrease in total revenue and total expenses for the year ended 31 March 2017 by ₹ 281.90 lakhs. There is no impact on the total equity and profit.

14. In the preparation of these Ind-AS Financial Statements, the Company has made several presentation differences between previous GAAP and Ind-AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind-AS at the date of transition. Further, in these Financial Statements, some line items are described differently under Ind-AS compared to previous GAAP, although the assets and liabilities included in these line items are unaffected.

69. Additional information as required by Part III of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

	Net assets, i.e. total assets minus total liabilities		**Share of profit**		**Share of other Comprehensive income**		**Share of total Comprehensive income**	
Particulars	**As % of consolidated net assets**	**₹ in lakhs**	**As % of consolidated**	**₹ in lakhs**	**As % of consolid other comprehensive income**	**₹ in lakhs**	**As % of consolid other comprehensive income**	**₹ in lakhs**
Parent	**55.61**	**(15,901.65)**	**99.94**	**(3,198.73)**	**100.00**	**34.45**	**99.93**	**(3164.28)**
Wanbury Limited								
Foreign Subsidiary								
Wanbury Holdings B.V	43.97	(2,568.49)	0.04	(1.35)	-	-	0.04	(1.35)
Ningxia Wanbury Fine Chemicals Company Limited	0.43	(0.10)	0.02	(0.66)	-	-	0.02	(0.66)
Wanbury Global FZE	(0.01)	1.95	-	(0.05)	-	-	0.01	(0.05)
Total	**100.00**	**(18,468.28)**	**100.00**	**(3200.79)**	**100.00**	**34.45**	**100.00**	**(3166.34)**

70. Specified Bank Note

During the previous year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated 31 March 2017. The details of SBNs held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification are as follows:

Particulars	**Specified bank notes**	**Other denomination notes**	**Total**
Closing cash in hand as on 8 Nov 2016	9,99,500	1,09,197	11,08,697
Add: Permitted receipts	-	12,96,411	12,96,411
Less: Amount deposited in banks	-	11,25,316	11,25,316
Less: Cash payments	9,99,500	60	9,99,560
Closing cash in hand as on 30 Dec 2016	-	2,80,232	2,80,232

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016. No similar disclosure has been given for the year ended 31 March 2018 as it is not applicable

For and on behalf of the Board

K. Chandran
Vice Chairman
(DIN: 00005868)

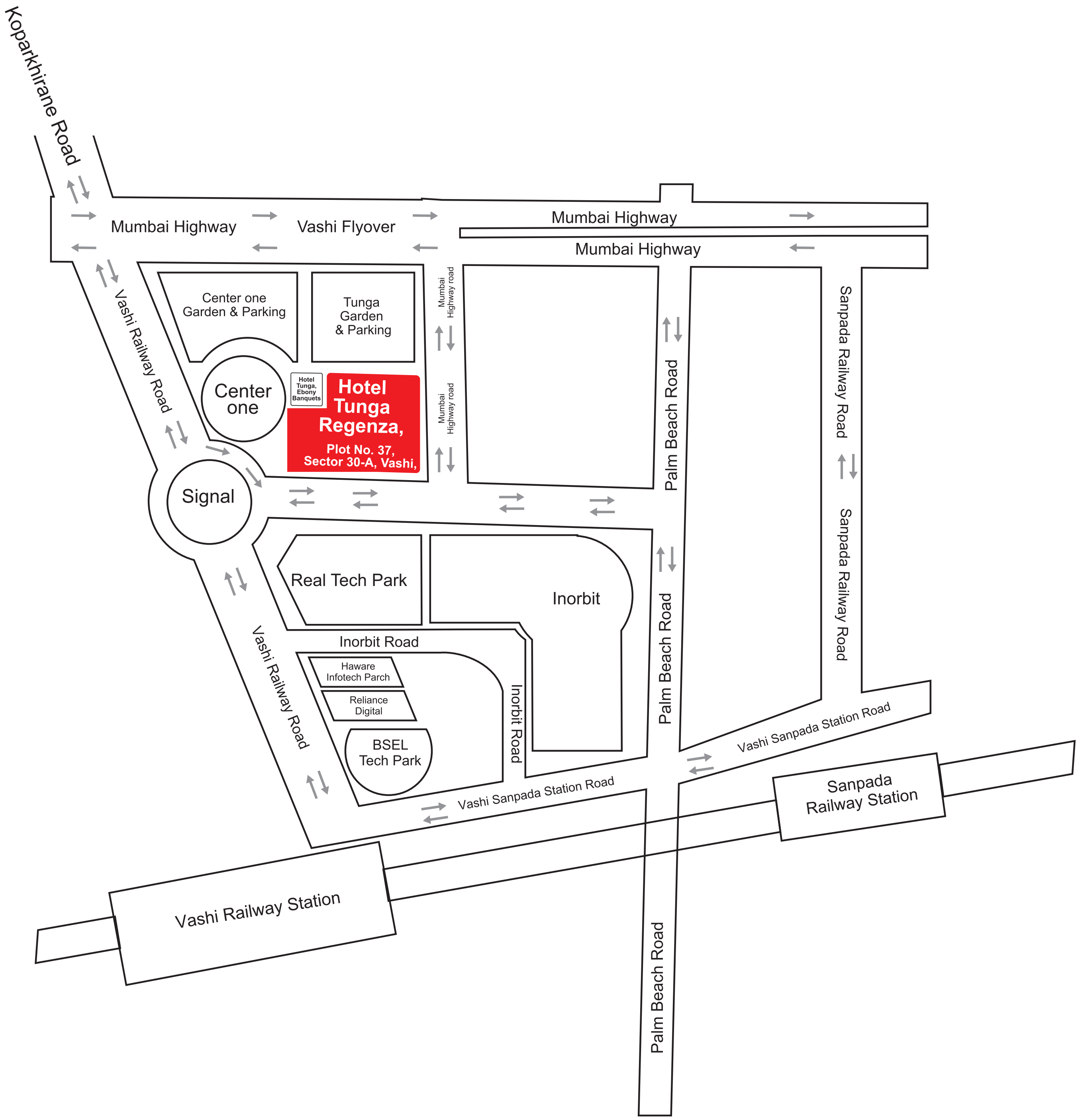
N. K. Puri
Director
(DIN: 00002226)

