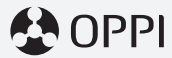




Winner of Prestigious



Awards 2017



Best Anti-Counterfeiting
Solution Provider



Best Packaging
Material Supplier

Vision

Transforming Health Outcomes, Touching Lives

Values

Speed

Proactive and swift action are our mantras

Innovation

Our constant approach at all levels is to seek better ways of listening, thinking and doing - making our offerings meaningful and impactful

Happiness

We are motivated by our customers' success and happiness of our stakeholders



Contents

Chairman's Letter	02
Corporate Information	03
Management Discussion and Analysis	04
Corporate Governance	08
Director's Report	17
Standalone Ind AS Financial Statements	32
Consolidated Ind AS Financial Statements	72

Chairman's Letter

Shaping Brands, Caring Patients

At Bilcare, creating products that are valuable to patients is of supreme importance. The fundamentals of this depend on the most critical component - product development that meets users' needs, improved product quality, and optimum pricing. In the medium to long term, increasing quality through constant technological improvement is indispensable in the fast changing world.

Over the years, Bilcare brand name has been synonymous to Research & Innovation. Bringing newer ideas and solutions to meet the ever-growing critical demands of the pharma companies with a focus on enhancing the patient health outcomes has remained the motto of our company. The efforts put by our experienced technical team have created an enviable basket of products and services with futuristic approach. From product innovation to process re-engineering, the team has exceeded the expectations of our esteemed customers. This has not only given the company a reputation of a leading Quality material supplier but also as a dependable consulting partner to pharma companies for process simplification, packaging design innovation and choosing optimum packaging material for solid dosage formulations.

In recognition of this, OPPI (Organization of Pharmaceutical Producers of India) has conferred Bilcare with the prestigious best vendor awards in two categories - Best Anti-Counterfeiting Solution Provider and Best Packaging Material Supplier in FY 2018.

There has been a surge in the demand for Solid Dosage Packaging products globally. Newer combinations, advanced laminates, child resistant and senior friendly packaging, products with overt and covert anti-counterfeit security features and visually attractive packaging for brand uniqueness have been in the limelight. Bilcare has been in the forefront to not only bring effective solutions

for these requirements but also provide the latest products and services to bring advanced patient healthcare, inspired by Make in India initiative.

On a group level, we have penetrated further in to the emerging pharma markets in MENA region, South America and South East Asia. We have also started business in China and see tremendous growth potential in the near future.

The Company has faced many challenging situations in last few years. However, these challenges have only helped us to mature into a better organization. The Company continues its effort for a comprehensive debt resolution. Our emphasis will remain to facilitate working capital support to achieve higher growth, increasing EBITDA and strengthening the cash flows.

"Our greatest glory is not in never falling but in rising every time we fall" these noble words by Confucius are our guide as we continue on the journey of patient care globally.

With this, I conclude by humbly thanking you all for your continued support and trust.



Mohan H. Bhandari
Chairman and Managing Director



Corporate Information

Board of Directors

Mr. Mohan Bhandari
Mr. Avinash Joshi
Mrs. Nutan Bhandari
Mr. Surendranath Gupte
Mr. Vasant Bang

Company Secretary & CFO

Mr. D. K. Sharma

Registered Office and Works

1028, Shirol, Rajgurunagar, Pune - 410 505, India.

Auditors

M/s. M.G.M & Company, Chartered Accountants
M/s. K.R. Miniyar & Associates, Chartered Accountant

Secretarial Auditor

M/s. Shekhar Ghatpande & Co.,
Practicing Company Secretaries

Bankers

Multiple Banking under the Security Trust Arrangement

Registrar & Transfer Agents

Link Intime India Pvt. Ltd.,
(Unit: Bilcare Limited)
Block No. 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road,
Pune – 411 001, India
Telefax: +91– 20 – 26163503
E-mail: pune@linkintime.co.in

Management Discussion And Analysis

Industry Outlook

Pharma packaging has been one of the fastest growing sectors in the packaging industry over the past decade. According to Pira, Globally the industry is expected to grow at an annual average rate of 3.4% during 2015- 2020 to reach USD 248 Billion. Asia in particular is expected to lead the demand with its market share progressing from 42% in 2015 to nearly 45% by 2020. The demand for Packaging Films for solid dosage formulations has seen a steady growth in the past decade and that this growth trend will continue further in the coming decade. Pharma Packaging Films with most innovative overt printed features are fast replacing the otherwise dull looking plain PVC films thus giving a unique identity to the pharma brands in the new world. The problems of me-too and counterfeit pharma products is largely now being addressed by the introduction of most latest overt and covert product or print features providing safety and security to the pharma brands.

Bilcare has been a pharma focused packaging product innovator and supplier for a large number of pharma companies globally. "Innovation, our DNA, Patient Care our Mission" has been the motto of the company ever since its advent into the innovation focused pharma packaging industry. Our philosophy has not only led us to be the most trusted partner amongst our esteemed pharma clients but also has enabled us to lead by example.

Innovation is the ability to see the change as an opportunity and not as a threat– This has been the driving force for Bilcare which enabled the company to be one step ahead and be future ready to meet the challenging requirements of the pharma market and the consumers largely. Over the years the hard work put by our highly qualified team members has enabled the company to create an enviable range of products. Bilcare over the years has developed technologically advanced printing and packaging designs that address the core challenges of the pharma industry

commonly known as 5 Cs viz. Compliance – direction of dosage administration; Counterfeiting – deterring piracy and counterfeit in medicine packaging; Communication – differentiating and brand recall strategies; Convenience – Smart and easy to carry/ dispensing; Child Resistant & Senior Friendly Packaging – to avoid accidental misuse of medicines by children.

We have firmly believed in Changing with the Change and this has led to form a culture within Bilcare, a culture of Innovation that goes beyond our Research labs to touch every business function and activity, benefitting our customers and impacting the Patient health outcomes.

Pharma Packaging Innovations

Bilcare's Pharma Packaging Innovations business unit is technologically driven and focused on producing a wide range of Films and Foils addressing the most challenging requirements of the pharma industry. Bilcare has been regularly conducting customer surveys to gauge the satisfaction levels on qualitative as well as quantitative aspects. This year it was observed that the pharma companies, progressive as well as established big brands are in the forefront of providing superior quality, follow stringent compliance norms, adhere to the regulatory requirements and be a value differentiator.

Bilcare in line with its 5C principles laced this year with a series of new products which offer customers effective solutions for Ultra High Barrier Blister Films in both the thermoformable and cold formable categories. Bilcare added convenience to its cold formable packaging by developing materials which results in more compact packaging for products which are highly sensitive to ingress of moisture. Bilcare also successfully developed materials in the cold formable range which effectively addresses the issues associated with Gas Liberation and degradation of the formulation associated with water vapor ingress through sealing of the Blister with lid foil.

Bilcare exemplified its commitment to the environment by partnering with leading global chemical innovators by developing Lid Foils using water based lacquers which results in reduced carbon foot print and enhanced formulation stability.

In addition to the above many more conventional and existing packaging products were tailor made to meet our Customers demand considering their requirements of brand uniqueness, solution for counterfeit issues and providing odor free packaging films for certain formulations. Many formulations were upgraded from their existing packaging material to new advanced packaging systems with ultra-high barrier properties, overt and covert print (visible and invisible) features as anti-counterfeit feature and many more.

During the year, Bilcare India site documented and aligned the quality management systems standards to the latest version ISO 9001:2015 and Environmental Management Systems standards to ISO 14001:2015 version with all necessary internal audits and management reviews to be finally certified by TUV SUD South Asia during the first half of the financial year 2018-19. Also, the Good Manufacturing Practices (GMP) Systems standards for Primary packaging components for pharmaceuticals is being aligned to ISO 15378:2105 standards to be certified during the year 2018-19.

Bilcare India site also successfully went through the 2 Pillar SMETA audit on social and ethical compliance in line with Social Ethical Data Exchange (SEDEX), a globally recognized body..

Global Clinical Supplies

The Global Clinical Trial Supplies market is valued at 950 Million US\$ in 2017 and will reach 1610 Million US\$ by 2025, growing at a CAGR of 6.9% during 2018-2025. Globalization and rise in number of clinical trials, increasing complexities and rising number of biologics and biosimilar drugs in trials are expected to be the major driver for growth. Advancement in supply chain management technology is also expected to be the major driver for growth of the clinical supplies market.

The Global Clinical Trial Supplies Market is segmented on the basis of Products & Services, Phases, Therapeutic Areas and Regions. Among the various Products & Services, the logistics and distribution services segment is expected to account for the largest share of the market and is projected to grow at the highest CAGR from 2017 to 2025. The high

growth in this segment can be attributed to the factors such as globalization of clinical trials and increasing outsourcing of services.

India is advantageously positioned for the conduct of clinical trials for a several reasons:

- a). India's economy shows signs of robust growth, and increased spending on healthcare needs is expected to drive revenue growth for pharma companies. The Indian pharma industry today is the third largest market globally in terms of volume and 14th largest by value. India offers a large and diverse genetic pool of a treatment-naive population for clinical trials.
- b). According to PwC, India, with a population of more than 1.2 billion and projected to increase to 1.6 billion by 2050, is set to become the most populous country in the world, outnumbering even China. Given increasing difficulty in sourcing patients for clinical trials in developed countries, the concept of expanding the pool of available patients in emerging countries, combined with cost savings, makes India well positioned.
- c). The emergence of chronic diseases like cancer, diabetes, cardio vascular system (CVS) and central nervous system (CNS) disorders may drive demand for newer therapies. With the highest disease burden among all countries, India specifically offers a tremendous opportunity in contributing data for oncology trials.
- d). India has the highest number of FDA-approved manufacturing plants outside the U.S. With increasing focus on constraining healthcare costs in the U.S., India's low-cost manufacturing capabilities combined with high quality standards are advantageous.

Considering a bright future for the CTMS Market, Bilcare GCS has already aligned its resources to meet this ever growing market demand. Recently Bilcare GCS expanded its scope of services to cater to nutraceuticals storage and distribution too in addition to the pharmaceutical storage and distribution network and services.

Sponsors and service providers—like CROs face challenges in understanding and effectively managing the clinical supply aspect of their studies. Many sponsors struggle to understand and effectively manage various aspects of the clinical supply chain, including increased pressure from government regulators like the US FDA and European

Medicines Agency on quality requirements, and how to move clinical supplies between countries.

Trial sponsors have also had to expand their subject populations not only to meet sufficient numbers to conduct trials, but also as part of a desire to move into new markets, including China, Japan, Latin America, Eastern Europe, and India.

During the year Bilcare GCS had few key achievements to its credit. We supported Pharma companies and CRO'S by successfully attending the Investigator Meets; supported our clients in USFDA audit; upgraded ISO standards from ISO 9001: 2008 to ISO 9001:2015 standard by TUV-SUD agency.

The Comparator Sourcing is a fast-growing industry within clinical trials that has doubled within the last three years. A recent report published by the Institute for Healthcare Informatics forecasts that the surge in cancer drug innovation is projected to continue over the next five years, with oncology currently already making up 25% of the global late-stage pipeline. As the majority of drug candidates are being studied against the existing standard of care, the need for secure and transparent sourcing of comparator drugs and non-investigational medicinal products (NIMPs) on a global scale is likely to rise significantly. Sourcing optimization is by and large achieved via gradual transition from centralized to local comparator suppliers. Global sourcing companies are beginning to assess local market capabilities for availability of quality certificates and actively export drugs for QP release. Bilcare is becoming formidable player in this market as well.

We had focused our efforts to increase the GCS presence thereby increasing our revenue share. We expanded our global depot partners. Now we are operating our distribution services from thirty locations to cater to the global trials; overcame the challenges to blind the IMPs by innovative ways resulting in appreciation by sponsors; successful manufacturing of matching placebos; new and additional credo shippers were added for process and profit improvisation

With this, Bilcare GCS is poised to regain its market share and looks to maximize profits by providing innovative and faster services to its clients.

Internal Control System and Adequacy

According to Section 134(5)(e) of the Companies Act 2013, the term Internal Financial Control (IFC) means the policies

and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business.

The Company has a well placed and adequate IFC system which ensures that all the transactions are authorized, recorded and reported correctly as well as is compliant with the Company's policies and Standard Operating Procedures (SOP's). The Internal Auditors independently evaluate the adequacy of the internal controls and report to the Audit Committee of any major deviations. The Company also has in place a well defined Whistle Blower policy to ensure the efficacy of the systems and financial controls. The adequacy is further enhanced by a system of internal business reviews and sensitive issues such as forex, market risks and allied are discussed in their respective internal review meetings.

Human Resources

During the year, the company laid concrete efforts on both customers as well as employee satisfaction. While the emphasis has been laid on constant improvisation of quality and introduction of new products and services, an equal amount of attention has been given to the employees to feel them belonged and energize them to positively contribute for the growth and satisfactory running of the organization. Regular employee engagement programs, CSR activities with the Zilla Parishad school children, blood donation camps and cultural programs were organized to make a cohesive environment at work. These efforts were made to effectively utilize the Human resource capital to enhance their performance and productivity thereby reflecting the company's core values.

Corporate Citizen

Bilcare Corporate Citizen Program stems from its very Vision, Mission and Core Values and is much beyond the statutory mandate of the recent years. Gram Swachchata, Water Storage, Primary School Education Aid, Repair of Old School under Bilcare schemes, teachers, training, SSY training, healthcare camp, library/ education on wheels were few programs initiated this year.

Financial Highlights

The performance of the Company has remained almost the same level since last year. This is mainly due to the Debt resolution still under completion and working capital finance constraints. However, there has been an improvement in the EBIDTA and the loss has reduced. The

support of the customers and suppliers have enabled the Company sustain its operations. The Company is amortizing the cost of tools & equipment through depreciation over eight quarters. Consequently the reserves would have been higher by INR 22,345.59 lacs.

Risks and Concern

The Company is subjected to various risks affecting its financial health, both in terms of external environment and internal operations. Raw material input prices; crude price hike, currency fluctuations and financial costs are some of the major risks. Industry curve with PVDC market going through stress is also a major concern for product substitution.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objective , projection, estimates, and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual outcome may differ substantially or material from those expressed or implied. Important developments that could affect the Company's operation include significant changes in the political and economical environment in India or overseas in key markets, applicable statutes, litigation, labor relations, exchange rate fluctuation, interest and other costs.

Corporate Governance

Company's Philosophy On Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices.

Board Of Directors

Composition of the Board

The composition of the Board of Directors of Bilcare Limited is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The Board comprises of Five (5) Directors, One(1) Executive Director, the Chairman and Managing Director, who is also a Promoter Director, one (1) Woman Director, who is a Non-Executive Non-Independent Director and four (3) Non-Executive Independent Directors.

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee memberships/Chairmanships including any changes in their positions as on March 31, 2018.

Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations

read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

Number of Independent Directorships

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies.

Number of Board Meetings

The Board met **five (7)** times during the year. The Meetings were on 30 May, 11 August, 29 September, 14 November, 31 December, 2017, 13 February and 6 March 2018. All the meetings were held in such manner that the gap between two consecutive meetings was not more than 120 days.

Directors' Attendance Record and Directorships

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year 2017-18 and the last Annual General Meeting (AGM) held on 29 September 2017 and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public companies as on 31 March 2018, are given in the following table.

Information supplied to the Board

During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

Name of the Director	Category	Particulars of Attendance		No. of Directorships and Committee Memberships / Chairmanships in Public Limited Companies as on 31 March 2018			Remarks
		Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships	
Promoter Executive Director							
Mr. Mohan H. Bhandari	Chairman and Managing Director	7	Present	3	4	2	
Promoter Non-Executive Director							
Mrs. Nutan M. Bhandari	Director	7	–	1	2	1	
Independent Directors							
Mr. Rajendra Tapadia	Director	7	Present	4	5	2	
Mr. Avinash S. Joshi	Director	7	Present	1	6	1	
Mr. Ramnarayan Venkit	Director	1	–	1	1	–	Ceased to be Director on 11th August, 2017 due to sad demise
Mr. Surendranath Gupte	Director	7	Present	1	1	–	
• Apart from statutory committees, includes Nomination and Remuneration Committee, Corporate Social Responsibility Committee and two (2) Functional Committees							

During the year, meeting of the Independent Directors was held on 13th February, 2018. The Independent Directors, *inter-alia*, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company www.bilcare.com.

CEO/MD and CFO Certification

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI Listing Regulations. The said certificate is annexed and forms part of the Annual Report. The Chairman & Managing Director and the Chief Financial Officer also give quarterly certification on financial results, while placing the financial results before the Board in terms of SEBI Listing Regulations.

Code of Conduct

The Company has adopted a Code of Conduct (the Code) for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website at www.bilcare.com.

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

Committees of the Board

As on 31 March 2018 the Company apart from functional committees, has Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. The Board Committees are set-up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are applicable to Committee Meetings, as far as may be practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board meeting for perusal and noting. The Company Secretary acts as the secretary of all the Committees.

Audit Committee

The Audit Committee of the Company comprises of three Directors, viz. Mr. Avinash S. Joshi (Chairman of the Committee), Mr. Surendranath Gupte and Mr. Mohan H. Bhandari, two-thirds of which are independent directors. All the members of the Audit Committee possess

accounting, economic, legal and financial management expertise. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. Annual General Meeting (AGM) held on Friday, 29th September, 2017 was attended by the Chairman of the Committee, Mr. Avinash S. Joshi, to answer shareholders' queries.

The Audit Committee assists the Board in discharging of its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, including the Cost Auditors and the performance of Internal Auditors of the Company.

Terms of reference

The terms of reference of the Committee, inter alia covers all the matters specified under SEBI Listing Regulations as well as those specified in Section 177 of the Companies Act, 2013. In addition to other terms as may be referred by the Board of Directors, the Audit Committee has the power inter alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company, seek legal and professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee met five times, on 1 April, 30 May, 11 August, 14 November 2017 and 13 February 2018.

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Internal Auditors and other Management representatives as special invitees as and when required. The Company Secretary acts as the secretary to the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of three Directors, viz. Mr. Rajendra B. Tapadia (Chairman of the Committee), Mr. Avinash S. Joshi and Mrs. Nutan M. Bhandari.

Terms of reference

The Nomination & Remuneration Committee has been constituted to recommend / review the remuneration of Executive Directors of the Company, to identify persons who are qualified to become Directors and who may be appointed in Senior Management and to carry out such other duties and functions as stipulated in Section 178 of the Companies Act, 2013 read with rules framed thereunder and SEBI Listing Regulations.

During the year in review, there was no meeting of Nomination and Remuneration Committee.

Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee of the Company comprises of three Directors, viz. Mrs. Nutan M. Bhandari (Chairman of the Committee), Mr. Avinash S. Joshi and Mr. Rajendra B. Tapadia

Terms of reference

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy in terms of Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the Corporate Social Responsibility Policy of the Company from time to time; and
- To act in terms of any consequent statutory modification(s) / amendment(s) / revision(s) to any of the applicable provisions to the said Committee.

During the year in review, there was no meeting of Corporate Social Responsibility (CSR) Committee.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee comprises of three Directors, viz. Mr. Rajendra B. Tapadia (Chairman of the Committee), Mr. Mohan H. Bhandari and Mr. Avinash S. Joshi. Mr. Anil Tikekar, Company Secretary is the Compliance Officer. Composition and the terms of

Attendance Record of Audit Committee Members for 2017-18				
Name of Director	Category	Status	No. of Meetings	
			Held	Attended
Mr. Avinash S. Joshi	Independent	Chairman	5	5
Mr. Ramnarayan Venkit*	Independent	Member	2	2
Mr. Surendranath Gupte**	Independent	Member	3	3
Mr. Mohan H. Bhandari	Non Independent	Member	5	5
*Ceases to be Committee Member w.e.f. 30 May 2017				
**Appointed as Committee Member w.e.f. 30 May 2017				

reference meet with the requirements under the provisions of Section 178(5) of the Companies Act, 2013 and of SEBI Listing Regulations.

The main responsibility of the Committee is to ensure cordial investor relations and supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat/ demat/ split-up/ sub-division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

During the year in review, the Committee met once, on 9 October, 2017. No requests for dematerialization and/or transfer were pending for approval as on 31 March 2018. As of 31 March 2018, there were no unresolved investor complaint pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc., pending.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redressed system. The salient features of this system include Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaints and its current status.

Designated Exclusive Email-ID

The Company has also designated the email-ID Investors@bilcare.com exclusively for investor servicing.

Functional Committee

The Board is authorised to constitute one or more functional committees delegating thereto powers and duties with respect to specific purposes. Meeting of such committees are held, as and when the need arises. Time schedule for holding the meetings of such functional committees are finalized in consultation with committee members.

Remuneration Of Directors

The aggregate value of salary and perquisites for the year ended 31 March 2018 to Wholtime Director, Mr. Mohan H. Bhandari is Nil

Non-executive directors' compensation

The non-executive directors of the Company were paid following sitting fees for meetings of the Board and its Committee thereof :

Name of Non-Executive Director	Sitting Fees* (in ₹.)
Mr. Rajendra Tapadia	1,50,000/-
Mr. Avinash S. Joshi	2,00,000/-
Mrs. Nutan M. Bhandari	1,40,000/-
Mr. Ramnarayan Venkit	40,000/-
Mr. Surendranath Gupte	1,75,000/-

* Sitting fees include payment for board level committee meetings.