Vinod Verma
Chief Financial Officer

Jitendra J. Gandhi
Company Secretary

Mumbai, 10 August 2018

Route Map for 30th Annual General Meeting to be held on Thursday, 27th September, 2018 at 11:30 A.M. at Ebony Hall, Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi mumbai - 400 703.



WANBURY LIMITED

Address: BSEL Tech Park, B - Wing, 10th Floor, Sector 30-A, Opp. Vashi Railway Station, Vashi, Navi Mumbai – 400 703.
CIN: L51900MH1988PLC048455 Website: www.wanbury.com

PROXY FORM

FORM NO. MGT-11

[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: ____________________

E-mail ID: ____________________

Folio No. / DP ID and Client ID: ____________________

I/We, being the Member(s) holding ____________________ shares of the above named Company, hereby appoint:

1. Name: ____________________ E-mail ID: ____________________

Address: ____________________

Signature of Proxy holder: ____________________ or failing him/her

2. Name: ____________________ E-mail ID: ____________________

Address: ____________________

Signature of Proxy holder: ____________________ or failing him/her

3. Name: ____________________ E-mail ID: ____________________

Address: ____________________

Signature of Proxy holder: ____________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting, to be held on **Thursday, 27th September, 2018 at 11:30 A.M., Ebony Hall, Hotel Tunga Regenza, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400 703** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For	Against
1.	Ordinary Resolution for adoption of: a) the Standalone Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 along with the Reports of Directors and Auditors thereon. b) the Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018.		
2.	Ordinary Resolution for Re-appointment of Mr. K. Chandran (DIN-00005868), Director of the Company liable to retire by rotation.		
3.	Ordinary Resolution for Re-appointment of M/s. V. Parekh & Associates, Chartered Accountants, (Firm Registration No. 107488W), Mumbai as Statutory Auditors of the Company .		
4.	Ordinary Resolution for Ratification of Remuneration payable to M/s. D.C. Dave & Co., Cost Auditor, Mumbai, for conducting cost audit for the Financial Year 2018-19.		
5.	Ordinary Resolution for appointment of Ms. Poonam Arya Bharti (DIN-01165995) as Non-Executive Independent Woman Director.		
6.	Special Resolution for continuation of Directorship of Mr. N. K. Puri (DIN-00002226), as Non-Executive Independent Director who has attained the age of Seventy-five (75) years.		
7.	Special Resolution for subsidiarisation by way of hiving off/transfer of Formulation Business into its wholly owned Subsidiary Company.		

Signed this ____________________ day of ____________ 2018.

Affix Revenue Stamp

Signature of Shareholder: ____________________

Signature of Proxy holder(s): ____________________

NOTES:

1. 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.
2. A proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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WANBURY

Towards Better Healthcare

www.wanbury.com

Registered office and Head Office:
10th Floor, BSEL Tech Park, Opp. Vashi Station, Vashi, Navi Mumbai - 400 703. Maharashtra, India