Shares held by Non Executive Directors as on 31 March 2018

Name of the Director	Number of shares held Equity Shares of ₹.10/- each
Mr. Rajendra Tapadia	271,051
Mr. Avinash S. Joshi	600
Mrs. Nutan M. Bhandari	1,205,122
Mr. Ramnarayan Venkit	300
Mr. Surendranath Gupte	300

Appointment And Re-Appointment Of Directors

In accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Nutan M. Bhandari [DIN 02198203] is liable to retire by rotation and is eligible for re-appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations, Clause 1.2.5 of the Secretarial Standard are given in the Notice of AGM, forming part of the Annual Report and Schedule V of the SEBI Listing Regulations are given in the Corporate Governance Report, forming part of the Annual Report. Attention of the Members is also invited to the relevant items in the Notice of the AGM.

General Body Meetings

Location and time for the last Three Annual General Meetings were:

Financial Year	Venue	Date	Time	Special Resolution
2014-15	Registered Office of the Company	30 September 2015	11.00 a.m.	Nil
2015-16	Registered Office of the Company	14 September 2016	11.00 a.m.	Acceptance of Fixed Deposits
2016-17	Registered Office of the Company	29 September 2017	11.00 a.m.	Nil

Postal Ballot

No resolution was passed through Postal Ballot during the year 2017-18.

At present, no special resolution is proposed to be passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution conducted through Postal Ballot.

Disclosures

Related Party Transactions

Please refer to Note No. 38 of Notes to Accounts for significant related party transactions.

None of the transactions with any of the related parties were in conflict with the interests of the Company.

Management Discussion and Analysis

This Annual Report has a detailed chapter on management discussion and analysis.

Disclosures by the Management to the Board

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

Statutory compliance, Penalties and Strictures:

The Company has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market during the last three years.

Compliance With Mandatory And Non-Mandatory Requirements

The Company is fully compliant with the applicable mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. It has not adopted any non-mandatory requirements.

Means Of Communication

The Company puts forth vital information about the company and its performance, including quarterly results, official news releases, and communication to investors and analysts, on its website: www.bilcare.com regularly for the benefit of the public at large. The quarterly results are published in 'Financial Express' and 'Loksatta'.

News releases. Official news and media releases are sent to the Stock Exchanges.

Website

The Company's website contains a separate dedicated section titled "Investors". The basic information about the Company, as called for in terms of SEBI Listing Regulations, is provided on the Company's website: www.bilcare.com and the same is updated from time to time.

Shareholders

Annual Report

Annual Report containing, inter alia, Audited financial statement. Consolidated financial statement, Boards' Report, Independent Auditors' Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report and is displayed on the Company's website: www.bilcare.com.

Support Green Initiative of MCA

The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative in the Corporate Governance by allowing paperless compliances by companies vide General Circular 17/2011 dated April 21, 2011, in terms of which the Company has been forwarding such documents through electronic mode. Company requests shareholders to provide their e-mail addresses to enable Company to forward the notices/ documents through e-mail, to the maximum possible extent in order to support green initiative. Members are once again requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form with the Company at pune@linkintime.co.in or at its registered office at 1028, Shiroli, Rajgurunagar, Pune - 410 505, Maharashtra, India.

General Shareholder Information

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28939PN1987PLC043953

Annual General Meeting

Date : 29 September 2018
Time : 11.00 a.m
Venue : Registered Office of the Company
1028, Shirol, Rajgurunagar,
Pune – 410 505, India

Financial Calendar

1 April 2017 to 31 March 2018

For the year ended 31 March 2017, results were announced on –

- 11 August 2017 : First Quarter
- 14 November 2017 : Half yearly
- 13 February 2018 : Third Quarter
- 30 May 2018 : Fourth Quarter and Annual

Key financial reporting dates for the financial year 2018-19
Quarter ending 30 June 2018: on or before 14 August 2018

Quarter ending 30 September 2018: on or before 14 November 2018

Quarter ending 31 December 2018: on or before 14 February 2019

Audited results for the financial year 2018-19: on or before 30 May 2019

Book Closure

The books will be closed from 15 September 2018 to 21 September 2018.

Share Holding Pattern

The tables below give the pattern of shareholding by ownership and share class respectively.

Pattern of shareholding by ownership as on 31 March 2018

Category	Number of Shares held	Shareholding %
Promoters	7,066,611	30.01
Foreign Portfolio Investors	10,000	0.04
Corporate Bodies (India+Foreign)	4,424,612	18.79
Non Resident Indians	452,349	1.92
Indian Public	11,591,659	49.23
Total	23,545,231	100.00

Pattern of shareholding by Share Class as on 31 March 2018

Shareholding Class	Number of Shareholders	Number of Shares	Shareholding %
Up to 500	15122	1755862	7.46
501 - 1,000	1059	857274	3.64
1,001 - 2,000	542	831778	3.53
2,001 - 3,000	220	570327	2.42
3,001 - 4,000	95	343103	1.46
4,001 - 5,000	70	329982	1.40
5,001 - 10,000	143	1049684	4.46
10,001 & above	130	17807221	75.63
Total:	17381	23545231	100.00

Registrar and Transfer Agents and Share Transfer and Demat System

The Board's Share Transfer Committee generally meets as and when required for dealing with matters concerning securities/share transfers of the Company. The Company has appointed Link Intime India Pvt. Ltd. as the Registrar and Transfer Agents of the Company, to carry out the share transfer Agents of the Company, to carry out the share transfer work on behalf of the Company.

Address of the Registrar and Transfer Agent

Link Intime India Pvt. Ltd.,
(Unit: Bilcare Limited)
Block No. 202, 2nd Floor, Akshay Complex
Off Dhole Patil Road. Pune – 411 001, India
Telefax : 020 – 26163503
E-mail : pune@linkintime.co.in

Listing

The Equity shares of Bilcare Limited are listed on Bombay Stock Exchange Limited.

Stock Code

BSE : 526853

Stock Data

Table below gives the monthly high and low prices and volumes of Bilcare Limited at Bombay Stock Exchange Limited, Mumbai (BSE) for the year 2017-18.

Month	Share Price		BSE Sensex	
	High (₹.)	Low (₹.)	High	Low
April-17	65.10	53.30	30,184	29,241
May-17	66.60	50.00	31,255	29,804
June-17	57.25	51.00	31,523	30,681
July-17	60.65	52.25	32,673	31,017
August-17	58.50	47.70	32,686	31,128
September-17	55.50	47.50	32,524	31,082
October-17	53.75	44.00	33,340	31,440
November-17	73.90	47.50	33,866	32,684
December-17	75.70	59.75	34,138	32,565
January-18	91.65	61.55	36,444	33,703
February-18	76.35	60.00	36,257	33,483
March-18	61.00	50.80	34,279	32,484

Dematerialization of Shares and Liquidity

The equity shares of Bilcare Limited are under compulsory demat trading. As on 31 March 2018, dematerialized shares accounted for 99.39% of the total equity.

Demat ISIN numbers in NSDL & CDSL for Equity Shares: INE986A01012.

Bilcare Limited shares are actively traded at BSE Limited.

Plant Location

1028, Shiroli, Rajgurunagar, Pune 410 505, India

Investor Correspondence Address

For transfer / dematerialisation of shares and any other query relating to the shares of the Company:

Link Intime India Pvt. Ltd.,
(Unit: Bilcare Limited)
Block No. 202, 2nd Floor, Akshay Complex
Off Dhole Patil Road,
Pune – 411 001, India
Telefax : +91-20-26163503
E-mail : pune@linkintime.co.in

Deposit holders Correspondence Address

For any query relating to Fixed Deposit :

Company Address

Bilcare Limited
18, D G Chambers, 1st Floor,
100-104 Nagindas Master Road,
Near BSE, Fort, Mumbai 400 001
Phone (022) 86559 12999

Registrar's Address

Kisu Corporate Services Pvt. Ltd.
D-28 Mazanon Floor, Supariwala Estate,
Prasad Chambers Compound, Near Roxy Cinema,
Opera House, Mumbai - 400 004
Phone (022) 23810486/23886255

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, Mohan H. Bhandari, Chairman & Managing Director of Bilcare Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31 March, 2018.

Pune : 30 May 2018

Mohan H. Bhandari
Chairman & Managing Director

TO THE MEMBERS OF BILCARE LIMITED

CERTIFICATE BY AUDITORS ON CORPORATE GOVERNANCE

We have examined the compliance of the conditions of Corporate Governance by Bilcare Limited for the year ended 31 March 2018, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For M G M & Company
Firm Registration No. 108719W
Chartered Accountants

CA Mukesh Jain
Partner
Membership No. 104014
Pune : 30 May, 2018

TO THE BOARD OF DIRECTORS OF BILCARE LIMITED

CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer, of Bilcare Limited, ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for 2017-18 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 existing accounting standards, 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 2017-18 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 the internal control systems of the Company pertaining to financial reporting and 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, wherever applicable:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Anil Tikekar
Company Secretary & CFO
Pune: 30 May 2018

Mohan H. Bhandari
Chairman & Managing Director

Director's Report

To the Members,

Your Directors are pleased to present the 31st Annual Report and the Audited Statements of Account for the year ended 31 March 2018.

Performance of the Company and State of Company's Affairs

The Company's financial performance, for the year ended 31 March 2018 as per Ind AS is summarised below:

Particulars	INR in Crs			
	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations incl. Other Income	277.08	315.16	2824.48	2718.36
Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional Items	13.38	2.65	191.52	226.98
Profit/ (Loss) before Tax	(100.58)	(56.38)	(207.21)	(56.06)
Tax Expense (incl. Deferred Tax)	(20.64)	9.55	(8.10)	23.74
Profit/ (Loss) for the year from continuing Operations	(79.94)	(65.93)	(201.14)	(84.54)
Non-controlling Interest	—	—	2.03	4.73
Profit/ (Loss) for the year	(79.94)	(65.93)	(199.11)	(79.81)

Please refer Management Discussion & Analysis dealing with the State of Company's Affairs, at length.

Extract of Annual Return

The extract of the Annual Return of the Company in Form MGT-9 is annexed herewith as Annexure "A" to this report.

Number of Meetings of the Board

During the Financial Year 2017-18, Seven (7) Board Meetings were held, details of which are given in the Corporate Governance Report section.

Directors' Responsibility Statement

Pursuant to the requirement under the Section 134(5) of the Companies Act 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended 31 March 2018, the applicable accounting standards had been followed and there are no material deviations from the same;
- the directors had selected such accounting policies and applied them 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 as at 31 March 2018 and of the loss of the Company for the year ended on that date;
- the directors had taken proper and sufficient care 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;
- the accounts for the financial year ended 31 March 2018 have been prepared on a 'going concern' basis;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Particulars of Loans, Guarantees and Investments under section 186 of the Companies Act, 2013

Particulars of Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statement provided in this Annual Report. These loans/guarantees are primarily granted for the furtherance of business of the borrowing companies.

Contracts and Arrangements with Related Parties

During the year, the Company has 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. All contracts/ arrangements/ transactions entered by the Company with related parties were in the ordinary course of business and on an arm's length basis. Such transactions form part of the notes to the financial statements provided in this Annual Report. Accordingly, the disclosure of RPTs as required under the provisions of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

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.bilcare.com.

Dividend

In the absence of profits, the Directors are not recommending any Dividend for the financial year ended 31 March 2018.

Share Capital

The paid-up Equity Share Capital as on 31 March 2018 stood at INR 235,452,310. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31 March 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

Material Changes and Commitments, if any, affecting the financial position of the Company

No material changes and commitments affecting the financial position of the Company have occurred from the end of the

financial year 2017-18 till the date of this report. Further there was no change in the nature of business of the Company.

Conservation of Energy, Technology Absorption and Foreign exchange earnings & outgo

A. Conservation of Energy

I. Steps taken for Conservation of Energy:

- Bilcare Focused on Energy conservation projects and successfully implemented as follows:
- The effort to maintain the electrical power factor to unity was sustained and this has resulted in savings of Rs. 42.42 Lacs per annum with Nil capital investment.
- Using of cooling towers instead of chillers during the winter season has given a saving in electricity consumption of ₹. 10 Lacs.
- The replacement of LED lighting has resulted in a saving of ₹. 4.00 Lacs.
- Optimisation of air compressor system by relaying the piping layout, air receivers and arresting air leakages at various places has resulted in a saving of ₹ 9.72 Lacs.

II. The Capital investment on energy conservation equipment:

Air Compressor = ₹ 20 Lacs

Process Chiller= ₹ 13 Lacs

B. Technology Absorption, Adaptation and Innovation

Bilcare continued its innovations with R&D activities and was not only able to cater to breakthrough solutions but also added newer dimensions to existing offerings in converting the superior process capability achieved in terms of cost effectiveness. The efforts made towards technology absorption include:

- Bilcare has developed Polyolefinic based Venus that will have excellent drawability which will help in reducing surface area to form cavity vis a vis the conventional CFB. This achievement will help to reduce material consumption at customer end by which customer will get benefit on his purchasing. Bilcare has been evaluating this concept at their laboratories vigorously and having a confident in rolling this product shortly.
- Bilcare has developed aqua based lidding foil which is acting as eco friendly lidding material and it is

under stability at various customers.

- Bilcare has developed and established extra high barrier thermoforming film that suits the requirements of imported thermoform fill & seal equipment. This film is being used for packing Oncology formulations, material is under stability at one of the leading customer's end.
- Special lidding foil is developed to pack Oncological formulation and it is under stability.
- Bilcare has developed high barrier suppository film which ran satisfactorily on specially designed equipment. This product has been established and commercialized.
- Bilcare has successfully developed and commercialized high thickness polyester based high barrier film for healthcare packaging for Europe.
- Bilcare developed PVDC based pouches for high reactive ointment formulations.
- Bilcare developed in-house process to make Patina films more robust.
- Bilcare has developed OPS based composite films for special requirement of machinery that packs oral dosages. Material is under stability at customer end.
- Bilcare has developed overt anticounterfeit solutions as next generation step to the existing overtanticounterfeit solution and commercialized successfully to keep away spurious packaging.
- Bilcare has customized watermark technology in CFB for one of the leading pharmaceutical companies for their prestigious brand.
- Bilcare has developed and commercialized Protect with gold appearance for Alkem's one of the leading brand.
- Bilcare successfully commercialized laminate using ionomer based film for packaging of temperature sensitive pharmaceutical formulations which requires sealing at lower temperature.
- Bilcare is working with one of the biggest brand of MNC to replace conventional lidding material to CRSF lidding material, extensive trials have been completed successfully.
- Bilcare developed in-house pneumatic based stirrer for uniform mixing of ink/ overprint.

During the financial year, the company filed 2 new Patent application related to its innovative products.

Expenditure on Research & Development

Particulars	₹. in Crores
Capital	—
Recurring	1.41
Total	1.41
R&D expenditure as a percentage of total turnover	0.51%
On a consolidated basis total R&D expenditure as a percentage of consolidated turnover is 0.05%	

Foreign Exchange Earnings & Outgo

	₹. in Crores
Foreign exchange earned	73.84
Foreign exchange outgo	23.49

Corporate Social Responsibility (CSR)

The Corporate Social Responsibility and Governance Committee (CSR&G Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy), which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: www.bilcare.com. The Annual Report on CSR activities is annexed herewith marked as Annexure "B".

Audit Committee

The audit committee comprises of Mr. Avinash S. Joshi (Chairman of the Committee), Mr. Surendranath Gupte and Mr. Mohan H. Bhandari as members. All the recommendations made by the committee were accepted by the Board.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. Performance evaluation has been carried out as per the Nomination and Remuneration Policy.

Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on 13 February 2018, without the attendance of Non- Independent Directors and Members of the Management.

Details of Directors & Key Managerial Personnel

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Companies Act, 2013 and under SEBI Listing Regulations.

As required under SEBI Listing Regulations, the information on the particulars of Directors proposed for appointment/re-appointment has been given in the Report on Corporate Governance.

Information about Subsidiary/JV/ Associate Company

During the year, five new wholly owned subsidiaries were formed as under -

1. Bilcare Research PPI Holding GmbH, Germany
2. Bilcare Research SFS Holding GmbH, Germany
3. Bilcare Research PPI GmbH & Co. KG, Germany
4. Bilcare Research SFS GmbH & Co. KG, Germany and
5. Bilcare Research (Shanghai) Co., Ltd., China

Pursuant to the creditors resolution, Bilcare Packaging Limited (BPL) a wholly owned subsidiary went under liquidation on 15th March 2018. As a part of the liquidation process, the liquidator has determined USD 5 payable to the Company as liquidation proceeds post the creditors settlements.

Consolidated Financial Statements of the Company are inclusive of the results of the said subsidiaries. Further, a statement containing the particulars for each of the subsidiaries is also enclosed. Copies of annual accounts and related information of all the subsidiaries can also be sought by any member of the Company or its subsidiaries by making a written request to the Company Secretary at the Registered Office of the Company. The annual accounts of the subsidiary companies are also available for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The

Company has Four (4) wholly owned subsidiaries viz. Bilcare Mauritius Ltd., Mauritius, Bilcare Technologies Singapore Pte. Ltd., Singapore, Bilcare GCS Limited, UK and Bilcare GCS Inc., USA. Some of these subsidiaries in turn have their respective step down subsidiaries.

A statement containing the salient features of the financial statement of the subsidiaries in the prescribed format AOC-1 is presented in a separate section forming part of the financial statement. The Policy for determining 'Material' subsidiaries has been displayed on the Company's website at www.bilcare.com.

Deposits

Given below are the details of deposits, covered under Chapter V of the Companies Act, 2013:

- i. Deposits accepted/renewed during the year: ₹. 28.49 Crs
- ii. Deposits remaining unpaid or unclaimed as at the end of the year: ₹. 101.85 Crs.
- iii. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved :
 - a. At the beginning of the year: Nil
 - b. Maximum during the year: Nil
 - c. At the end of the year: Nil

Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Vigil Mechanism

The Company has in place Whistle Blower Policy, wherein the Employees/ Directors/ Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. This mechanism provides safeguards against victimization of Employees, who report under the said mechanism. During the year under review, the Company has not received any complaints under the said

mechanism. The Whistle Blower Policy may be accessed on the Company's website at www.bilcare.com

Corporate Governance

A report on Corporate Governance is given in this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

Auditors

Internal Auditors

The Internal Auditors, M/s. V.S. Rawat & Co., Chartered Accountants, Pune have conducted internal audits periodically and submitted their reports to the Audit Committee. Their reports have been reviewed by Statutory Auditors and the Audit Committee.

Statutory Auditors

M/s. M G M & Company, Chartered Accountants are the Statutory Auditors of the Company.

The observations and comments given by the Statutory Auditors in their report read together with notes thereon are self explanatory.

Cost Auditors

At the 30th Annual General Meeting (AGM) held on 29 September 2017, M/s. Parkhi Limaye & Co., Cost Accountants (Firm Registration No: 000191) were appointed as Cost Auditors of the Company for the financial year 2017-18 for conducting cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

The Cost Audit Report under The Companies (Cost Audit Report) Rules, 2011 for the year 2016-17 was duly filed with the Ministry of Corporate Affairs on 24th October 2017.

Secretarial Auditor

The Board has appointed M/s. Shekhar Ghatpande & Co, Company Secretaries, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31 March 2018 is annexed herewith marked as Annexure "C" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Particulars of Employees & Related Disclosures

In terms of the provisions of Section 197(12) of the Companies Act (herein referred as Act), read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of the Annual Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 forms part of the Annual Report. However, as per the provisions of Section 136(1) of the Act, the Report and Accounts are being sent to the members, excluding the aforesaid information. Any member interested in obtaining such particulars may inspect the same at the Registered Office of the Company during working hours up to the date of the Annual General Meeting.

For the financial year ended 31 March 2018, the compliance report is provided in the Corporate Governance section of this Annual Report. The Auditors' Certificate on compliance with the mandatory recommendations of the committee is annexed to this report.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

Issue of equity shares with differential rights as to dividend, voting or otherwise.

Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries, except for professional services rendered from time to time

Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace.

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

Acknowledgement

We thank our domestic and international customers, vendors, investors, banking community, investment bankers and rating agencies for their continued support during the year.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of the employees at all levels worldwide.

We thank the Governments of various countries where we have our operations and also thank Central Government, various State Governments and other Government agencies for their positive co-operation and look forward to their continued support in future. Finally, we wish to express our gratitude to the members and shareholders for their trust and support.

For and on behalf of the Board of Directors

Mohan H. Bhandari
Chairman & Managing Director
Pune: 30 May 2018

ANNEXURE - A

Form No. MGT-9

EXTRACT OF ANNUAL RETURN As on the financial year ended on 31-03-2018

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

Registration and Other Details:

i	CIN	L28939PN1987PLC043953
ii	Registration Date	01-July-1987
iii	Name of the Company	Bilcare Limited
iv	Category / Sub-Category of the Company	Public Company / Limited by shares
v	Address of the Registered office and contact details	1028, Shiroli, Rajgurunagar, Pune 410505
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd., (Unit: Bilcare Limited) Block No. 202, 2nd Floor, Akshay Complex Off Dhole Patil Road. Pune – 411 001, India Telefax : 020 – 26163503 E-mail : pune@linkintime.co.in

Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	%to total turnover of the company
1	Articles of Plastics & Polymer	3921	47.00
2	Aluminium & Aluminium Products	7607	52.50
3	Global Clinical Services	—	00.50

Particulars Of Holding, Subsidiary And Associate Companies

S. No.	Name Of The Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Bilcare Mauritius Ltd.	C/o CIM Corporate Services LTD, Les Cascade Building, Edith Cavell Street, Port Louis, Mauritius.	N.A.	SUBSIDIARY	100%	2(87)(ii)
2	Bilcare Research Swiss I AG	Hochbergerstrasse 60B 4057 Basel Switzerland	N.A.	SUBSIDIARY	100%	2(87)(ii)
3	Bilcare Research Swiss II AG	Hochbergerstrasse 60B 4057 Basel Switzerland	N.A.	SUBSIDIARY	100%	2(87)(ii)
4	Bilcare Research Holding AG	Gewerbstrasse 12,4123 Allschwil,Switzerland	N.A.	SUBSIDIARY	100%	2(87)(ii)
5	Bilcare Research AG	Gewerbstrasse 12,4123 Allschwil,Switzerland	N.A.	SUBSIDIARY	100%	2(87)(ii)
6	Bilcare Germany Management GmbH	Radebeulstrasse 1, 79219, Staufen,Germany	N.A.	SUBSIDIARY	100%	2(87)(ii)
7	Bilcare Research Singapore Pte. Ltd.	45, Contonment Board, Singapore - 089748	N.A.	SUBSIDIARY	100%	2(87)(ii)
8	Bilcare Research Inc	1389, School House Road, Newcastle/Delaware city, DE 19706-0537	N.A.	SUBSIDIARY	100%	2(87)(ii)
9	Bilcare Research SRL	VIA XXIV MAGGIO 1, 21043 CASTIGLIONE OLONA (VA)	N.A.	SUBSIDIARY	100%	2(87)(ii)
10	Bilcare Agency GmbH	Gewerbstrasse 12, 4123 Allschwil,Switzerland	N.A.	SUBSIDIARY	100%	2(87)(ii)
11	Films Germany Holding GmbH	Radebeulstrasse 1 , 79219 Staufen, Germany	N.A.	SUBSIDIARY	100%	2(87)(ii)
12	Bilcare Research GmbH	Radebeulstrasse 1, 79219, Staufen,Germany	N.A.	SUBSIDIARY	100%	2(87)(ii)
13	Caprihans India Limited	D Block, Shivsagar Estate, Dr. A B Road, Worli, Mumbai - 400018, India	L29150MH1946PLC004877	SUBSIDIARY	51%	2(87)(ii)
14	Bilcare GCS Limited	C/o. Kingston Smith LLP, Devonshire House, 60Goswell Road, EC1M 7AD, London UK	N.A.	SUBSIDIARY	100%	2(87)(ii)
15	Bilcare GCS Inc.	3500, South Dupont Highway, Dover, DE 19901, in the Country of Kent, USA.	N.A.	SUBSIDIARY	100%	2(87)(ii)
16	Bilcare Technologies Singapore Pte. Ltd.	52 Changi South Street 1, King Wai Industrial Building, Singapore 486161	N.A.	SUBSIDIARY	100%	2(87)(ii)
17	Bilcare Technologies Italia Srl.	Padova (PD) via UGO Foscolo 8 cap 35131	N.A.	SUBSIDIARY	100%	2(87)(ii)
18	Bilcare Research (Shanghai) Co., Ltd.	Room 2238, Floor 22, Times Financial Center, No. 68, Yincheng Middle Road, Pudong New Area, Shanghai, China	N.A.	SUBSIDIARY	100%	2(87)(ii)

Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individual/ HUF	7066611	–	7066611	30.01	7066611	–	7066611	30.01	–
(b)	Central Government	–	–	–	–	–	–	–	–	–
(c)	State Government (s)	–	–	–	–	–	–	–	–	–
(d)	Bodies Corporate	–	–	–	–	–	–	–	–	–
(e)	Banks/Financial Institutions	–	–	–	–	–	–	–	–	–
(f)	Any Other	–	–	–	–	–	–	–	–	–
	Sub-Total (A)(1)	7066611	–	7066611	30.01	7066611	–	7066611	30.01	–
2	Foreign									
(a)	NRIs-Individuals	–	–	–	–	–	–	–	–	–
(b)	Other-Individuals	–	–	–	–	–	–	–	–	–
(c)	Bodies Corp.	–	–	–	–	–	–	–	–	–
(d)	Banks / FI	–	–	–	–	–	–	–	–	–
(e)	Any Other....	–	–	–	–	–	–	–	–	–
	Sub-Total (A)(2)	–	–	–	–	–	–	–	–	–
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1) + (A)(2)	7066611		7066611	30.01	7066611		7066611	30.01	–
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	–	–	–	–	–	–	–	–	–
(b)	Banks / FI	–	–	–	–	–	–	–	–	–
(c)	Central Govt	–	–	–	–	24794	–	24794	0.11	0.11
(d)	State Govt(s)	–	–	–	–	–	–	–	–	–
(e)	Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f)	Insurance Companies	–	–	–	–	–	–	–	–	–
(g)	FIs	10000	–	10000	0.04	10000	–	10000	0.04	–
(h)	Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
(i)	Others (specify)	–	–	–	–	–	–	–	–	–
	Sub-Total (B)(1)	10000	–	10000	0.04	34794	–	34794	0.15	0.11
2	Non-institutions									
(a)	Bodies Corporate	749120	–	749120	3.18	553184	–	553184	2.35	(0.83)
(b)	Individuals									
1	Individuals holding nominal share capital <=Rs. 1 Lakh	5599038	153102	5752140	24.43	5607392	128002	5735394	24.36	(0.07)
2	Individuals holding nominal share capital> Rs. 1 Lakh	5541858	–	5541858	23.54	5744827	–	5744827	24.40	0.86
(c)	Others									
1	Trusts	25200	–	25200	0.11	25200	–	25200	0.11	–
2	Non Resident Indians	397570	15000	412570	1.75	437349	15000	452349	1.92	0.17
3	Market Maker	5641	–	5641	0.02	2646	–	2646	0.01	(0.01)
4	Clearing Members	109663	–	109663	0.47	58798	–	58798	0.25	(0.22)
5	Foreign Corporate Bodies	1761620	–	1761620	7.48	3871428	–	3871428	16.44	8.96
6	Foreign Nationals	1000	–	1000	0.00	–	–	–	–	0.00
	Sub-Total (B)(2)	14190710	168102	14358812	60.98	16300824	143002	16443826	69.84	8.86
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	14200710	168102	14368812	61.03	16335618	143002	16478620	69.99	8.96
	TOTAL (A)+(B)	21267321	168102	21435423	91.04	23402229	143002	23545231	100	8.96
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoter Group	–	–	–	–	–	–	–	–	–
2	Public	2109808	–	2109808	8.96	–	–	–	–	(8.96)
	Sub-Total (C)	2109808	–	2109808	8.96					
	GRAND TOTAL (A)+(B)+(C)	23377129	168102	23545231	100.00	23402229	143002	23545231	100	

Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mohan Harakchand Bhandari	5856489	24.87	0.42	5856489	24.87	0.42	–
2	Nutan Mohan Bhandari	1205122	5.12	–	1205122	5.12	–	–
3	Ankita Jayesh Kariya	5000	0.02	–	5000	0.02	–	–
	Total	7066611	30.01	0.42	7066611	30.01	0.42	–

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

S. No.	Name	Shareholding at the beginning of the year		Increase/ (Decrease) in Shareholding	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Mohan Harakchand Bhandari	5856489	24.87	–	5856489	24.87
2	Nutan Mohan Bhandari	1205122	5.12	–	1205122	5.12
3	Ankita Jayesh Kariya	5000	0.02	–	5000	0.02

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

S. No.	Name	Shareholding at the beginning of the year		Increase/ (Decrease) in Shareholding	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Monument Pte Limited	1761620	7.48	2109808	3871428	16.44
2	Jhunjhunwala Rakesh Radheshyam	1735425	7.37	0	1735425	7.37
3	Sharad Mohanlal Bhatevara	400713	1.70	0	400713	1.70
4	Shah Pradip Padamshi	388683	1.65	(9000)	379683	1.61
5	Jhunjhunwala Rekha Rakesh	267500	1.14	(5000)	262500	1.11
6	Chhaganbhai Parsottambhai Patel HUF	233650	0.99	0	233650	0.99
7	Rajesh Joseph	40000	0.17	160000	200000	0.85
8	Neha Gupta	190000	0.81	0	190000	0.81
9	Omkarnath Damodar Malpani HUF	177083	0.75	0	177083	0.75
10	Damayantiben Chhaganbhai Patel	121789	0.52	16921	138710	0.59

Shareholding of Directors and Key Managerial Personnel

S. No.	Name	Shareholding at the beginning of the year		Increase/ (Decrease) in Shareholding	Shareholding at the end of the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Mr. Rajendra Tapadia	271051	1.15	–	271051	1.15
2	Mr. Avinash S. Joshi	600	0.00	–	600	0.00
3	Mr. Surendranath Gupte	300	0.00	–	300	0.00
4	Mr. Anil Tikekar	–	0.00	–	–	0.00

INDEBTEDNESS

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

(₹ in Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
a) Principal Amount	701.69	70.62	125.90	898.22
b) Interest due but not paid	–	–	–	–
c) Interest accrued but not due	4.74	0.81	35.68	41.23
Total (a+b+c)	706.43	71.44	161.58	939.45
Change in Indebtedness during the financial year				
• Addition	–	–	–	–
• Reduction	(44.69)	(3.30)	(4.51)	(52.49)
Net Change	44.69	3.30	4.51	52.49
Indebtedness at the end of the financial year				
a) Principal Amount	659.96	66.29	130.34	856.58
b) Interest due but not paid	–	–	–	–
c) Interest accrued but not due	1.79	1.85	26.73	30.37
Total (a+b+c)	661.75	68.14	157.07	886.96

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

A. During the year no remuneration is paid to the Managing Director and Whole-time Director

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Rajendra B. Tapadia	Mr. Avinash S. Joshi	Mrs. Nutan M. Bhandari	Mr. Ramnarayan Venkit	Mr. Surendranath Gupte	
1	Independent Directors						
	• Fee for attending board/ committee meetings	1,50,000	2,00,000	–	40,000	1,75,000	5,65,000
	• Commission	–	–	–	–	–	–
	• Others, please specify	–	–	–	–	–	–
	Total (1)	1,50,000	2,00,000	–	40,000	1,75,000	5,65,000
2	Other Non-Executive Directors						
	• Fee for attending board committee meetings			1,40,000			1,40,000
	• Commission			–			–
	• Others, please specify			–			–
	Total (2)	–	–	1,40,000	–	–	1,40,000
	Total (B)=(1+2)	1,50,000	2,00,000	1,40,000	40,000	1,75,000	7,05,000
	Total Managerial Remuneration (A) + (B)	1,50,000	2,00,000	1,40,000	40,000	1,75,000	7,05,000
	Overall Ceiling as per the Act						N.A.

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ in Lacs

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel
		Mr. Anil Tikekar Company Secretary & CFO
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.31
	(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)	27.15

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

During the Financial Year, there is no incidence of any Penalty/Punishment/Compounding under the Companies Act, 2013 against any Director, Key Management Personnel and other Officer in Default.

ANNEXURE - B

ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	
2	The Composition of the CSR Committee	Mrs. Nutan M. Bhandari - Chairperson Mr. Rajendra B. Tapadia Mr. Avinash S. Joshi
3	Average net profit of the company for last three financial years	—
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	—
5	Details of CSR spent during the financial year. Total amount to be spent for the financial year; Amount unspent, if any; Manner in which the amount spent during the financial year is detailed below:	N.A.

The Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company, is reproduced below:

“The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.”

Mohan H. Bhandari
Chairman & Managing Director

Nutan M. Bhandari
Chairperson – CSR Committee

ANNEXURE - C

(FORM MR-3)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

To,
The Members
Bilcare Limited,
1028, Shiroli, Rajgurunagar
Pune 410505

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Bilcare Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 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 Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and 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 regarding the Companies Act and dealing with client;
 - (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 (*)

() There were no events/ actions occurred during the year under the report which attracts the provisions of these Act & Regulations/Guidelines, hence the same were not applicable.*

As informed to me by the Company, no other laws were specifically applicable to the Company during the Audit period.

I have also examined compliance with the applicable Clauses of the following and report that:-

- (i) Secretarial Standards with regard to Meeting of the Board of Directors [SS-1] and General Meetings [SS-2] issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118[10] of the Companies Act, 2013 and revised thereafter have been complied with.
- (ii) I have checked the compliance with the provisions of The Listing Agreement entered into by the Company with BSE Ltd., [Bombay Stock Exchange] and SEBI [Listing Obligations and Disclosure Requirements] Regulations 2015, to the extend applicable during the Year under Review and to the best of my knowledge, belief and understanding I am of the view that Company has complied with the Secretarial functions and Board processes to comply with the applicable provisions thereof.

I report that, during the year under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the fact that in respect of Fixed Deposits accepted by the Company and its repayment, the Company had approached The Hon'ble National Company Law Tribunal, Mumbai [NCLT], against the Order C.P. No 76(MB) 2015 passed by the Company Law Board New Delhi Bench, seeking extension for repayment of the Deposits and Interest thereon. As informed by the Management of the Company, the matter is sub – judicious with NCLT as on 31st March, 2018.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the Laws which are specifically applicable to the Company.

I further report that the Compliance by the Company of applicable financial laws, Direct and Indirect Tax Laws, including Bank and Financial matters has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditors and other Designated Professionals.

I further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review, were carried out in compliance with the Provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were generally 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 Decisions in the Board Meetings were carried through by the majority and it was informed to us while there were no dissenting views of the members and hence not captured and recorded as part of the minutes.

I 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.

I further report that during the Audit period there is no event/action having a major bearing on the Company's affairs.

Date: 30 May 2018
Place: Pune

Shekhar S. Ghatpande
Practicing Company Secretary
FCS No. 1659/CP No. 782

This Report is to be read with my letter of even date which is annexed as Annexure-A and Forms an integral part of this report.

Annexure - A to the Secretarial Audit Report of Bilcare Limited

To,

The Members
Bilcare Limited,
1028 Shirol
Rajgurunagar
Pune 410505

My 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. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I 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. I believe that the processes and practices, followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My 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.

Date: 30 May 2018
Place: Pune

Shekhar S. Ghatpande
Practicing Company Secretary
FCS No. 1659/CP No. 782

**STANDALONE
Ind AS FINANCIAL STATEMENTS**

INDEPENDENT AUDITORS' REPORT ON STANDALONE Ind AS FINANCIAL STATEMENTS

TO THE MEMBERS OF BILCARE LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

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

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 of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

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

1. Bilcare Packaging Ltd. a wholly owned subsidiary of the Company is under liquidation. Refer Note 5 (a)(ii) to the standalone financial statements.
2. The company has not provided interest on term loans from banks classified as Non-Performing Assets and the same has not been quantified. Refer Annexure A (c) to the standalone financial statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 36 to the financial statements;
 - (ii) As informed to us, the Company did not have any long-term contracts including derivative contracts for which there were any 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MGM & Company
Chartered Accountants
Firm Registration No.117963W

Place: Pune
Date: May 30, 2018

Mukesh Jain
Partner
(Membership No. 104014)

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT 31 MARCH 2018 ON THE STANDALONE Ind AS FINANCIAL STATEMENTS

(Referred to in paragraph 5 (ii) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 of reliable financial information, as required under the Act..

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM & Company
Chartered Accountants
Firm Registration No.117963W

Place: Pune
Date: May 30, 2018

Mukesh Jain
Partner
(Membership No. 104014)

'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bilcare Limited of even date)

i. In respect of the Company's fixed assets:

- (a) The Company has maintained proper record of fixed assets except quantitative details, situation of fixed assets, custodian etc.
- (b) As per the information and explanations given to us, during the year, the physical verification of fixed assets was carried out by the Management for Vehicles and Immovable Property. No material discrepancies were noticed on such verification and in our opinion, the frequency of physical verification was reasonable having regard to the size of the company and the nature of its assets. However, no physical verification has been conducted for other class of fixed assets.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. According to the information and explanations given to us, the inventory has been physically verified in a phased manner at reasonable intervals during the year by the Management. The discrepancies noticed on such verification have been dealt in books of accounts.

iii. The Company has extended an advance to a party covered in the register maintained under section 189 of the Act. The party is under liquidation as on March 31, 2018. Please refer note 5(a)(ii) to standalone financial statement.

iv. In our opinion and according to the information and explanations given to us, the company has complied the provision of section 185 of the Companies Act, 2013. The company has complied the provisions of section 186 of the Companies Act, 2013 except in respect of interest free advance given to 1 party amounting to ₹ 5,813.65 lacs (net) which is under liquidation. Please refer note no. 5(a)(ii) to standalone financial statements.

v. According to information and explanation given to us, the company has made an application to National Company Law Tribunal, Bench, At Mumbai (NCLT Mumbai) against the order C.P. No. 76(MB) 2015 passed by Company Law Board New Delhi Bench, New Delhi for grant of extension for payment of fixed deposit and interest thereon.

As informed to us, no order has been passed by NCLT Mumbai till date against the application. The matter is sub-judicious as on March 31, 2018 due to which we are unable to comment on the Clause v of the order.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.

vii.

- (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods and Service Tax and other statutory dues with the appropriate authorities. Further Company has not deducted Tax Deduction at Source on capital advance of ₹ 10,137.66 lacs as on March 31, 2018 for purchase of land as required under section 194-IA of Income Tax Act, 1961.

According to the information and explanations given to us, the undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period more than six months from the date of becoming payable, are Tax Deducted at Source of ₹ 283.56 lacs and Provident Fund of ₹ 275/-.

- (b) According to the information and explanations given to us, there were no dues in respect of Income Tax, Duty of Excise, Duty of Customs, Sales Tax, Service Tax and Value Added Tax which have not been deposited on account of any dispute except the following:

(₹ In lacs)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Gross Amount Involved	Amount paid under protest / ITCreversed	Amount Unpaid
Income tax Act 1961	Income Tax (TP)	Income Tax Appellate Tribunal	F.Y. 2012-13	750.35	150.32	600.04
		CIT (Appeals)	F.Y. 2013-14	80.99	-	80.99
	Tax Deducted at Source	Dy. Commissioner of Income Tax (TDS)	F.Y. 2007-08 to F.Y. 2017-18	279.48	17.48	262.00
Total of Income Tax Act, 1961 (A)				1,110.82	167.79	943.03
The Central Excise Act 1944	Excise Duty/ Interest	CESTAT, Mumbai	F.Y. 2008 to F.Y. 2012	30.51	-	30.51
	Penalty			8.55	-	8.55
Total of The Central Excise Act, 1944 (B)				39.06	-	39.06
Finance Act 1994 (Service Tax)	Service tax/ Interest	Commissioner (Appeals)	November 2012 to March 2015	52.44	19.66	32.78
	Penalty			52.44	-	52.44
	Service tax/ Interest	Commissioner (Appeals)	April 2015 to May 2015	1.15	0.09	1.06
	Penalty			0.11	-	0.11
	Service tax/ Interest	CESTAT, Mumbai	June 2015 to December 2016	31.22	2.34	28.88
	Penalty			3.12	-	3.12
	Service tax/ Interest	Joint/Additional Commissioner, GST Commissionerate I, Pune	June 2014 to October 2014	3.99	-	3.99
			Nov-14	3.68	-	3.68
			December 2014 to May 2015	16.93	-	16.93
		Assistant/Deputy Commissioner, Chakan -IV division, Pune	January 2017 to March 2017	13.76	-	13.76
			April 2017 to June 2017	13.34	-	13.34
Total of Finance Act, 1994 (Service Tax) (C)				192.18	22.08	170.10
Total D =(A+B+C)				1,342.06	189.88	1,152.19

- viii. As per the information and explanations given to us, the Company has defaulted in repayment of loans or borrowing to a financial institution, banks, government amounting to ₹ 27,456.57 lacs.
- ix. Based on our audit procedures performed and according to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer or further public offer and term loan.
- x. According to the information and explanations given to us, no fraud on the Company by its officers or employees or by the Company has been noticed or reported during the year.
- xi. According to information and explanation given to us, the company has not paid or provided any managerial remuneration.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.
- xiii. According to the information and explanations given by the Management, transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. However one bank loan has been converted into Zero Coupon Redeemable Non-Convertible Debentures as per the settlement agreement.
- xv. According to the information and explanations given by the Management, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors or persons connected with him.
- xvi. In our opinion, the Company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934.

For MGM & Company
Chartered Accountants
Firm Registration No.117963W

Place: Pune
Date: May 30, 2018

Mukesh Jain
Partner
(Membership No. 104014)

STANDALONE BALANCE SHEET

AS AT 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	82,344.86	112,528.17
Capital work-in-progress	3	24.91	-
Intangible assets	4	2,027.33	2,219.02
Intangible asset under development	4	-	-
Investments in subsidiaries	5	51,334.81	55,270.14
Financial assets	6		
(i) Investments		1.00	1.00
(ii) Other financial assets		160.94	304.16
Non Current tax asset (net)	10	411.83	315.49
Other non-current assets	7	10,491.30	10,335.36
Deferred tax assets (net)	8	6,267.08	4,207.28
Total non-current assets		153,064.06	185,180.62
Current assets			
Inventories	9	2,548.73	2,957.93
Financial assets	6		
(i) Investments		67.00	17.01
(ii) Trade receivables		4,088.06	4,860.22
(iii) Cash and cash equivalents		261.12	382.78
(iv) Bank balances other than (iii) above		65.10	221.07
(v) Other financial assets		0.00	1,656.24
Other current assets	7	2,566.50	1,989.69
Total current assets		9,596.51	12,084.94
TOTAL ASSETS		162,660.57	197,265.56
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	2,354.52	2,354.52
Other equity			
Reserves and surplus	12	45,307.51	53,291.69
Total Equity		47,662.03	55,646.21
Liabilities			
Non-current liabilities			
Financial liabilities	13		
(i) Borrowings		70,190.63	71,442.37
(ii) Trade payables		1,063.43	-
(ii) Other financial liabilities		13,473.47	14,120.17
Provisions	14	285.16	203.65
Total non-current liabilities		85,012.69	85,766.19
Current liabilities			
Financial liabilities	13		
(i) Borrowings		15,467.57	18,379.42
(ii) Trade payables		6,133.01	4,995.70
(iii) Other financial liabilities		5,697.06	30,334.46
Provisions	14	59.27	58.41
Other current liabilities	15	2,628.94	2,085.17
Total current liabilities		29,985.85	55,853.16
Total liabilities		114,998.54	141,619.35
TOTAL EQUITY AND LIABILITIES		162,660.57	197,265.56

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date.

For and on behalf of Board of Directors

M G M & Company

Firm Registration No.117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership Mo.: 104014

Place : Pune

Date : 30 May 2018

Mohan H. Bhandari

Chairman & Managing Director

Avinash Joshi

Director

Anil Tikekar

Company Secretary & CFO

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from operations	16	26,345.10	30,966.23
Other income	17	1,362.60	549.90
Total income		27,707.70	31,516.13
EXPENSES			
Cost of materials consumed	18	17,801.19	20,600.07
(Increase) / Decrease in inventories of finished goods and work in progress	19	478.14	576.54
Excise duty		591.77	2,406.23
Employee benefits expense	20	2,867.49	2,884.10
Depreciation and amortisation expense	21	30,434.38	7,922.64
Other expenses	22	4,630.62	4,784.15
Finance costs	23	5,553.24	4,782.07
Total expenses		62,356.83	43,955.80
Profit before exceptional items and tax		(34,649.13)	(12,439.67)
Exceptional items (gain)/loss	24	(24,590.75)	(6,801.87)
Profit / (loss) before tax		(10,058.38)	(5,637.80)
Tax Expense	25		
Current tax		-	-
Deferred tax		(2,064.25)	955.27
Total tax expense		(2,064.25)	955.27
Profit / (loss) for the year		(7,994.13)	(6,593.07)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations		14.40	(17.85)
- Income tax relating to the above items		(4.45)	5.52
Other comprehensive income for the year, net of tax		9.95	(12.33)
Total comprehensive income for the year		(7,984.18)	(6,605.40)
Earning per equity share of ₹ 10 each	26		
Basic and diluted earning per share		(33.95)	(28.00)

Significant Accounting Policies

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

As per our report of even date

M G M & Company

Firm Registration No.117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership No.104014

Place : Pune

Date : 30 May 2018

Mohan H. Bhandari

Chairman & Managing Director

Avinash Joshi

Director

Anil Tikekar

Company Secretary & CFO

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity Share Capital

	Notes	Amount
As at April 1, 2016		2,354.52
Changes in equity share capital during the year	11	-
As at March 31, 2017		2,354.52
Changes in equity share capital during the year	11	-
As at March 31, 2018		2,354.52

B. Other Equity

Particulars	Attributable to owners				Total
	Securities premium reserve	Capital redemption reserve	General Reserve	Retained Earnings	
Balance as at April 1, 2016	51,034.41	271.63	11,622.47	(3,031.42)	59,897.09
Profit for the year				(6,593.07)	(6,593.07)
Other comprehensive income				(12.33)	(12.33)
Total comprehensive income for the year					
Balance at March 31, 2017	51,034.41	271.63	11,622.47	(9,636.82)	53,291.69
Profit for the year				(7,994.13)	(7,994.13)
Other comprehensive income				9.95	9.95
Total comprehensive income for the year					
Balance at March 31, 2018	51,034.41	271.63	11,622.47	(17,621.00)	45,307.51

As per our report of even date

M G M & Company

Firm Registration No. 117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership No. 104014

Place : Pune

Date : 30 May 2018

Mohan H. Bhandari

Chairman & Managing Director

Anil Tikekar

Company Secretary & CFO

Avinash Joshi

Director

For and on behalf of Board of Directors

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	31-Mar-18	31-Mar-17
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before exceptional items and tax	(34,649.13)	(12,439.67)
Adjustments for:		
Depreciation and amortisation expense	30,434.38	7,922.64
Interest and dividend income	(91.20)	(138.68)
Loss on liquidation of Subsidiary	(5,844.75)	-
Write off / Claim Settlement	(1,763.89)	-
Interest expenses	5,553.23	4,782.06
Provision for doubtful trade receivables	296.93	204.80
Operating profit before working capital changes	(6,064.43)	331.15
Adjustments for changes in working capital:		
(Increase)/Decrease in inventory	409.22	2,237.71
(Increase)/Decrease in trade receivables	475.22	908.92
(Increase)/Decrease in financial assets	1,799.46	(1,659.84)
(Increase)/Decrease in other non-current assets	(155.95)	(137.00)
(Increase)/Decrease in other current assets	(576.81)	786.42
Increase/(Decrease) in trade payables	2,200.74	284.34
Increase/(Decrease) in financial liabilities	2,085.68	415.91
Increase/(Decrease) in current other liabilities	543.77	582.65
Increase/(Decrease) in provision	96.79	32.98
Cash generated / (used in) from operations	813.69	3,783.24
Income tax paid	(96.34)	(55.52)
Net cash generated / (used in) from operating activities	717.35	3,727.72
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(94.30)	(4,991.12)
Sale / disposal of property, plant and equipment	10.01	-
Interest received	87.11	131.58
Dividend received	4.09	7.09
Movement of investment in fixed deposits with banks	155.96	59.94
Movement of investment in subsidiaries	7,717.90	0.02
Movement of investments in mutual funds	(49.99)	(15.22)
Net cash generated / (used in) from investing activities	7,830.78	(4,807.71)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds / (Repayment) of borrowings including interest and gain on restructuring	(3,308.42)	930.28
Proceeds / (Repayment) of capital creditors including interest and gain on restructuring	191.87	4,475.84
Interest expenses	(5,553.23)	(4,782.06)
Net cash generated / (used in) from financing activities	(8,669.78)	624.06
Net Increase/(Decrease) in cash and cash equivalents	(121.65)	(455.93)
Cash and cash equivalents as at the beginning of the year	382.77	838.71
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents as at the end of the year	261.12	382.78
Cash and cash equivalents comprise of the following:		
Cash on hand	5.28	6.09
Balances with banks - Current accounts	255.84	376.69
	261.12	382.78

Note: The cash & cash equivalents balance as on March 31, 2017 has been regrouped to be in line with the balances as on March 31, 2018

As per our report of even date

M G M & Company

Firm Registration No.117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership No.104014

Place : Pune

Date : 30 May 2018

For and on behalf of Board of Directors

Mohan H. Bhandari

Chairman & Managing Director

Avinash Joshi

Director

Anil Tikekar

Company Secretary & CFO

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

1 Company overview

Bilcare Ltd., is a listed Company domiciled and based in Pune, India. It was incorporated in July 1987 with its manufacturing unit at Rajgurunagar. The Company floated its IPO in 1995 and was listed on the Bombay Stock Exchange (BSE).

Bilcare is in the business of Pharmaceutical Packaging, Global Clinical Services, R&D services as well as Anti Counterfeit Technology (nCid).

2 Significant accounting policies

2.1 Basis of preparation

(i) Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements were authorised for issue by the Company's Board of Directors as on 30th May 2018.

(ii) Basis of measurement

The financial statement has been prepared on a historical cost basis except for following items:

- Certain financial assets and liabilities which are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

(iii) Use of estimates

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

In the process of applying the Company's accounting policies, the Management has made the following judgements, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements is included in the following notes:
Note 2.8 & 8 - Recognition of deferred tax assets: Availability of future taxable profit against which tax losses carried forward can be used;
Note 2.21 & 30 - Measurement of defined benefit obligations: Key actuarial assumptions;

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.2 Current versus non-current classification

The Company presents assets and liabilities in its Balance Sheet based on current versus non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

2.3 Segment reporting

The Company is engaged in pharma packaging research solutions which is considered the only reporting business segment for disclosure in the financial statements by the Management.

2.4 Foreign currencies

(i) Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency. The Company determines its own functional currency (the currency of the primary economic environment in which the Company operates) and items included in the financial statements of the Company are measured using that functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the company's functional currency of the entity at the rates prevailing on the reporting date

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

2.5 Revenue

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

(a) Sale of goods

Revenue is recognised when significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

(b) Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

2.6 Government Grants

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

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

2.7 Export Incentives

Export Incentives under various schemes are recognised as other income in the Statement of profit or loss, if the entitlements can be estimated and conditions precedents to the claim are fulfilled..

2.8 Income Tax

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

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

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

2.9 Leases

Leases of property, plant and equipment where the Company (as lessee) has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.10 Impairment of assets

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

2.11 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.12 Trade receivables

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

2.13 Inventories

Raw materials and stores, work in progress, traded and finished goods

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

2.14 Financial instruments

i) Classification, initial recognition and measurement:

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 other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial assets at amortised cost: Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

Equity investments at fair value through other comprehensive income ('FVTOCI'): These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein, are recognized directly in other comprehensive income, net of applicable income taxes

Dividends from these equity investments are recognized in the statement of profit and loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

Financial assets at fair value through profit or loss ('FVTPL'): Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Equity instruments: An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities measured at amortised cost: Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the Effective Interest Rate method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

Other financial liabilities: These are measured at amortized cost using the effective interest method.

ii) Determination of fair value:

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

iii) Amortised Cost:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. This category generally applies to borrowings.

iv) Derecognition of financial assets and financial liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

v) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost.

Loss allowance in respect of financial assets other than finance receivables is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Loss allowance for finance receivables is measured at an amount equal to twelve month expected losses if credit risk on such assets has not increased significantly since initial recognition. An allowance equal to life time expected losses is provided if credit risk has increased significantly from the date of initial recognition. Credit risk is determined to have increased significantly when a finance receivable contract becomes sixty/ninety days past due. Such impairment loss is recognized in the Statement of Profit and Loss.

vi) Offsetting of financial instruments:

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

2.15 Investments in Subsidiaries

Investments in subsidiaries are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

2.16 Interest and Dividend income

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the Effective interest Rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original Effective interest Rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original Effective interest Rate.

2.17 Property, plant and equipment

Property, plant and equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated attributable costs of dismantling and removing the asset and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases higher and in some cases lower than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The useful lives are based on a technical evaluation and have not undergone a change on account of transition to the Companies Act 2013.

Depreciation is provided using the straight line method (SLM) over the estimated useful lives of the assets, as estimated by the Management. The life estimated by the Management is as follows:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

Class of asset	Life of the asset
Leasehold Land	78 years
Factory Building	50 years
Buildings (Other than factory building)	60 years
Plant and equipment	20 years
Vehicles	8 years
Electric fittings	15 years
Furniture and fixtures	15 years
Office equipment	5 years
Computers	3 years
Tools and equipments	2 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in profit or loss.

2.18 Intangible assets

(i) Recognition and measurement

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

(ii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Class of asset	Life of the asset
Computer software	10 years
Patent	15 years

2.19 Borrowing costs

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

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

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

2.20 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation..

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably..

2.21 Employee Benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Defined Benefit Plans - Gratuity obligations

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

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

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

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

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

Defined contribution plan

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

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

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

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

2.23 Rounding off amounts

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

Year ended March 31, 2017	Freehold land	Leasehold Land	Build-ings	Plant and equipment	Vehicles	Electric Fitting	Furniture and fixtures	Office equipment	Tools & equipments	Total	Capital Work In Progress
Gross Carrying Amount											
Carrying amount as at April 1, 2016	5,193.42	33.77	7,547.50	69,092.27	128.42	1,732.53	727.79	934.17	68,536.70	153,926.57	-
Additions	-	-	10.57	4,939.47	-	-	7.44	25.88	-	4,983.36	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	(903.94)	(34.00)	(740.83)	(220.04)	(874.11)	-	(2,772.92)	-
At March 31, 2017	5,193.42	33.77	7,558.07	73,127.80	94.42	991.70	515.19	85.94	68,536.70	156,137.01	-
Accumulated depreciation and impairment, if any											
As at April 1, 2016	-	-	462.05	24,572.66	108.82	1,437.25	564.05	854.70	10,683.73	38,683.26	-
Charge for the year	-	-	191.89	2,948.86	4.60	75.45	28.91	61.52	4,387.27	7,698.50	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	(903.94)	(34.00)	(740.83)	(220.04)	(874.11)	-	(2,772.92)	-
At March 31, 2017	-	-	653.94	26,617.58	79.42	771.87	372.92	42.11	15,071.00	43,608.84	-
Net Block at March 31, 2017	5,193.42	33.77	6,904.13	46,510.22	15.00	219.83	142.27	43.83	53,465.70	112,528.17	-
Year ended March 31, 2018											
Gross Carrying Amount											
Carrying amount as at April 1, 2017	5,193.42	33.77	7,558.07	73,127.80	94.42	991.70	515.19	85.94	68,536.70	156,137.01	-
Additions	-	-	-	41.54	-	-	-	9.77	-	51.31	24.91
Other adjustments	-	-	-	-	-	-	-	0.45	-	0.45	-
Disposals / adjustments	-	-	(221.71)	-	(26.83)	(21.63)	(165.64)	-	-	(435.81)	-
At March 31, 2018	5,193.42	33.77	7,336.36	73,169.34	67.59	970.07	349.55	96.16	68,536.70	155,752.96	24.91
Accumulated depreciation and impairment, if any											
As at April 1, 2017	-	-	653.94	26,617.58	79.42	771.87	372.92	42.11	15,071.00	43,608.84	-
Charge for the year	-	9.05	317.32	3,061.57	1.61	26.27	53.14	23.18	26,732.86	30,225.00	-
Other adjustments	-	-	-	-	-	-	-	0.06	-	0.06	-
Disposals / adjustments	-	-	(221.71)	-	(16.82)	(21.63)	(165.64)	-	-	(425.80)	-
At March 31, 2018	-	9.05	749.55	29,679.15	64.21	776.51	260.42	65.35	41,803.86	73,408.10	-
Net Block at March 31, 2018	5,193.42	24.72	6,586.81	43,490.19	3.38	193.56	89.13	30.81	26,732.84	82,344.86	24.91

(i) Refer Note 13(a) and 13(b) for details of the assets pledged as security.

(ii) Based on the evaluation, the remaining useful life of certain technology related assets have been estimated to be two years. This has resulted in an additional depreciation and amortisation of ₹22,345.59 lacs for the year ended 31 March 2018 (31 March 2017: NIL).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

4 INTANGIBLE ASSETS

	Patents & trademarks	Softwares	Total	Intangible asset under development
Year ended March 31, 2017				
Gross Carrying Amount				
Deemed cost as at April 1, 2016	1,966.32	950.71	2,917.02	-
Additions	-	7.74	7.74	-
Other adjustments	-	-	-	-
Disposals / adjustments	(3.90)	(329.52)	(333.42)	-
At March 31, 2017	1,962.42	628.93	2,591.35	-
Accumulated depreciation and impairment, if any				
As at April 1, 2016	221.27	260.33	481.61	-
Charge for the year	136.21	87.94	224.14	-
Other adjustments	-	-	-	-
Disposals / adjustments	(3.90)	(329.52)	(333.42)	-
At March 31, 2017	353.58	18.75	372.33	-
Net Block at March 31, 2017	1,608.84	610.18	2,219.02	-
Year ended March 31, 2018				
Gross Carrying Amount				
Carrying amount as at April 1, 2017	1,962.42	628.93	2,591.35	-
Additions	-	18.07	18.07	-
Other adjustments	3.32	300.55	303.87	-
Disposals / adjustments	-	-	-	-
At March 31, 2018	1,965.74	947.55	2,913.29	-
Accumulated depreciation and impairment, if any				
As at April 1, 2017	353.58	18.75	372.33	-
Charge for the year	136.01	73.37	209.38	-
Other adjustments	3.32	300.93	304.25	-
Disposals / adjustments	-	-	-	-
At March 31, 2018	492.91	393.05	885.96	-
Net Block at March 31, 2018	1,472.83	554.50	2,027.33	-

5 INVESTMENTS IN SUBSIDIARIES

	Notes	31-Mar-18	31-Mar-17
Investment in equity shares of subsidiaries (unquoted) (fully paid-up)	See note (a)	51,334.81	55,270.14
		51,334.81	55,270.14

(a) Investment in equity shares of subsidiaries (unquoted)

	Notes	31-Mar-18		31-Mar-17	
		Nos	Amount	Nos	Amount
Bilcare Mauritius Limited (of USD 1000 each)	See note (i)	25,892	51,333.86	27,861	55,238.09
Bilcare Packaging Limited (of USD 1000 each)	See note (ii)	-	-	50	31.10
Bilcare GCS Limited, UK (of GBP 1 each)		1,000	0.95	1,000	0.95
Bilcare GCS Inc, USA (no par value)		200	-	200	-
Bilcare Technologies Singapore Pte Limited (of SGD 0.01 each)		125,000	0.00	125,000	0.00
Total			51,334.81		55,270.14

(i) During the year 2017-18, Bilcare Mauritius Limited (BML) a wholly owned subsidiary of the Company, has bought back its equity shares at a premium. In April 2017, BML bought back 1969 shares for a total cash consideration of ₹ 7876.85 lacs.

(ii) During the year 2017-18, Bilcare Packaging Limited (BPL) a wholly owned subsidiary went under liquidation on 15th March 2018 pursuant to the creditors resolution. As a part of the liquidation process, the liquidator has determined USD 5 payable to the Company as liquidation proceeds post the creditors settlements. In effect, company has derecognised its investments of ₹ 31.10 lacs, receivables of ₹ 27,538.79 lacs and payables of ₹ 21,725.14 lacs from BPL.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

6 FINANCIAL ASSETS

(a) Investments

	Notes	31-Mar-18	31-Mar-17
Non-Current			
Investment in equity shares (unquoted) (fully paid-up)	See note (i)	1.00	1.00
Investment in preference shares (unquoted) (fully paid-up)	See note (ii)	-	-
		1.00	1.00
Current			
Investments in mutual funds	See note 6 (d)(ii)	67.00	17.01
		67.00	17.01
Aggregate amount of quoted investments and market value there of		67.00	17.01
Aggregate amount of unquoted investments		1.00	1.00
Aggregate amount of impairment in the value of investments		-	-
(i) 1000 shares of ₹ 100 each held of Cosmos Bank			
(ii) 78332 Preference shares of Bilcare Technologies Singapore Pte Limited having no par value.			

(b) Trade Receivables

	31-Mar-18	31-Mar-17
Trade receivables	4,321.60	5,734.81
Less: Allowance for doubtful debts	(233.54)	(874.59)
Total receivables	4,088.06	4,860.22
Current portion	4,088.06	4,860.22
Non-current portion	-	-
Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Trade receivables are shown net of an allowance for bad or doubtful debts.		

Break-up of security details

	31-Mar-18	31-Mar-17
Trade receivables		
Secured, considered good	121.87	311.43
Unsecured, considered good	3,966.19	4,548.79
Unsecured, considered doubtful	233.54	874.59
Sub-total	4,321.60	5,734.81
Less: Impairment allowance	(233.54)	(874.59)
Total	4,088.06	4,860.22

- (i) No trade and other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
(ii) Details of trade receivables from related parties are disclosed as part of note 38 - Related party disclosures.

(c) Cash And Cash Equivalents

	Notes	31-Mar-18	31-Mar-17
Cash on hand		5.28	6.09
Balances with banks - Current accounts	See note 6 (d)(ii)	255.84	376.69
Total		261.12	382.78

Cash at banks earns interest at floating rates based on daily bank deposit rates. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

(d) Bank balance other than cash & cash equivalents

	Notes	31-Mar-18	31-Mar-17
Fixed deposit with more than 3 months and less than 12 months	See note (i)	59.95	213.92
Unpaid dividend bank account		5.15	7.15
Total		65.10	221.07

(i) Deposits with bank include earmarked deposits as margin money for guarantees, advance license etc. ₹ 53.85 lacs (including interest). (31-Mar-2017: ₹ 212.74 lacs).

(ii) Fixed deposits with Banks and interest there on, bank balances and investment in mutual fund are based on actual confirmations received and Management Representation in case where no confirmation was received.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

(e) Other Financial Assets

	Notes	31-Mar-18	31-Mar-17
Non-Current			
Security deposits	See note (i)	160.94	304.16
Total		160.94	304.16
Current			
Advance to related parties		-	1,656.24
Other receivables	See note (ii)	0.00	-
Total		0.00	1,656.24

(i) Security deposits primarily include security deposits given towards rented premises, warehouses and electricity deposits.

(ii) Other receivables include USD 5 receivable as liquidation proceeds from Liquidator of Bilcare Packaging Limited, Mauritius.

7 OTHER ASSETS

	31-Mar-18	31-Mar-17
Non-current		
Capital advances	10,490.05	10,205.24
Balance with excise, customs GST and sales tax authorities	1.25	130.12
Total	10,491.30	10,335.36
Current		
Advance to suppliers	1,258.86	193.16
Advance to employees	32.10	9.12
Advance to related parties	152.93	152.45
Balance with excise, customs GST and sales tax authorities	1,046.83	1,600.70
Prepaid expenses	69.04	34.26
Other receivables	6.74	-
Total	2,566.50	1,989.69

8 DEFERRED TAX ASSETS (Net)

	31-Mar-18	31-Mar-17
Deferred tax asset/ (liability)		
Provision for gratuity and leave encashment	104.00	80.95
Investments	2,582.00	2,672.29
Borrowings	-	(2,060.00)
Adjustment to debtors and advances	15,180.08	15,552.04
Property, plant and equipment, including fair valuation	(11,599.00)	(12,038.00)
Deferred tax asset/ (liability) net	6,267.08	4,207.28

(i) Movement in deferred tax assets / (liabilities)

	31-Mar-16	Profit or loss	Recognised in OCI	Equity	31-Mar-17
Unabsorbed loss	1,851.73	(1,851.73)	-	-	-
Provision for gratuity & leave encashment	65.27	10.17	5.52	-	80.95
Investments	2,672.29	-	-	-	2,672.29
Borrowings	(2,443.78)	383.78	-	-	(2,060.00)
Reversal of Revenue	67.21	(67.21)	-	-	-
Adjustment to debtors and advances	15,552.54	(0.50)	-	-	15,552.04
Property Plant & Equipment	(12,608.17)	570.17	-	-	(12,038.00)
Total	5,157.09	(955.32)	5.52	-	4,207.28

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	31-Mar-17	Profit or loss	Recognised in OCI	Equity	31-Mar-18
Provision for gratuity & leave encashment	80.95	27.50	(4.45)	-	104.00
Investments	2,672.29	(90.29)	-	-	2,582.00
Borrowings	(2,060.00)	2,060.00	-	-	-
Adjustment to debtors and advances	15,552.04	(371.96)	-	-	15,180.08
Property Plant & Equipment	(12,038.00)	439.00	-	-	(11,599.00)
Total	4,207.28	2,064.25	(4.45)	-	6,267.08

(ii) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

	31-Mar-18	31-Mar-17
Unabsorbed loss	34,826.11	8,440.46
Unabsorbed depreciation	40,353.14	15,613.54

The losses can be carried forward for a period of 8 years and unabsorbed depreciation without any limit as per local tax regulations and the Company expects to recover the losses.

9 INVENTORIES

	31-Mar-18	31-Mar-17
<i>(at lower of cost or net realisable value)</i>		
Raw materials	1,551.79	1,442.26
Stores and consumables	127.76	122.68
Work-in-progress	387.16	620.04
Finished goods	482.02	772.95
Total	2,548.73	2,957.93
Included in inventories goods in transit		
Finished goods	371.68	429.52
Total	371.68	429.52

10 NON CURRENT TAX ASSETS

	31-Mar-18	31-Mar-17
Non-Current		
Opening balance	315.49	259.92
Add: Taxes paid during the year	96.34	67.28
Less: Refund of earlier year	-	-
Less: Reversal of earlier years	-	(11.71)
Closing balance	411.83	315.49

11 SHARE CAPITAL

[a] Authorised share capital

	Equity shares of '10 each (PY '10 each)		Redeemable preference shares of '10 each (PY '10 each)	
	No. of shares	Amount	No. of shares	Amount
As at 1 April 2016	40,000.000	4,000	5,000.000	500
Increase during the year	-	-	-	-
As at 31-Mar-2017	40,000.000	4,000	5,000.000	500
Increase during the year	-	-	-	-
As at 31-Mar-2018	40,000.000	4,000	5,000.000	500

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

[b] Issued equity share capital

	Equity shares of ₹ 10 each (PY ₹ 10 each)	
	No. of shares	Amount
As at 31-Mar-2016	23,545,231	2,354.52
Change during the year	-	-
As at 31-Mar-2017	23,545,231	2,354.52
Change during the year	-	-
As at 31-Mar-2018	23,545,231	2,354.52

(i) Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees if any.

During the year ended 31 March 2018, the amount of per share dividend recognized as distributions to equity shareholders was NIL (31 March 2017 : NIL). 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 number of equity shares held by the shareholders.

[c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Equity shares of (face value: ₹ 10 each)

	31-Mar-18		31-Mar-17	
	No. of shares	% of total equity shares	No. of shares	% of total equity shares
Mohan H. Bhandari	5,856,489	24.87	5,856,489	24.87
Deutsche Bank Trust Company Americas (Custodian of shares against GDR's issued)	-	-	2,109,808	8.96
Monument Pte. Ltd.	3,871,428	16.44	1,761,620	7.48
Rakesh R. Jhunjhunwala	1,735,425	7.37	1,735,425	7.37
Nutan M. Bhandari	1,205,122	5.12	1,205,122	5.12

12 RESERVES AND SURPLUS

	31-Mar-18	31-Mar-17
Securities premium reserve	51,034.41	51,034.41
Capital redemption reserve	271.63	271.63
General Reserve	11,622.47	11,622.47
Retained earnings	(17,621.00)	(9,636.82)
Total	45,307.51	53,291.69

(i) Securities premium reserve

Security Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	51,034.41	51,034.41
Movement during the year	-	-
Balance at the end of the year	51,034.41	51,034.41

(ii) Capital redemption reserve

Capital redemption reserve represents redemption of redeemable preference shares in earlier years

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	271.63	271.63
Movement during the year	-	-
Balance at the end of the year	271.63	271.63

(iii) General reserve

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	11,622.47	11,622.47
Movement during the year	-	-
Balance at the end of the year	11,622.47	11,622.47

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

(iv) Retained earnings			
		31-Mar-18	31-Mar-17
Balance at the beginning of the year		(9,636.82)	(3,031.42)
Net profit for the year		(7,994.13)	(6,593.07)
<i>Items of other comprehensive income recognised directly in retained earnings</i>			
- Remeasurements of post-employment benefit obligation, net of tax		9.95	(12.33)
Balance at the end of the year		(17,621.00)	(9,636.82)

13 FINANCIAL LIABILITIES

(a) Non-Current Borrowings			
	Notes	31-Mar-18	31-Mar-17
Secured			
(i) Rupee Term loans - From banks	See note (i) & (ii)	32,921.38	46,762.56
(ii) Rupee Term loans - From financial institutions and others		26,984.56	17,917.37
Unsecured			
(i) Rupee Term loans - From banks	See note (i)	4,725.00	5,000.00
(ii) Rupee Term loans - From others		751.97	751.97
(iii) Deferred sales tax loan		876.53	1,010.47
Non Convertible Debentures (Zero Coupon Bonds)	See note (i)	3,931.19	-
Total		70,190.63	71,442.37

(i) Refer Annexure A to the Notes to the financial statements for the detailed terms of loans.

(ii) Term loans are secured by first charge on the immovable and movable properties and second charge on current assets, both present and future, under the Security Trustee Arrangement.

(b) Current Borrowings			
	Notes	31-Mar-18	31-Mar-17
Secured			
- Working capital loans from banks	See note (i) and (ii)	2,158.70	5,489.40
Unsecured			
- Fixed deposits from Public (issued in 2012)	See note (iii)	13,033.87	12,590.02
- Inter Corporate deposit from related parties	See note (iv)	275.00	300.00
Total		15,467.57	18,379.42

(i) The working capital facilities include cash credit and bill discounting facilities from banks. These facilities carry interest rate ranging from 12% to 15% p.a. Cash credit facilities are renewed annually.

(ii) The working capital facilities are secured by first charge on current assets and second charge on immovable and movable properties, both present and future, under Security Trustee Arrangement.

(iii) Fixed deposits from public carries interest @ 11.50% to 12.50% p.a. The Company has made an application to National Company Law Tribunal (NCLT, Mumbai) for grant of extension for payment of fixed deposits and interest thereon.

(iv) The inter corporate deposit from Caprihans Limited carries an interest rate of 14% p.a. and is repayable on demand.

(c) Other Financial Liabilities			
	Notes	31-Mar-18	31-Mar-17
Non-current			
Advance from subsidiaries	See note (i)	9,240.76	9,240.76
Reimbursements due to related parties		431.81	403.57
Capital creditors		3,678.35	4,475.84
Other payables		122.55	-
Total		13,473.47	14,120.17
Current			
Interest accrued on borrowings		3,037.30	4,123.03
Advance received against purchase of shares	See Note 5 (a) (ii)	-	21,725.14
Share subscription payable for shares in subsidiaries		0.95	0.95
Salaries and wages payable		323.24	439.94
Unclaimed dividend		5.15	7.15
Outstanding liabilities for expenses		210.07	926.18
Other payables and acceptances		2,120.35	3,112.07
Total		5,697.06	30,334.46

(i) This has been considered at historical cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

(d) Trade Payables

	Notes	31-Mar-18	31-Mar-17
Non Current			
Dues to others		1,063.43	-
Total		1,063.43	-
Current			
Dues to Micro and Small Enterprises	See note 35	262.76	70.36
Dues to others	See note (i)	5,870.25	4,925.34
Total		6,133.01	4,995.70

(i) Includes creditors related to material purchase of ₹ 4,293.37 lacs (31 March 2017: ₹ 3,460.86 lacs)

(ii) Details of trade payables to related parties are disclosed as part of note 38 - Related party disclosures.

14 PROVISIONS

	Notes	31-Mar-18	31-Mar-17
Non-current			
Provision for gratuity	See note 30	285.16	203.65
Total		285.16	203.65
Current			
Provision for leave encashment		59.27	58.41
Total		59.27	58.41

15 OTHER LIABILITIES

	Notes	31-Mar-18	31-Mar-17
Current			
Advance from customers		162.74	235.15
Advance from related parties	See note 38	1,774.20	844.59
Excise duty on year end finished goods		-	45.67
Statutory liabilities		657.59	823.96
Book overdraft		34.41	135.80
Total		2,628.94	2,085.17

16 REVENUE FROM OPERATIONS

	31-Mar-18	For the year ended on 31-Mar-17
Revenue from sale of products (including excise duty)		
Sale of Products		
- Domestic products	17,295.36	17,212.07
- Export products	7,659.53	12,317.58
Sub Total	24,954.89	29,529.65
Revenue from rendering services		
- Domestic services	864.13	594.71
- Export services	197.61	474.95
Sub Total	1,061.74	1,069.66
Other operating income		
- Sale of Scrap	328.47	366.92
Sub Total	328.47	366.92
Total	26,345.10	30,966.23

17 OTHER INCOME

	Notes	31-Mar-18	For the year ended on 31-Mar-17
Other non-operating income			
Interest on deposits and others		87.11	131.58
Dividend income		4.09	7.09
Exchange differences (net)		-	257.11
Duty drawback		161.31	16.68
Sundry balances/Creditors written back	See note (i)	1,078.24	113.42
Miscellaneous income		31.85	24.02
Total		1,362.60	549.90

(i) Includes SBLC commission written back ₹ 534.81 lacs (31 March 2017: NIL)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

18 COST OF CONSUMPTION AND TRADED GOODS SOLD

	For the year ended on	
	31-Mar-18	31-Mar-17
Inventory at the beginning of the year	1,442.26	3,089.61
Add: Purchases	17,910.72	18,952.72
Less: Inventory written off during the year	-	-
Less: Inventory at the end of the year	(1,551.79)	(1,442.26)
Cost of raw materials consumed	17,801.19	20,600.07

19 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended on	
	31-Mar-18	31-Mar-17
Inventory at the end of the year		
- Finished goods	482.02	772.95
- Work-in-progress	387.16	620.04
	869.18	1,392.99
Inventory at the beginning of the year		
- Finished goods	772.95	1,056.30
- Work-in-progress	620.04	920.32
	1,392.99	1,976.62
Excise duty related to (increase) / decrease in inventory of finished goods	45.67	7.09
Net (increase) / decrease in inventories	478.14	576.54

20 EMPLOYEE BENEFITS EXPENSE

	For the year ended on	
	31-Mar-18	31-Mar-17
Salaries, wages, bonus etc.	2,551.87	2,612.43
Contribution to provident and other funds	90.38	115.25
Gratuity Expenses	116.79	52.60
Staff welfare expenses	108.45	103.82
Total	2,867.49	2,884.10

21 DEPRECIATION AND AMORTIZATION EXPENSES

		For the year ended on	
	Notes	31-Mar-18	31-Mar-17
Depreciation on property, plant and equipment	See note 3(ii)	30,225.00	7,698.50
Amortization of intangible assets		209.38	224.14
Total		30,434.38	7,922.64

22 OTHER EXPENSES

		For the year ended on	
	Notes	31-Mar-18	31-Mar-17
Consumables, spares and loose tools		158.96	231.48
Power and fuel		1,008.94	1,049.71
Freight & forwarding charges		589.18	513.98
Sub-contracting expenses		255.82	248.46
Job work charges		432.47	388.86
Rent		116.85	112.26
Rates and taxes		17.32	5.92
Repairs & Maintenance			
- Building		40.90	40.89

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

		For the year ended on	
	Notes	31-Mar-18	31-Mar-17
- Plant and machinery		165.27	93.09
- Others		72.19	76.66
Insurance		81.46	101.59
Communication expenses		46.61	55.20
Travelling and conveyance		159.76	256.19
Printing & Stationery		53.56	52.50
Sales commission		40.72	49.95
Advertising and sales promotion		31.00	36.89
Legal and professional expenses		726.16	887.64
Payment to auditor	See note 31	8.00	15.00
Allowances for doubtful debts and advances		-	12.53
Bad debts / advances written off		296.93	192.26
License & Registration expenses		45.87	209.19
Donations		0.40	0.05
Exchange differences (net)		126.68	-
Miscellaneous expenses		155.57	153.85
Total		4,630.62	4,784.15

23 FINANCE COSTS

		For the year ended on	
		31-Mar-18	31-Mar-17
Interest		3,150.21	2,857.36
Unwinding of discount and effect of changes in discount rate		2,112.08	1,536.64
Bank charges and commission		262.44	388.07
Brokerage & Commission - FD		28.51	-
Total		5,553.24	4,782.07

24 EXCEPTIONAL ITEMS

	Notes	For the year ended on	
		31-Mar-18	31-Mar-17
Settlement gain on restructuring of loans	See note (a)(i)	(16,348.57)	(5,731.16)
Present value gain on restructured loans	See note (a)(ii)	(12,068.24)	(1,070.71)
Gain on sale of investment in Subsidiary	See note (b)(i)	(3,782.57)	-
Capital loss on liquidation of subsidiary	See note (b)(ii)	5,844.75	-
Write off of non-recoverable deposits	See note (c)	142.12	-
One time foreign tax payment	See note (d)	508.27	-
Settlement with trade payables	See note (e)	1,113.49	-
Total		(24,590.75)	(6,801.87)

(a). Restructuring of Loans:

(i) During the year 2017-18, the outstanding loans of Company were assigned by some of the banks and restructured under a settlement. The total remission of the liability is ₹ 16,348.57 lacs. The repayment terms of outstanding capital creditors were also restructured.

(ii) Accordingly, the Company has recognised ₹ 989.36 lacs fair value gain on capital creditors and ₹ 11,078.88 lacs fair value gain on restructured loan liabilities amounting to ₹ 12,068.24 lacs and shown in exceptional items.

(b) Investments in subsidiary

(i). During the year 2017-18, BML (a wholly owned subsidiary of the Company) has bought back 1969 equity shares at a premium for a total cash consideration. Accordingly, the gain of ₹ 3,782.57 lacs is shown in exceptional items.

(ii) During the year 2017-18, BPL (a wholly owned subsidiary of the Company) pursuant to a creditors' resolution went into liquidation. Hence Company has derecognised its investments, receivables and payables from BPL. This has resulted in a loss of ₹ 5,844.75 lacs, and is shown in exceptional items.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

(c) Other non current financial assets

During the year 2017-18, non recoverable sundry balances / deposits of ₹ 142.12 lacs were written off.

(d) Foreign tax payment

During the year 2017-18, the Company has paid ₹ 508.27 lacs, being the demand raised by foreign tax authorities, pertaining to advances from overseas subsidiary and is shown in exceptional items.

(e) Litigation matters

During the year 2017-18, the Company has recognised trade liability of ₹ 1,023.16 lacs, which arised through litigation settlement. The fair value gain of ₹ 21.58 lacs is shown in exceptional items. Further, the service tax credit of Rs 111.91 lacs which is under dispute is recorded as an expense under exceptional items.

25 INCOME TAX

[a] Income tax expense is as follows:

	For the year ended on	
	31-Mar-18	31-Mar-17
Statement of profit and loss		
Current tax:		
Current tax on profits for the year	-	-
Total current tax expense	-	-
Deferred tax:		
Deferred tax expense / (income)	(2,064.25)	955.27
Total deferred tax expense / (benefit)	(2,064.25)	955.27
Income tax expense	(2,064.25)	955.27
Other comprehensive income		
Deferred tax related to OCI items:		
- On loss / (gain) on remeasurements of defined benefit plans	(4.45)	5.52
	(4.45)	5.52

[b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

	For the year ended on	
	31-Mar-18	31-Mar-17
Profit/(loss) before tax	(10,058.39)	(5,637.81)
Tax at the Indian tax rate of 30.16 % (2016-17: 30.90%)	(3,606.69)	(1,742.08)
Tax effects on amounts which are not deductible / (taxable) in calculating taxable income:		
Income exempt from tax	(1.11)	-
Deferred tax not created on unabsorbed depreciaton and tax losses during the year	3,518.00	1,223.44
Reversal of deferred tax on account of change in earlier year carry forward losses	-	1,851.73
Reversal of deferred tax on account of change in earlier year temporary differences	(1,974.45)	(377.82)
Income tax expense	(2,064.25)	955.27

26 EARNING PER SHARE

	31-Mar-18	31-Mar-17
Basic and diluted earning per share (face value of ` 10 each)	(33.95)	(28.00)
- Profit attributable to the equity share holders of the Company used in calculating basic earning per share	(7,994.13)	(6,593.07)
- Weighted average number of shares used as denominator in calculating basic earning per share (in Nos.)	23,545,231	23,545,231

(i) Refer note 3(ii)-EPS would have been higher by ₹ 94.88 for the year ended 31 March 2018.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

27 FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, viz liquidity risk, market risk and credit risk. The Management of the Company has the overall responsibility for establishing and governing the Company's risk policy framework. The risk management policies are formulated after the identification and analysis of the risks and suitable risk limits and controls are set which are monitored & reviewed periodically. The changes in the market conditions and allied areas are accordingly reflected in the changes of the policy. The sources of risk, which the Company is exposed to and how the Company manages these risks with their impact on the Financial Statements is given below:

Risk	Exposure from	Measurement	Management
Credit risk	Trade receivables	Aging analysis, Credit ratings	Credit limits and Letters of credit
Liquidity risk	Borrowings, Trade payables and other liabilities	Cash flow budgeted Vs actuals	Restructuring / Resolution which would enable the Company to raise fresh funds.
Market risk - Foreign Currency	Foreign currency receivables and payables	Cash flow forecasting and Sensitivity analysis	The Company has a natural hedge against the exports for the receivables and payables and evaluates the need for hedging options in case the need arises.
Market risk - Interest rate	Borrowings at variable interest rates	Sensitivity analysis	The Company primarily has fixed rate borrowings. It regularly monitors the variable rate borrowings

[A] Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables). However, the credit risk on account of financing activities, i.e., balances with banks is very low, since the Company holds all the balances with approved bankers only.

Trade receivables

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the customers outstanding balances to which the Company grants credit terms in the normal course of business. Concentration of credit risk with respect to trade receivables are limited, as the Company's customer base is large and diverse as well as that they are long standing customers. All trade receivables are reviewed and assessed for default on a monthly basis. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of life-time expected losses in respect of trade receivables under simplified approach.

The impairment provisions for financial assets disclosed below are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period..

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	31-Mar-18	31-Mar-17
Not past due	2,414.91	3,002.94
Past due but not impaired		
- Past due 0 to 180 days	1,184.61	1,126.49
- Past due more than 180 days	722.08	1,605.38
Total	4,321.60	5,734.81

Reconciliation in the allowance for impairment in respect of trade and other receivables during the year was as follows.

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	874.59	835.37
Additional provision during the year	68.42	226.35
Provision reversed during the year	(2.26)	(178.71)
Amounts used against provision	(707.21)	(8.42)
Balance at the end of the year	233.54	874.59

[B] Liquidity risk

Liquidity risk is the risk the Company faces in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, Management considers both normal and stressed conditions.

However, the Company is already under liquidity stress and is not able to meet its obligations in a timely manner. The Management has initiated the debt resolution with the lenders and are negotiating restructuring of the borrowings which will allow them to manage the liquidity in the long term. Further, post restructuring of the existing borrowings, the Management expects to get additional credit lines to meet their working capital requirements. The Company regularly monitors the rolling forecasts to assess its cash flow requirements to meet operational needs.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

	Upto 1 year	Between 1 and 5 years	More than 5 years	Total
31-Mar-18				
Non-derivatives				
Borrowings (including interest)	55,419.90	39,184.36	13,551.19	108,155.46
Trade payables	6,640.72	658.96	-	7,299.68
Capital creditors	643.47	3,913.21	-	4,556.68
Total	62,704.09	43,756.53	13,551.19	120,011.82
31-Mar-17				
Non-derivatives				
Borrowings (including interest)	76,713.87	25,144.90	55.84	101,914.61
Trade payables	4,995.70	-	-	4,995.70
Capital creditors	2,039.34	2,436.50	-	4,475.84
Total	83,748.91	27,581.40	55.84	111,386.14

[C] Market risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency risk;
- Price risk; and
- Interest rate risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company is not exposed to price risk, since the Company is primarily invested in equity instruments of subsidiaries and carries no other external investments. The Company's exposure to and management of these risks are explained below:

(i) Foreign currency risk

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue and imports of raw material, property, plant and equipment and investments. The risk exposure is with respect to various currencies viz. SGD, USD, EUR, and GBP. The risk is measured through monitoring the net exposure to various foreign currencies and the same is minimized to the extent possible.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

	SGD	USD	EUR	GBP	Others
31-Mar-18					
Financial assets					
Trade and other receivables	-	898.72	92.75	41.92	-
Trade and other payables	4,115.65	4,482.63	1,036.48	27.27	2.88
	SGD	USD	EUR	GBP	Others
31-Mar-17					
Financial assets					
Trade and other receivables	-	1,524.95	63.61	74.20	-
Trade and other payables	4,716.31	7,062.03	(103.25)	14.43	0.27

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

(b) Foreign currency sensitivity analysis

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following tables demonstrate the sensitivity to a reasonably possible change in SGD, USD, EUR and GBP exchange rates, with all other variables held constant:

	Impact on profit before tax		Impact on other components of Equity	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
SGD				
- Increase by 9%	(370.41)	(424.47)	-	-
- Decrease by 9%	370.41	424.47	-	-
USD				
- Increase by 9%	(322.55)	(498.34)	-	-
- Decrease by 9%	322.55	498.34	-	-
EUR				
- Increase by 9%	(84.94)	15.02	-	-
- Decrease by 9%	84.94	(15.02)	-	-
GBP				
- Increase by 9%	1.32	5.38	-	-
- Decrease by 9%	(1.32)	(5.38)	-	-

(ii) 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. The Company is not exposed to any interest rate risk on account of term loans as the restructured loans do not carry any interest. The Company does not expect any interest risk on the other long-term loans, since the Company is in the process of restructuring these loans. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's non-current / current borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit /(loss) before tax is affected through the impact on floating rate borrowings as follows:

Variable rate borrowings	31-Mar-18	31-Mar-17
Carrying amount	2,158.70	5,489.40
Movement on account of decrease by 100 basis points	(21.59)	(54.89)
Movement on account of increase by 100 basis points	21.59	54.89

28 FAIR VALUE MEASUREMENTS

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

(A) Financial instruments by category

	31-Mar-18			31-Mar-17		
	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI
[i] Financial assets						
Security deposit	-	160.94	-	-	304.16	-
Trade receivables	-	4,088.06	-	-	4,860.22	-
Cash and cash equivalents	-	326.22	-	-	603.85	-
<i>Investments</i>						
-Equity instruments	1.00	-	-	1.00	-	-
-Mutual funds	67.00	-	-	17.01	-	-
Total	68.00	4,575.22	-	18.01	5,768.23	-
[ii] Financial liabilities						
Borrowings	-	85,658.20	-	-	89,821.79	-
Trade payables	-	7,196.44	-	-	4,995.70	-
Other financial liabilities	-	9,929.77	-	-	35,213.87	-
Total	-	102,784.41	-	-	130,031.36	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Fair value as at		Fair value	Valuation
	31-Mar-18	31-Mar-17		
<i>Investments</i>				
-Equity instruments	1.00	1.00	Level 2	Unquoted bid prices
-Mutual funds	67.00	17.01	Level 1	Quoted market prices

(a) The Company's long-term loans have been restructured and contracted at fixed /NIL rates of interest. However, since these loans prior to restructuring were classified as NPA accounts, the fair value of these loans cannot be derived. Majority of the Company's borrowings have been restructured as on date and the principal and interest amounts have been reset to effect the restructuring.

(B) Fair Value Hierarchy

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The Company has made certain judgements and estimates 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 the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: Level 2 hierarchy includes financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3 hierarchy.

(C) Valuation Techniques

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for mutual funds.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis or such other acceptable valuation methodology, wherever applicable.

There are no items in the financial instruments, which required level 3 valuation.

29 CAPITAL MANAGEMENT

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's capital management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company monitors capital using gearing ratio, which is net debt (i.e., total debt less cash) divided by total equity.

The capital gearing ratio for 31 March 2018 and 31 March 2017 are as follows:

	31-Mar-18	31-Mar-17
Net Debt	85,331.98	89,217.94
Total Equity	47,662.03	55,646.21
Net Debt to equity ratio	1.79	1.60

30 EMPLOYEE BENEFIT OBLIGATIONS

(a) Defined Contribution plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(b) Defined Benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. 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. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

(i) Movement of defined benefit obligation and plan assets

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	294.28	157.97	136.31
Current service cost	41.90	-	41.90
Interest expenses / income	23.45	12.74	10.71
Total amount recognised in profit and loss	65.35	12.74	52.61
Remeasurements			
Gain/loss from change in demographic assumption	-	-	-
Gain/loss from change in financial assumption	15.86	(0.80)	16.66
Experience gain / loss	1.26	0.08	1.18
Total amount recognised in other comprehensive income	17.12	(0.72)	17.84
Employer contributions	-	4.96	(4.96)
Benefit payments	(2.47)	(2.47)	-
Mortality Charges and Taxes	-	(1.79)	1.79
31-Mar-17	374.28	170.69	203.59
	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-17	374.28	170.69	203.59
Current service cost	54.47	-	54.47
Interest expenses / income	27.90	12.81	15.08
Past Service Cost	47.24	-	47.24
Total amount recognised in profit and loss	129.61	12.81	116.79
Remeasurements			
Gain / loss from change in demographic assumption	-	-	-
Gain / loss from change in financial assumption	(11.89)	(0.85)	(11.04)
Experience gain / loss	(20.42)	0.78	(21.20)
Total amount recognised in other comprehensive income	(32.31)	(0.07)	(32.24)
Employer contributions	-	4.96	(4.96)
Benefit payments	(4.63)	(4.63)	-
Mortality charges and taxes	-	(1.99)	1.99
31-Mar-18	466.95	181.78	285.17

(ii) Net assets / liabilities

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-18	31-Mar-17
Present value of funded obligations	466.95	374.28
Fair value of plan assets	181.78	170.69
Net deficit for funded schemes	(285.17)	(203.59)

(iii) Analysis of plan assets is as follows:

	31-Mar-18	31-Mar-17
Insurer managed funds (%)	100%	100%
Others (%)	0%	0%
Total	100%	100%

(iv) Actuarial assumptions and sensitivity analysis

	31-Mar-18	31-Mar-17
Salary growth rate	10.00%	10.00%
Discount rate	7.80%	7.50%
Attrition rate	5.00%	5.00%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations..
2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are in accordance with the Indian Assured Lives Mortality (2006-08) ultimate (IALM ult).

Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is

	Impact on present benefit obligation	
	31-Mar-18	31-Mar-17
Discount rate - Increase by 1%	430.56	343.60
Decrease by 1%	508.56	409.54
Salary growth rate - Increase by 1%	498.30	395.38
Decrease by 1%	437.62	352.93
Attrition rate - Increase by 1%	462.97	372.04
Decrease by 1%	471.33	376.75

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis are same as previous period.

(v) Expected future benefits payments

The Company monitors the funding levels on annual basis and accordingly decides upon the contribution to the fund. Expected contributions to post-employment benefit plans for the year ending 31 March 2019 are ₹ 285.00 lacs. The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

	Less than a year	1 to 2 years	2-5 Years	More than 5 years
As at 31-Mar-18				
Defined benefit obligation - Gratuity	59.91	38.48	134.48	350.45
As at 31-Mar-17				
Defined benefit obligation - Gratuity	28.95	34.65	117.20	277.42

31 PAYMENT TO AUDITOR

	31-Mar-18	31-Mar-17
As auditor*		
- Statutory audit	6.50	10.00
- Tax audit	-	2.00
In other capacity		
- Taxation matters	-	2.00
-Other services	1.50	1.00
Total	8.00	15.00

* The amounts presented are net of service tax / GST / other applicable taxes

32 RESEARCH AND DEVELOPMENT EXPENDITURE

	31-Mar-18	31-Mar-17
Revenue expenditure	141.32	135.69

33 COMMITMENTS

Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows

	31-Mar-18	31-Mar-17
Estimated amount of contracts remaining to be executed (net of advances)	1,970.34	2,246.34

For lease related commitments see note 34.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

34 OPERATING LEASE

The Company has entered into operating leases in respect of office / factory premises, factory godowns and others which are mostly cancellable by giving appropriate notices as per respective agreements. However, there are certain non-cancellable lease/s which have an average life of between three and ten years. During the year, the lease expense recorded in the Statement of Profit and Loss is ₹ 116.85 lacs (31-Mar-17: ₹ 112.26 lacs).

The future minimum lease payments (MLP) under non-cancellable operating lease in the aggregate and for each of the following periods are as under:

	31-Mar-18	31-Mar-17
Not later than one year	7.81	7.44
Later than one year and not later than five years	19.73	27.54
Later than five years	-	-

35 MICRO, SMALL AND MEDIUM ENTERPRISES

To the extent, the Company has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are as under:

	31-Mar-18	31-Mar-17
Principal amount remaining unpaid at the end of the year	262.76	70.36
Interest due thereon	-	-
Interest remaining accrued and unpaid at the end of the year	-	-
Total Interest accrued and remained unpaid at year end	-	-

36 CONTINGENT LIABILITIES

	31-Mar-18	31-Mar-17
a) Claims against the Company not acknowledged as debts:		
- Standby Letter of Credit#	-	25,308.45
- Liability to suppliers written back during the year on account of pending legal cases	777.78	1,978.40
- Income Tax matters in Appeal	1110.82	-
- Excise Duty & Service Tax matters	253.20	-
b) In view of the terms of settlement, the long term borrowings (primarily with Banks) which have been restructured till date, the Company is showing the remission amount as a contingent liability till the final repayment of the outstanding restructured/ settlement amounts. In the event of a default in payment of the restructured/ settlement amounts as per the agreed schedule, the Company will be liable to pay the entire original amount of the said loan, which is inclusive of interest due there upon..	49,923.85	33,185.09
(c) In case of all the present as well as the restructured loans there may be a penal interest charge, which is currently contingent and undeterminable.		
# Devolved during the year		

37 SEGMENT INFORMATION

The Company is engaged in Pharma Packaging Research Solutions which is considered the only reporting business segment for disclosure in the financial statements by the Management. Further, the geographical information of revenues from external customers and non current assets other than financial instruments, deferred tax assets, post employment benefit assets has not been presented as such segmentation is not compiled by the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

38. RELATED PARTY DISCLOSURES

Related Party Disclosures as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

Subsidiaries

Ultimate holding Company

Wholly owned subsidiary

Step down subsidiaries

Wholly owned subsidiary

Step down subsidiaries

Bilcare Limited

Bilcare GCS Limited, UK

Bilcare GCS Inc., USA

Bilcare Packaging Ltd., Mauritius (for part of the F.Y.)

Bilcare Technologies Singapore Pte. Ltd., Singapore

Bilcare Technologies Italia Srl. , Italy

Bilcare Mauritius Ltd., Mauritius

Bilcare Research Swiss I AG

Bilcare Research Swiss II AG

Bilcare Research Holding AG

Bilcare Research AG

Bilcare Germany Management GmbH

Bilcare Research Singapore Pte.Ltd.

Bilcare Research Inc

Bilcare Research SRL

Bilcare Agency GmbH

Bilcare Research (Shanghai) Co., Ltd.

Films Germany Holding GmbH

Bilcare Research GmbH

Bilcare Research PPI Holding GmbH

Bilcare Research PPI GmbH & Co. KG

Bilcare Research SFS Holding GmbH

Bilcare Research SFS GmbH & Co. KG

BL Leasing Verwaltungs GmbH & Co

Caprihans India Limited

Key Management Personnel

Mohan H. Bhandari (Chairman & Managing Director)

Anil Tikekar (Company Secretary & CFO)

Relatives of Key Management Personnel

Ankita J. Kariya

Nutan M. Bhandari

Kiran H. Bhandari

Prakash H. Bhandari

	31-Mar-2018	31-Mar-2017
Compensation to the Key Management Personnel	27.15	24.50

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

Transactions during the year with related parties:

Related Party	Sale of Goods	Purchase of Goods/Services	Capital advance	Remuneration paid	Interest expense/(income)	Others - Expense / (Income) - Reimbursement
Subsidiaries:						
Bilcare Research AG	-	329.91	-	-	-	87.37
	-	398.87	-	-	-	43.30
Bilcare Research GMBH	1,339.39	-	-	-	-	-
	800.22	0.15	-	-	-	-
Bilcare Research Inc	822.00	8.90	-	-	-	-
	1,192.34	-	-	-	-	-
Bilcare Technologies Singapore Pte. Limited	-	5.20	-	-	-	-
	-	-	-	-	-	-
Caprihans India Ltd	-	-	-	-	65.33	-
	0.09	-	-	-	42.00	-
Bilcare Research Singapore Pte. Ltd.	159.05	-	-	-	-	-
	194.35	-	-	-	-	-
Bilcare GCS Limited	3.53	5.11	-	-	-	(72.19)
	5.06	-	-	-	-	(53.97)
Bilcare GCS Inc.	166.25	-	-	-	-	(64.80)
	435.07	-	-	-	-	(47.84)
Key Management Personnel:						
Mohan H. Bhandari	-	-	276.00	-	-	-
	-	-	276.00	-	-	-
Anil Tikekar	-	-	-	27.15	-	-
	-	-	-	24.50	-	-
Relative of Key Management Personnel:						
Ankita J. Kariya	-	-	-	18.85	-	-
	-	-	-	18.85	-	-
Total	2,490.22	349.12	276.00	45.99	65.33	(49.62)
	2,627.13	399.02	276.00	43.35	42.00	(58.51)

Figures in *Italic* represent previous FY amounts i.e. 31 March, 2017

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

Balances due from / to related parties as on 31 March 2018:

Related Party	Non Current Liabilities / Other financial liabilities	Current Liabilities / Other financial liabilities	Borrowings	Trade payables	Investment in subsidiaries	Non Current Assets	Trade receivables	Current Assets / Other financial assets	Capital commitments
Subsidiaries:									
Bilcare Research AG	(9,672.58) (9,644.33)	(967.98) (844.59)	-	(131.55) (326.63)	-	-	-	-	-
Bilcare Research GMBH	-	-	-	(80.52) (73.99)	-	-	53.43 39.80	-	-
Bilcare Research Inc	-	-	-	-	-	-	103.25	-	-
Bilcare Mauritius Ltd	-	(1,879.51) (1,259.70)	-	-	51,333.86 55,238.09	-	-	152.93 152.45	-
Bilcare Packaging Ltd	-	(21,725.14)	-	-	31.10	-	-	1,656.24	-
Bilcare Technologies Singapore Pte. Ltd	-	-	-	(5.49)	0.00 0.00	-	-	-	-
Caprihans India Limited	-	(478.63) (419.83)	(275.00) (300.00)	-	-	-	-	-	-
Bilcare Research Singapore Pte. Ltd	-	-	-	-	-	-	44.28 59.93	-	-
Bilcare GCS Limited	-	(0.95) (0.95)	-	(0.93)	0.95 0.95	-	40.34 63.68	-	-
Bilcare GCS Inc.	-	-	-	-	-	-	165.79 119.25	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

Related Party	Non Current Liabilities / Other financial liabilities	Current Liabilities / Other financial liabilities	Borrowings	Trade payables	Investment in subsidiaries	Non Current Assets	Trade receivables	Current Assets / Other financial assets	Capital commitments
Key Management Personnel:									
Mohan H. Bhandari	-	(3.99)	-	-	-	7,779.29	-	-	895.71
	-	(226.01)	-	-	-	7,503.29	-	-	1,171.71
Relative of Key Management Personnel:									
Nutan M. Bhandari	-	-	-	-	-	2,358.38	-	-	341.62
	-	-	-	-	-	2,358.38	-	-	341.62
Total	(9,672.58)	(3,331.06)	(275.00)	(218.50)	51,334.81	10,137.66	303.84	152.93	1,237.34
	(9,644.33)	(24,476.23)	(300.00)	(400.62)	55,270.14	9,861.67	391.08	1,808.69	1,513.34

Figures in *italic* represent figures as on 31 March, 2017.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

ANNEXURE A TO NOTES TO FINANCIAL STATEMENTS

	31-Mar-18	31-Mar-17
Secured		
Term loans - From banks		
1. Bank of Baroda # (Payable from 30.04.2013 in 72 monthly installments, rate of interest 12.75% p.a.) (Default in payment from July 2013 till date, ₹ 15,371.55 lacs, now repayable on demand) *	15,371.55	15,571.55
2. Punjab National Bank (Loan restructured during the year, see item 20 below for details)	-	5,664.86
3. United Bank of India (Payable from 20.03.2018 in 8 quarterly installments, rate of interest 9.65% p.a.) (Loan restructured as a one time settlement during the year) (Default in payment from March 2018 till date, ₹ 350.91 lacs)	3,510.07	4,631.23
4. Canara Bank (Payable from 28.03.2018 in 12 quarterly installments, rate of interest 9.25% p.a.) (Loan restructured as a one time settlement during the year) (Default in payment from December 2017 till date, ₹ 375.00 lacs)	1,956.58	4,614.58
5. Jammu & Kashmir Bank # (Payable from 31.03.2018 in 2 quarterly installments at base rate of interest) (Loan restructured as a one time settlement during the year) (Default in payment from March 2018 till date, ₹ 760.51 lacs)	1,460.51	6,603.46
6. Lakshmi Vilas Bank Limited # (Loan restructured to NCD's during the year, see item 23 below for details)	-	2,528.75
7. Indusind Bank Limited # (Payable from 31.12.2017 in 16 quarterly installments, rate of interest 7.74% p.a.) (Loan restructured as a one time settlement during the year)	1,800.54	4,848.71
8. Central Bank of India (Payable from 30.06.2017 in 16 quarterly installments, rate of interest 8.50% p.a.)	1,762.27	2,086.92
9. Karur Vysya Bank Limited (Restructured as one-time bullet repayment paid on 03.05.2017)	-	212.50
10. Cosmos Bank # (Payable from 30.06.2017 in 24 quarterly installments, rate of interest 12.50% p.a.) (Conversion of part fund based limits to term loan during the year)	1,968.24	-
11. IDBI Bank # (Loan on account of devolvement of SBLC ₹ 5,091.62 lacs (on 13.10.2017), rate of interest 15.50% p.a) * (Repayable on demand)	5,091.62	-
Term loans - From Financial Institutions and others		
12. SREI Equipment Finance Private Limited (Liability taken over by B B Paper Recycling Company during the year)	-	188.01
13. Invent Assets Securitisation & Reconstruction Private Limited (State Bank of India) (Payable from 31.12.2015 in 17 quarterly installments, Maturity date 31-Dec-19) (Default in payment from March 2018 till date, ₹ 146.00 lacs)	5,980.83	5,904.05
14. Invent Assets Securitisation & Reconstruction Private Limited (State Bank of Hyderabad) (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 32.00 lacs)	1,658.95	1,583.44
15. Invent Assets Securitisation & Reconstruction Private Limited (Karnataka Bank) (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 32.00 lacs)	1,658.95	1,486.08
16. Invent Assets Securitisation & Reconstruction Private Limited (Andhra Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 32.00 lacs)	1,658.95	1,716.27

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	31-Mar-18	31-Mar-17
17. Invent Assets Securitisation & Reconstruction Private Limited (Dhanlaxmi Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 34.37 lacs)	1,757.84	1,715.50
18. Invent Assets Securitisation & Reconstruction Private Limited (State Bank of Bikaner and Jaipur) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 30.38 lacs)	1,554.13	1,583.44
19. Phoenix ARC Private Limited ("Phoenix") (Federal Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 13.31 lacs)	2,219.28	2,140.58
20. Phoenix ARC Private Limited ("Phoenix") (Punjab National Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from December 2017 till date, ₹ 86.29 lacs)	2,426.92	-
21. Phoenix ARC Private Limited ("Phoenix") (Axis Bank) (Payable from 30.06.2017 in 12 quarterly installments, Maturity date 31-Mar-20) (Default in payment from March 2018 till date, ₹ 116.51 lacs)	1,197.99	1,600.00
22. Asset Reconstruction Company India Limited ("Arcil") (South Indian Bank) # (Payable from 30.06.2018 in 32 quarterly installments, Maturity date 31-Mar-26) (Loan on account of devolvement of SBLC (on 13.10.2017), restructured during the year)	6,870.72	-
Non Convertible Debentures (Zero Coupon Bonds)		
23. Zero Coupon Redeemable Non Convertible Debentures (Lakshmi Vilas Bank Limited) # (Redeemable in 3 equal annual installments from 31.03.2024) (Loan on account of devolvement of SBLC (on 13.10.2017), and term loan restructured during the year)	3,931.19	-
Unsecured		
Term loans - From banks		
24. Corporation Bank # (Payable from 31.01.2013 in 3 installments, rate of interest 13.25% p.a.) (Default in payment from Jan '13 till date, ₹ 4,725.00 lacs, now repayable on demand) *	4,725.00	5,000.00
Term loans - From others		
25. Council of Scientific & Industrial Research (CSIR) (Payable from 01.10.2014 in 10 yearly installments, rate of simple interest 3.00% p.a.) (Default in payment from October 2015 till date, ₹ 215.89 lacs)	751.97	751.97
26. Deferred sales tax loan (Payable in equal annual installments till 2023, interest free)	876.53	1,010.47
Total	70,190.63	71,442.37

The Director/s have issued personal guarantee for these loans.

* a) The Company is in the negotiation of restructuring these loans and hence these have been disclosed as Non- Current Borrowings.

b) In view of the on- going discussions for restructuring, the Company has not provided interest on these loans which have been classified by the respective banks as Non Performing Assets (NPA), from the date of such classification.

c) Bank accounts including NPA accounts, restructured loan accounts are based on actual confirmations received and Management Representation in case where no confirmation was received.

CONSOLIDATED
Ind AS FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED Ind AS FINANCIAL STATEMENTS

TO, THE MEMBERS OF BILCARE LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying consolidated financial statements of BILCARE LIMITED (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditors' Responsibility

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

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

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

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The consolidated audited financial statements includes financial statements of 12 subsidiaries which have not been reviewed by their auditors and are Management certified, whose financial statements reflect total assets of ₹ 200,685.41 lacs total revenue of ₹ 70,799.02 lacs and net cash inflows/ (outflows) amounting to ₹ 493.38 lacs for the year ended March 31, 2018, as considered in the consolidated audited financial statements. Impact if any on the consolidated financial statement is unascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Emphasis of Matters

The company has not provided interest on term loans from banks classified as Non-Performing Assets and the same has not been quantified. Refer Annexure A(b) to consolidated financial statements.

Our opinion is not modified in respect of these matters.

Other matters

We did not audit the financial statements of 10 subsidiaries, whose financial statements reflect total assets of ₹ 382,437.98 lacs total revenues of ₹ 210,451.60 lacs and net cash inflows/ (outflows) amounting to ₹ (2,662.68) lacs for the year ended 31st March, 2018, as considered in the consolidated financial statements. These financial statements have been audited/reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

- (a) we have sought and except for the matter described in paragraph of the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) on the basis of the written representations received from the Directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its step subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any 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 and its subsidiary companies incorporated in India.

For MGM & Company
Chartered Accountants
Firm Registration No.117963W

Place: Pune
Date: May 30, 2018

Mukesh Jain
Partner
(Membership No. 104014)

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2018 ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bilcare Limited of even date)

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 financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Bilcare Limited (hereinafter referred to as "Company") and its step down subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its step down subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its step down subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matters

Our aforesaid reports under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 1 step down subsidiary company, which is incorporated in India, is based on the corresponding standalone reports of the auditor, as applicable, of such company incorporated in India.

For MGM & Company
Chartered Accountants
Firm Registration No.117963W

Mukesh Jain
Partner
(Membership No. 104014)

Place: Pune
Date: May 30, 2018

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment (net)	3	175,648.19	202,188.74
Capital work-in-progress	3	17,006.37	14,942.13
Investment properties	4	83.63	87.72
Goodwill	5	36,895.98	32,197.05
Other Intangible assets	5	5,331.87	5,816.95
Intangible asset under development		-	5.80
Financial assets	6		
(i) Investments		33.64	29.17
(ii) Other financial assets		950.53	920.80
Other non-current assets	7	10,528.11	10,369.07
Non-current tax assets		411.83	315.49
Deferred tax assets	8	7,687.33	4,930.97
Total non-current assets		254,577.48	271,803.89
Current assets			
Inventories	9	37,286.76	33,083.62
Financial assets	6		
(i) Investments		67.00	17.01
(ii) Trade receivables		29,022.47	20,829.61
(iii) Cash and cash equivalents		7,673.40	8,969.49
(iv) Bank balances other than (iii) above		2,279.59	3,430.43
(v) Other financial assets		430.63	533.92
Current tax asset, net		1,071.95	216.79
Other current assets	7	16,301.69	11,760.56
Total current assets		94,133.50	78,841.43
TOTAL ASSETS		348,710.98	350,645.32
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10	2,354.52	2,354.52
Other equity	11	37,633.24	59,001.21
Equity attributable to owners of Bilcare Limited		39,987.76	61,355.73
Non-controlling interests	12	6,339.50	6,247.63
Total Equity		46,327.26	67,603.36
LIABILITIES			
Non-current liabilities			
Financial liabilities	13		
(i) Borrowings		74,095.21	180,120.62
(ii) Trade payables		1,063.43	-
(iii) Other financial liabilities		3,800.89	4,498.88
Provisions	14	14,706.64	13,474.96
Deferred tax liabilities	8	10,049.97	10,424.81
Total non-current liabilities		103,716.14	208,519.27
Current liabilities			
Financial liabilities	13		
(i) Borrowings		132,810.78	19,431.94
(ii) Trade payables		42,969.84	31,827.72
(iii) Other financial liabilities		12,942.19	14,258.68
Provisions	14	2,470.07	1,756.68
Other current liabilities	15	1,576.00	2,650.66
Current tax liabilities		5,898.70	4,597.01
Total current liabilities		198,667.58	74,522.69
Total liabilities		302,383.72	283,041.96
TOTAL EQUITY AND LIABILITIES		348,710.98	350,645.32

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

M G M & Company

Firm Registration No.117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership Mo.: 104014

Place : Pune

Date : 30 May 2018

Mohan H. Bhandari

Chairman & Managing Director

Avinash Joshi

Director

Anil Tikekar

Company Secretary & CFO

CONSOLIDATED PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from operations	16	279,028.05	267,974.39
Other income	17	3,419.50	3,861.82
Total income		282,447.55	271,836.21
EXPENSES			
Cost of materials consumed	18	157,737.69	138,079.97
Change in inventory of finished goods and work in progress	19	(6,135.44)	4,843.29
Excise duty on sales		1,183.58	4,682.12
Employee benefits expense	20	55,853.73	52,442.49
Depreciation and amortisation expense	21	41,619.38	17,694.88
Other expenses	22	54,656.33	49,089.89
Finance costs	23	24,906.09	17,634.95
Total expenses		329,821.36	284,467.59
Loss from before exceptional items and tax		(47,373.81)	(12,631.38)
Exceptional items (gain) / loss	24	(26,652.93)	(7,024.93)
Loss before tax		(20,720.88)	(5,606.45)
Tax Expense			
Current tax	25	2,570.64	2,268.02
Deferred tax	25	(3,380.91)	106.41
Total tax expense		(810.26)	2,374.43
Loss for the year		(19,910.62)	(7,980.88)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations		946.92	(142.86)
- Income tax relating to the above items	25	(197.93)	(1.99)
(ii) Items that will be reclassified to profit or loss		-	-
- Exchange difference on Translation of foreign operation.		431.99	(1,313.77)
Other comprehensive income for the year, net of tax		1,180.98	(1,458.62)
Total comprehensive income for the year		(18,729.64)	(9,439.50)
Profit is attributable to:			
Owners of equity		(20,113.62)	(8,453.86)
Non-controlling interests		203.00	472.98
		(19,910.62)	(7,980.88)
Other comprehensive income is attributable to:			
Owners of equity		1,175.92	(1,465.57)
Non-controlling interests		5.06	6.95
		1,180.98	(1,458.62)
Total comprehensive income is attributable to:			
Owners of equity		(18,937.70)	(9,919.43)
Non-controlling interests		208.06	479.93
		(18,729.64)	(9,439.50)
Earning per equity share of ₹ 10 each (PY ₹ 10 each)			
Basic earnings per share	26	(85.43)	(35.90)
Diluted earnings per share	26	(85.43)	(35.90)

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

M G M & Company

Firm Registration No.117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership No.104014

Mohan H. Bhandari

Chairman & Managing Director

Avinash Joshi

Director

Place : Pune

Date : 30 May 2018

Anil Tikekar

Company Secretary & CFO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

A. Equity Share Capital

	Notes	Amount
As at April 1, 2016		2,354.52
Changes in equity share capital during the year	10	-
As at March 31, 2017		2,354.52
Changes in equity share capital during the year	10	-
As at March 31, 2018		2,354.52

B. Other Equity

Particulars	Attributable to owners							Total
	Reserves and Surplus				Exchange dif- ference on for- eign exchange translation reserve		Non controlling interest	
	Securi- ties premium reserve	Reserve on consolidation	General Reserve	Retained Earnings	Capital redemption reserve	Total other equity		
Balance as at April 1, 2016	51,034.41	17,762.00	11,699.94	(12,634.23)	271.63	786.89	5,883.90	74,804.54
Profit for the year	-	-	-	(8,453.86)	-	-	472.98	(7,980.88)
Other comprehensive income	-	-	-	(151.80)	-	(1,313.77)	6.95	(1,458.62)
Total comprehensive income for the year	-	-	-	(8,605.66)	-	(1,313.77)	479.93	(9,439.50)
Transaction with owners in their capacity as owners								
Transfer to general reserve	-	-	-	-	-	-	-	-
Dividend payments	-	-	-	-	-	-	(116.20)	(116.20)
Balance at March 31, 2017	51,034.41	17,762.00	11,699.94	(21,239.89)	271.63	(526.88)	6,247.63	65,248.84
Profit for the year	-	-	-	(20,113.62)	-	-	203.00	(19,910.62)
Other comprehensive income	-	-	-	743.92	-	431.99	5.06	1,180.98
Loss on liquidation of subsidiary	-	-	-	(2,409.82)	-	-	-	(2,409.82)
Total comprehensive income for the year	-	-	-	(21,779.52)	-	431.99	208.06	(21,139.46)
Transaction with owners in their capacity as owners								
Transfer to general reserve	-	-	25.50	(25.50)	-	-	-	-
Tax on Dividend	-	-	-	(20.45)	-	-	(116.20)	(136.65)
Balance at March 31, 2018	51,034.41	17,762.00	11,725.44	(43,065.36)	271.63	(94.89)	6,339.50	43,972.74

For and on behalf of Board of Directors

CA Mukesh Jain
Partner
Membership No.104014

Place : Pune
Date : 30 May 2018

Mohan H. Bhandari
Chairman & Managing Director

Anil Tikekar
Company Secretary & CFO

Avinash Joshi
Director

As per our report of even date
M G M & Company
Firm Registration No.117963W
Chartered Accountants

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in ₹ lacs, unless otherwise stated)

	31-Mar-18	31-Mar-17
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before exceptional items and tax	(47,373.81)	(12,631.38)
Adjustments for:		
Depreciation and amortisation expense	41,619.38	17,694.88
Interest and dividend income	(316.16)	(461.50)
Foreign currency translation reserve	431.99	(1,313.77)
Loss on sale of Property, Plant and Equipment	34.09	189.61
Loss on liquidation of subsidiary / sale of investment	(2,064.10)	5.97
Write off / Claim Settlement	(1,763.89)	-
Interest expenses	24,906.09	17,634.95
Provision for doubtful trade receivables	407.18	273.60
Operating profit before working capital changes	15,880.78	21,392.36
Adjustments for changes in working capital:		
(Increase)/Decrease in inventory	(4,203.14)	6,700.30
(Increase)/Decrease in trade receivables	(8,600.04)	3,824.24
(Increase)/Decrease in financial assets	11.31	1,269.72
(Increase)/Decrease in other non-current assets	(159.04)	(159.80)
(Increase)/Decrease in other current assets	(4,541.13)	1,691.73
Increase/(Decrease) in trade payables	12,205.55	17.38
Increase/(Decrease) in financial liabilities	(375.55)	(381.44)
Increase/(Decrease) in current other liabilities	(1,074.65)	1,850.28
Increase/(Decrease) in provision	2,891.98	(3,296.52)
Cash generated / (used in) from operations	12,036.06	32,908.25
Income tax paid	(2,189.13)	(2,875.84)
Net cash generated / (used in) from operating activities	9,846.93	30,032.41
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment	(21,442.41)	(14,518.75)
Sale / disposal of Property, Plant and Equipment	61.30	967.50
Interest received	374.32	403.82
Dividend received	4.09	7.09
Movement of investment in fixed deposits with banks	1,150.84	287.70
Movement of investment in equity and others	(350.19)	(0.58)
Movement of investments in mutual funds	(49.99)	(15.22)
Net cash generated / (used in) from investing activities	(20,252.06)	(12,868.44)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds / (Repayment) of borrowings including interest and gain on restructuring	34,928.81	(2,244.49)
Proceeds / (Repayment) of capital creditors including interest and gain on restructuring	(797.49)	4,475.84
Interest expenses	(24,906.09)	(17,634.95)
Dividend paid to non controlling interest	(116.19)	(116.19)
Net cash generated / (used in) from financing activities	9,109.04	(15,519.79)
Net Increase/(Decrease) in cash and cash equivalents	(1,296.09)	1,644.18
Cash and cash equivalents as at the beginning of the year	8,969.49	7,325.31
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents as at the end of the year	7,673.40	8,969.49
Cash and cash equivalents comprise of the following:		
Cash on hand	13.42	12.69
Balances with banks - Current accounts	7,659.98	8,956.80
	7,673.40	8,969.49

Note: The cash & cash equivalents balance as on March 31, 2017 has been regrouped to be in line with the balances as on March 31, 2018.

As per our report of even date

M G M & Company

Firm Registration No.117963W

Chartered Accountants

CA Mukesh Jain

Partner

Membership No.104014

Place : Pune

Date : 30 May 2018

For and on behalf of Board of Directors

Mohan H. Bhandari

Chairman & Managing Director

Avinash Joshi

Director

Anil Tikekar

Company Secretary & CFO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

1. Company overview

Bilcare Ltd., is a listed Company domiciled and based in Pune, India. It was incorporated in July 1987 with its manufacturing unit at Rajgurunagar. The Company floated its IPO in 1995 and was listed on the Bombay Stock Exchange (BSE). Bilcare and its subsidiaries (collectively referred to as "the Group" is in the business of Pharmaceutical Packaging, Global Clinical Services, R& D facilities as well as Anti Counterfeit Technology (nCid)

2. Significant accounting policies

2.1 Basis of preparation

(i) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act

These financial statements were authorised for issue by the group's Board of Directors as on 30th May 2018.

(ii) Basis of measurement

The financial statement has been prepared on a historical cost basis except for following items:

- Certain financial assets and liabilities which are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

(iii) Use of estimates

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

In the process of applying the Company's accounting policies, the Management has made the following judgement, estimates and assumptions which have a significant risk on the amounts recognized in the financial statements is included in the following notes:

Note 2.7 & 8 - recognition of deferred tax assets:availability of future taxable profit against which tax losses carried forward can be used.

Note 2.14 - impairment of financial assets

Note 2.17 - estimation of useful life of intangible assets

Note 2.19 - recognition and measurement of provisions and contingencies

Note 2.20 & 31 - measurement of defined benefit obligations: Key actuarial assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(iii) Basis of consolidation

- Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

- Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

- Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.2 Current versus non-current classification

The Group presents assets and liabilities in its Balance Sheet based on current versus non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3 Segment reporting

The Group is engaged in pharma packaging research solutions which is considered the only reporting business segment for disclosure in the financial statements by the Management.

2.4 Foreign currencies

(i) Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the Group's functional and presentation currency. The Group determines its own functional currency (the currency of the primary economic environment in which the Group operates) and items included in the financial statements of the Group are measured using that functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the Group's functional currency of the entity at the rates prevailing on the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

(iii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

2.5 Revenue

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

(a) Sale of goods

Revenue is recognised when significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

(b) Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

2.6 Government Grants

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

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

2.7 Income Tax

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

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

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

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

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability

2.8 Leases

Leases of property, plant and equipment where the Group (as lessee) has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.9 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

2.10 Impairment of assets

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

2.11 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.12 Trade receivables

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

2.13 Inventories

Raw materials and stores, work in progress, traded and finished goods

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

2.14 Financial instruments

(i) Classification

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 other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial assets at amortised cost:

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

Equity investments at fair value through other comprehensive income ('FVTOCI'):

These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein, are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the statement of profit and loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Equity instruments:

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

Financial liabilities measured at amortised cost:

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the Effective Interest Rate method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

Other financial liabilities:

These are measured at amortized cost using the effective interest method.

(ii) Determination of fair value:

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

(iii) Amortised Cost:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. This category generally applies to borrowings.

(iv) Derecognition of financial assets and financial liabilities:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

(v) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost.

Loss allowance in respect of financial assets other than finance receivables is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Loss allowance for finance receivables is measured at an amount equal to twelve month expected losses if credit risk on such assets has not increased significantly since initial recognition. An allowance equal to life time expected losses is provided if credit risk has increased significantly from the date of initial recognition. Credit risk is determined to have increased significantly when a finance receivable contract becomes sixty/ninety days past due. Such impairment loss is recognized in the Statement of Profit and Loss.

(vi) Offsetting of financial instruments:

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

2.15 Income recognition

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original Effective Interest Rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original Effective Interest Rate.

2.16 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the group and the cost of the asset can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases higher and in some cases lower than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The useful lives are based on a technical evaluation and have not undergone a change on account of transition to the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

Depreciation is provided using the straight line method (SLM) over the estimated useful lives of the assets, as estimated by the Management. The life estimated by the Management is as follows:

Class of asset	Life of the asset
Leasehold Land	78 years
Factory Building	50 years
Buildings (Other than factory building)	60 years
Plant and equipment	20 years
Electric fittings	15 years
Furniture and fixtures	15 years
Office equipment	5 years
Tools and equipment	2 years
Vehicles	8 years
Computers	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in profit and loss account.

2.17 Intangible assets

(i) Recognition and measurement

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

(ii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Class of asset	Life of the asset
Computer software	10 years
Patent	15 years
Client relationships	5 years

2.18 Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.19 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.20 Employee Benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Defined Benefit Plans - Gratuity obligations

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

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

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

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

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

Defined contribution plan

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The 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 recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.21 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

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

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

2.22 Borrowings

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

Borrowings are derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.23 Rounding off amounts

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold land	Buildings	Plant and machinery	Vehicles	Electric Fitting	Furniture and fixtures	Office equipment	Tools & equipment	Total
Year ended March 31, 2017										
Gross Carrying Amount										
Carrying amount as at April 1, 2016	12,254.17	15,004.30	57,060.44	186,875.89	1,465.55	1,872.60	957.92	1,584.50	68,536.70	345,612.07
Additions	27.47	-	2,363.70	17,502.56	-	94.51	20.46	186.76	-	20,195.46
Other adjustments	-	-	-	-	-	-	-	-	-	-
Disposals / adjustments	(0.04)	-	-	(2,560.82)	(34.00)	(740.83)	(222.49)	(875.93)	-	(4,434.11)
Exchange differences	(97.59)	-	(2,149.65)	(7,121.00)	(99.58)	(10.91)	(5.31)	(15.02)	-	(9,499.06)
At March 31, 2017	12,184.01	15,004.30	57,274.49	194,696.63	1,331.97	1,215.37	750.58	880.31	68,536.70	351,874.36
Accumulated depreciation and impairment, if any										
As at April 1, 2016	-	2.06	21,923.45	106,767.40	1,375.96	1,509.77	742.71	1,362.76	10,683.73	144,367.84
Charge for the year	-	0.04	1,684.64	9,943.88	34.08	88.55	42.05	139.13	4,387.27	16,319.64
Other adjustments	-	-	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	(2,076.76)	(34.00)	(740.83)	(222.25)	(875.85)	-	(3,949.69)
Exchange differences	-	-	(1,336.30)	(5,598.82)	(96.58)	(6.42)	(3.68)	(10.37)	-	(7,052.17)
At March 31, 2017	-	2.10	22,271.79	109,035.70	1,279.46	851.07	558.83	615.67	15,071.00	149,685.62
Net Block at March 31, 2017	12,184.01	15,002.20	35,002.70	85,660.93	52.51	364.30	191.75	264.64	53,465.70	202,188.74
Year ended March 31, 2018										
Gross Carrying Amount										
Carrying amount as at April 1, 2017	12,184.01	15,004.30	57,274.49	194,696.63	1,331.97	1,215.37	750.58	880.31	68,536.70	351,874.36
Additions	-	-	969.39	7,626.97	-	2.10	13.54	64.71	-	8,676.71
Other adjustments	(33.77)	33.77	(1,496.32)	-	-	-	-	0.45	-	(1,495.87)
Disposals / adjustments	-	-	(221.71)	(916.97)	(852.45)	(21.63)	(166.06)	(17.77)	-	(2,196.60)
Exchange differences	160.03	(0.00)	3,789.47	14,507.79	193.68	36.73	5.39	25.65	0.00	18,718.75
At March 31, 2018	12,310.27	15,038.07	60,315.31	215,914.42	673.20	1,232.56	603.45	953.35	68,536.70	375,577.34
Accumulated depreciation and impairment, if any										
As at April 1, 2017	-	2.10	22,271.79	109,035.70	1,279.46	851.07	558.83	615.67	15,071.00	149,685.62
Charge for the year	-	9.10	1,897.43	11,518.03	11.34	45.10	65.57	98.61	26,732.86	40,378.03
Other adjustments	-	-	(1,496.32)	-	-	-	-	0.06	-	(1,496.26)
Disposals / adjustments	-	-	(221.71)	(885.81)	(789.19)	(42.00)	(166.05)	(37.99)	-	(2,142.75)
Exchange differences	-	0.01	2,512.61	10,788.15	136.14	12.89	2.59	52.13	(0.01)	13,504.52
At March 31, 2018	-	11.21	24,963.79	130,456.07	637.75	867.07	460.94	728.49	41,803.85	199,929.16
Net Block at March 31, 2018	12,310.27	15,026.87	35,351.52	85,458.35	35.45	365.50	142.51	224.86	26,732.86	175,648.19

(i) Capital work-in-progress

The carrying value of capital work-in progress as at 31 March 2018 was ₹ 17,006.37 lacs (31 March 2017: ₹ 14,942.13 lacs).

(ii) Leased assets

The carrying value of plant and machinery held under finance leases as 31 March 2018 was ₹ 7,802.62 lacs (31 March 2017: ₹ 7,622.35 lacs). Leased assets are pledged as security for the related finance lease.

(iii) Amounts pledged as security

Refer Note 13(a) and 13(b) for details on the charge for Property, plant and equipments.

(iv) Tools & equipment

Based on the evaluation, the remaining useful life of certain technology related assets of Bilcare Limited, India have been estimated to be two years. This has resulted in an additional depreciation and amortisation of ₹22,345.59 lacs for the year ended 31 March 2018 (31 March 2017: NIL).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

4 INVESTMENT PROPERTY	Building
Year ended March 31, 2017	
Gross carrying amount	
Carrying amount as at April 1, 2016	108.30
Additions	-
Disposals / adjustments	(11.80)
As at 31 March 2017	96.50
Accumulated depreciation and impairment, if any	
As at April 1, 2016	4.94
Charge for the year	4.32
Disposals / adjustments	(0.48)
As at 31 March 2017	8.78
Net block at March 31, 2017	87.72
Year ended March 31, 2018	
Gross carrying amount	
Carrying amount as at April 1, 2017	96.50
Additions	-
Disposals / adjustments	-
As at 31 March 2018	96.50
Accumulated depreciation and impairment, if any	
As at April 1, 2017	8.78
Charge for the year	4.09
Disposals / adjustments	-
As at 31 March 2018	12.87
Net block at March 31, 2018	83.63

(i) Information regarding income and expenditure of investment property:

	31 March 2018	31 March 2017
Rental income derived from investment properties	20.02	19.98
Direct operating expenses (including repairs and maintenance) generating rental income	(2.81)	(3.42)
Profit from investment properties before depreciation and indirect expenses	17.21	16.56
Less : Depreciation	(4.09)	(4.32)
Profit arising from investment properties before indirect expenses	13.12	12.24

(ii) The Group's investment property consists of residential flats (2 flats as at 31 March 2018; 2 flats at 31 March 2017) at Mumbai which have been leased out.

As at 31 March 2018 and 31 March 2017, the fair values of the properties are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of investment properties.

(iii) The Company has no restrictions on the realisability of its investment properties. Further, the Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) Fair value of the investment properties are as under:

	Building
Balance as at 01 April 2016	1,122.59
Fair value movement for the year	70.33
Sales at fair value	(220.44)
Balance as at 31 March 2017	972.48
Fair value movement for the year	79.92
Sales at fair value	0.00
Balance as at 31 March 2018	1,052.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(v) Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation techniques	Fair value hierarchy	Fair Value*	
			31 March 2018	31 March 2017
Flat at Bandra (West), Mumbai	Fair market value	Level 2	764.40	707.52
Flats at Sion (East), Mumbai	Fair market value	Level 2	288.00	264.96

* The strengths and weakness of the said property, the environmental conditions, prevailing market conditions in the nearby locality and other relevant factors have been taken into account in carrying out the exercise of valuation.

5 INTANGIBLE ASSETS

	Patents & trade-marks	Software	Other Intangibles assets	Total	Goodwill
Year ended March 31, 2017					
Gross Carrying Amount					
As at April 1, 2016	2,281.66	1,136.05	8,906.90	12,324.61	34,753.55
Additions	29.30	14.24	159.22	202.76	-
Other adjustments	-	-	-	-	-
Disposals / adjustments	311.31	-	(6.72)	304.59	-
Exchange differences	(20.37)	-	(4,057.64)	(4,078.01)	(2,556.50)
At March 31, 2017	2,601.90	1,150.29	5,001.76	8,753.95	32,197.05
Accumulated depreciation and impairment, if any					
As at April 1, 2016	482.00	296.26	4,370.04	5,148.30	-
Charge for the year	164.99	143.87	1,062.06	1,370.92	-
Other adjustments	-	-	-	-	-
Disposals / adjustments	-	-	-	-	-
Exchange differences	253.96	-	(3,836.18)	(3,582.22)	-
At March 31, 2017	900.95	440.13	1,595.92	2,937.00	-
Net Block at March 31, 2017	1,700.95	710.16	3,405.84	5,816.95	32,197.05
Year ended March 31, 2018					
Gross Carrying Amount					
As at April 1, 2017	2,601.90	1,150.29	5,001.76	8,753.95	32,197.05
Additions	0.41	67.64	158.51	226.57	-
Other adjustments	(498.79)	14.31	19,552.52	19,068.04	-
Disposals / adjustments	-	-	(272.38)	(272.38)	-
Exchange differences	22.57	-	3,876.47	3,899.04	4,698.93
At March 31, 2018	2,126.09	1,232.25	28,316.88	31,675.21	36,895.98
Accumulated depreciation and impairment, if any					
As at April 1, 2017	900.95	440.13	1,595.92	2,937.00	-
Charge for the year	166.91	101.65	968.69	1,237.24	-
Other adjustments	(449.61)	17.02	19,500.62	19,068.03	-
Disposals / adjustments	-	-	(254.81)	(254.81)	-
Exchange differences	17.64	-	3,385.61	3,403.26	-
At March 31, 2018	635.89	558.80	25,148.65	26,343.34	-
Net Block at March 31, 2018	1,490.20	673.45	3,168.23	5,331.87	36,895.98

(i) Intangibles under development

The carrying value of intangible assets under development as at 31 March 2018 is NIL (31 March 2017: ₹ 5.80 lacs).

(ii) Other intangibles

Other intangible assets mainly consist of capitalised software. They include leased assets of ₹ 471.64 lacs (31 March 2017: ₹ 410.65 lacs)

(iii) Impairment testing of goodwill

The Group performed its annual impairment test as at 31 March 2018. The entire goodwill has been allocated to one CGU Bilcare Group.

The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections from financial budgets approved by management. Financial budget reflects past experience and is consistent with the expectation management has about the future development of the company and external sources of information. This financial budget covers a five-year period cash flows beyond the five-year period are extrapolated using a CGU specific growth rate. The cash flow projections were adjusted to their time value applying the CGU specific pre-tax discount rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

The pre-tax discount rate applied to cash flow projections is 8% (31 March 2017: 8%). Cash flows beyond the five-year period are extrapolated using a 0% (31 March 2017: 0%) growth rate.

With regard to the assessment of value in use, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

6 FINANCIAL ASSETS

(a) INVESTMENTS

	Notes	31-Mar-18	31-Mar-17
Non-Current			
Investment in equity shares (unquoted) (fully paid-up)			
BIL Leasing Verwaltungs GmbH & Co	See note (i))	19.37	16.64
Cosmos Bank	See note (ii)	1.00	1.00
Others		0.16	0.28
Other non-current investments			
Investment in partnership firms		9.07	7.79
Others		4.03	3.46
		33.64	29.17
Current			
Investments in mutual funds		67.00	17.01
		67.00	17.01
		100.64	46.18
Aggregate amount of quoted investments and market value there of		67.00	17.01
Aggregate amount of unquoted investments		33.64	29.17
Aggregate amount of impairment in the value of investments		-	-

(i) The Group holds 94% in BIL Leasing Verwaltungs-GmbH & Co, however only has a voting power of 10%. Therefore, the Group does not control the subsidiary and accounts for it as financial asset.

(ii) 1,000 shares of Cosmos Bank having face value of ₹ 100 each.

(ii) 78,332 Preference shares of Bilcare Technologies Singapore Pte Limited having no par value.

(b) TRADE RECEIVABLES

	31-Mar-18	31-Mar-17
Trade receivables	31,569.79	23,919.64
Less: Allowance for doubtful debts	(2,547.33)	(3,090.03)
Total receivables	29,022.47	20,829.61
Current portion	29,022.47	20,829.61
Non-current portion	-	-

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Trade receivables are shown net of an allowance for bad or doubtful debts.

(i) Break-up of security details

	31-Mar-18	31-Mar-17
Trade receivables		
Secured, considered good	121.87	311.44
Unsecured, considered good	28,900.60	20,518.17
Unsecured, considered doubtful	2,547.33	3,090.03
Sub-total	31,569.79	23,919.64
Less: Impairment allowance	(2,547.33)	(3,090.03)
Total	29,022.47	20,829.61

No trade and other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(ii) Transfer of financial assets

Customer receivables of Bilcare Research GmbH and Bilcare Research Inc. are subject to a non-recourse factoring with a domestic factor in Germany. Customer receivables of Bilcare Research Srl are subject to a recourse factoring with two domestic banks in Italy. These contracts in Italy do not fully transfer the credit risk to the factoring company hence the trade receivables in an amount of ₹ 1,688.23 lacs cannot be derecognised until the amounts are paid. Therefore, ₹ 1,688.23 lacs (prior year ₹ 1,352.41 lacs) are recognized in other current borrowings. The Group is still exposed to credit risk of the customer.

(c) CASH AND CASH EQUIVALENTS

	Notes	31-Mar-18	31-Mar-17
Cash on hand		13.42	12.69
Balances with banks - Current accounts	Refer note 6 (d)(ii)	7,659.98	8,956.80
		7,673.40	8,969.49

(d) Bank balance other than cash & cash equivalents

		31-Mar-18	31-Mar-17
Fixed deposit with more than 3 months and less than 12 months	Refer note 6 (d)(ii)	2,260.03	3,407.62
Unpaid dividend bank account		19.57	22.81
		2,279.59	3,430.43

(i) Cash at banks earns interest at floating rates based on daily bank deposit rates. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

(ii) Fixed deposits with Banks and interest there on, bank balances and investment in mutual fund of ultimate holding company are based on actual confirmations received and Management Representation in case where no confirmation was received.

(e) Other financial assets

	31-Mar-18	31-Mar-17
Non-Current		
Interest receivable	5.69	2.49
Security deposits (see note (i))	354.05	492.41
Term deposits (with maturity more than 12 months)	192.77	48.93
Other receivable	398.02	376.97
	950.53	920.80
Current		
Interest receivable	84.93	150.38
Other receivable	345.70	383.54
	430.63	533.92

(i) Security deposits primarily include security deposits given towards rented premises, warehouses and electricity deposits.

7 OTHER ASSETS

	31-Mar-18	31-Mar-17
Non-current		
Capital advances	10,490.05	10,205.24
Deposit with government authorities	1.25	130.12
Other receivables	36.81	33.71
	10,528.11	10,369.07
Current		
Advance to suppliers	1,258.86	193.16
Advance to employees	32.10	9.12
Deposit with government authorities	1,046.83	1,600.70
Prepaid expenses	13,078.24	8,778.09
Other receivables	885.66	1,179.49
	16,301.69	11,760.56

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

8 DEFERRED TAX

	Deferred tax assets		Deferred tax liabilities		Net deferred tax asset / (liabilities)	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Property, plant and equipment	(11,320.85)	(12,017.20)	(16,069.43)	(14,142.86)	(27,390.28)	(26,160.06)
Unabsorbed loss	3,091.06	-	-	-	3,091.06	-
Provisions	2,304.18	233.97	-	3,614.43	2,304.18	3,848.40
Investments	2,582.00	612.29	-	-	2,582.00	612.29
Borrowings	1,456.84	-	(133.03)	(698.64)	1,323.82	(698.64)
Receivables and advances	15,556.59	15,956.77	(77.40)	-	15,479.19	15,956.77
Accounts payable	148.34	(4.20)	-	-	148.34	(4.20)
Inventories	470.58	110.07	(136.25)	83.34	334.33	193.41
Others	(6,601.41)	39.27	6,366.13	718.92	(235.28)	758.19
	7,687.33	4,930.97	(10,049.97)	(10,424.81)	(2,362.65)	(5,493.84)

(i) Movement in temporary differences for the year ended March 31, 2017

	Recognised in			31-Mar-17
	1-Apr-16	Profit or loss	OCI	
Property, plant and equipment	(26,968.74)	436.64	-	(26,160.06)
Unabsorbed loss	1,851.73	(1,851.73)	-	-
Provisions	3,979.37	52.04	(1.99)	3,848.40
Investments	2,672.29	(2,060.00)	-	612.29
Borrowings	(3,473.20)	2,710.18	-	(698.64)
Receivables and advances	16,009.21	(73.04)	-	15,956.77
Accounts payable	90.51	(96.78)	-	(4.20)
Inventories	316.84	(78.02)	-	193.41
Other items	(63.95)	854.30	-	758.19
	(5,585.94)	(106.41)	(1.99)	(5,493.84)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(ii) Movement in temporary differences for the year ended March 31, 2018

	1-Apr-17	Profit or loss	Recognised in OCI	Exchange differences	31-Mar-18
Property, plant and equipment	(26,160.06)	2,761.84	-	(3,992.07)	(27,390.28)
Unabsorbed loss	-	(1,348.54)	-	4,439.60	3,091.06
Provisions	3,848.40	(216.87)	(201.30)	(1,126.05)	2,304.18
Investments	612.29	(90.29)	-	2,060.00	2,582.00
Borrowings	(698.64)	2,346.60	-	(324.15)	1,323.82
Receivables and advances	15,956.77	(674.40)	-	196.82	15,479.19
Accounts payable	(4.20)	507.59	-	(355.04)	148.34
Inventories	193.41	(66.03)	-	206.95	334.33
Other items	758.19	161.01	3.37	(1,157.85)	(235.28)
	(5,493.84)	3,380.91	(197.93)	(51.79)	(2,362.65)

(iii) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

	31-Mar-18	31-Mar-17
Unabsorbed loss	97,629.00	57,919.19
Unabsorbed depreciation	40,353.14	15,613.54

The losses can be carried forward for a period of 8 years and unabsorbed depreciation without any limit as per local tax regulations and the Group expects to recover the losses.

As of 31 March 2018, the Group contains distributable retained earnings for which no deferred taxes were booked at an amount of ₹ 30,029.35 lacs (31 March 2017: ₹ 22,183.47 lacs). If these profits were to be distributed, these dividend distributions could possibly trigger withholding taxes in various jurisdictions including Parent. Estimation of unrecognised deferred tax liabilities on these undistributed profits would require an unreasonable effort, hence no deferred tax liabilities were recognised to the extent that the temporary differences are not expected to reverse in the foreseeable future and since they are controlled by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

9 INVENTORIES

	Notes	31-Mar-17	31-Mar-18
<i>(at lower of cost or net realisable value)</i>			
Raw materials		10,353.62	11,069.46
Stores and consumables		3,483.22	4,654.00
Work-in-progress		6,158.06	4,621.07
Finished goods	See note (i)	17,291.87	12,739.09
Total		37,286.76	33,083.62
Included in inventories goods in transit as follows:			
Finished goods*		2,040.77	966.69
Total		2,040.77	966.69

(i) Amounts recognised in profit or loss:

Write-down of inventories as at 31 March 2018 was ₹ 3,068.92 lacs (31 March 2017: ₹ 3,508.83 lacs).

* Finished goods in transit of Bilcare Limited was erroneously not considered in previous year, now rectified.

10 SHARE CAPITAL

[a] Authorised share capital

	Equity shares of ₹ 10 each (₹ 10 each)		Redeemable preference shares of ₹ 10 each (₹ 10 each)	
	No. of shares	Amount	No. of shares	Amount
As at 1-Apr-2016	40,000,000	4,000.00	5,000,000	500.00
Increase during the year	-	-	-	-
As at 31-Mar-2017	40,000,000	4,000.00	5,000,000	500.00
Increase during the year	-	-	-	-
As at 31-Mar-2018	40,000,000	4,000.00	5,000,000	500.00

[b] Issued equity share capital

	Equity shares of ₹ 10 each (₹ 10 each)	
	No. of shares	Amount
As at 1-Apr-2016	23,545,231	2,354.52
Change during the year	-	-
As at 31-Mar-2017	23,545,231	2,354.52
Change during the year	-	-
As at 31-Mar-2018	23,545,231	2,354.52

(i) Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31 March 2018, the amount of per share dividend recognized as distributions to equity shareholders was NIL (31 March 2017 : NIL).

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 number of equity shares held by the shareholders.

[c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

(i) Equity shares of (face value: ₹ 10 each)

	31-Mar-18		31-Mar-17	
	No. of shares	% of total equity shares	No. of shares	% of total equity shares
Mohan H. Bhandari	5,856,489	24.87	5,856,489	24.87
Deutsche Bank Trust Company Americas (Custodian of shares against GDR's issued)	-	-	2,109,808	8.96
Monument Pte. Ltd.	3,871,428	16.44	1,761,620	7.48
Rakesh R. Jhunjhunwala	1,735,425	7.37	1,735,425	7.37
Nutan M. Bhandari	1,205,122	5.12	1,205,122	5.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

11 RESERVES AND SURPLUS

	31-Mar-18	31-Mar-17
Securities premium reserve	51,034.41	51,034.41
Capital redemption reserve	271.63	271.63
Reserve on consolidation	17,762.00	17,762.00
General reserve	11,725.44	11,699.94
Exchange difference on foreign exchange translation reserve	(94.89)	(526.88)
Retained earnings	(43,065.36)	(21,239.89)
	37,633.24	59,001.21

(i) Securities premium reserve

Security Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	51,034.41	51,034.41
Movement during the year	-	-
Balance at the end of the year	51,034.41	51,034.41

(ii) Capital redemption reserve

Capital redemption reserve re-presents redemption of redeemable preference shares in earlier years

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	271.63	271.63
Movement during the year	-	-
Balance at the end of the year	271.63	271.63

(iii) Reserve on consolidation

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	17,762.00	17,762.00
Movement during the year	(0.00)	-
Balance at the end of the year	17,762.00	17,762.00

(iv) General reserve

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	11,699.94	11,699.94
Movement during the year	25.50	-
Balance at the end of the year	11,725.44	11,699.94

(v) Exchange difference on foreign exchange translation reserve

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	(526.88)	786.89
Movement during the year	431.99	(1,313.77)
Balance at the end of the year	(94.89)	(526.88)

(vi) Retained earnings

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	(21,239.89)	(12,634.23)
Net profit and loss for the period	(20,113.62)	(8,453.86)
Other comprehensive income for the period	743.92	(151.80)
Loss on liquidation of subsidiary	(2,409.82)	-
Less: Appropriation		
Transfer to general reserve	(25.50)	-
Tax on Dividend	(20.45)	-
Balance at the end of the year	(43,065.36)	(21,239.89)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

12 Non Controlling Interest (NCI)

The following table summarises the information relating to each of the Group's subsidiaries that has NCI, before any intra-group eliminations

	Caprihans India Limited (51%)	
Summarised balance sheet	31-Mar-18	31-Mar-17
Current assets	13,491.49	12,983.99
Current liabilities	3,222.57	2,568.34
Net current assets	10,268.92	10,415.65
Non-current assets	2,880.54	2,577.60
Non-current liabilities	211.70	242.98
Net non-current assets	2,668.84	2,334.62
Net assets	12,937.75	12,750.27
Accumulated NCI	6,339.50	6,247.63
Summarised statement of profit and loss	31-Mar-18	31-Mar-17
Revenue	25,799.23	25,949.32
Profit for the year	414.28	965.25
Other comprehensive income	10.32	14.18
Total comprehensive income	424.61	979.43
Profit allocated to NCI	203.00	472.98
OCI allocated to NCI	5.06	6.95
Dividend paid to NCI	-	-
Summarised cash flows	31-Mar-18	31-Mar-17
Cash flow from operating activities	120.48	(779.79)
Cash flow from investing activities	(740.65)	1,431.03
Cash flow from financing activities	(287.33)	(289.36)
Net increase/ (decrease) in cash and cash equivalent	(907.51)	361.88

13 FINANCIAL LIABILITIES

(a) NON-CURRENT BORROWINGS

	Notes	31-Mar-18	31-Mar-17
Secured	See note (i)		
(i) Rupee term loans - From banks		32,921.38	46,762.56
(ii) Foreign currency term loans - From banks		-	104,086.98
(iii) Rupee term loans - From financial institutions and others		26,984.56	17,917.36
Unsecured	See note (i)		
(i) Rupee Term loans - From banks		4,725.00	5,000.00
(ii) Rupee Term loans - From others		751.97	751.97
(iii) Deferred sales tax loan		876.53	1,010.47
Non Convertible Debentures (Zero Coupon Bonds)	See note (i)	3,931.19	-
Long term maturities of finance lease obligations		5,921.46	6,423.48
		76,112.08	181,952.82
Less: Current maturities of finance lease obligations	See note 13(c)	2,016.87	1,832.20
Non-current borrowings		74,095.21	180,120.62

(i) Refer Annexure A to the Notes to the financial statements for the detailed terms of loans.

(b) CURRENT BORROWINGS

	Notes	31-Mar-18	31-Mar-17
Secured			
- Working capital loans from banks	See note (i) and (ii)	2,158.70	5,489.40
Unsecured			
- Fixed deposits from Public (issued in 2012)	See note (iii)	13,033.87	12,590.02
- Foreign currency term loans - From banks	See note 13(a)(i)	115,929.94	-
- Factored receivables	See note (iv)	1,121.72	1,352.52
- Loan from others		566.55	-
		132,810.78	19,431.94

(i) The working capital facilities include cash credit, bill discounting facilities from banks. These working capital facilities from banks carries interest rate ranging from 12% to 15% p.a. Cash credit facilities are renewed annually.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

- (ii) The working capital facilities are secured by first charge on current assets and second charge on immovable and movable properties, both present and future, under Security Trustee Arrangement.
- (iii) Fixed deposits from public carries interest @ 11.50 % to 12.50 % p.a. The Company has made an application to National Company Law Tribunal (NCLT, Mumbai) for grant of extension for payment of fixed deposits and interest thereon.
- (iv) These borrowings relate to factoring contracts in Italy. These contracts do not fully transfer the credit risk to the factoring Company hence the trade receivables cannot be derecognised until the amounts are paid.

(c) OTHER FINANCIAL LIABILITIES

	31-Mar-18	31-Mar-17
Non-current		
Deposits from customers	-	23.04
Capital creditors	3,678.35	4,475.84
Other payables	122.55	-
	3,800.89	4,498.88
Current		
Interest accrued on borrowings	3,566.98	4,593.08
Current maturities of finance lease obligation (See note 13(a))	2,016.87	1,832.20
Employees payables	6,367.10	5,306.08
Unpaid dividend	19.57	22.81
Outstanding liability for expenses	210.07	926.18
Other payables and acceptances	761.60	1,578.33
	12,942.19	14,258.68

(d) TRADE PAYABLES

	31-Mar-18	31-Mar-17
Non-current		
Dues to others	1,063.43	-
	1,063.43	-
Current		
Trade payables	42,969.84	31,827.72
	42,969.84	31,827.72

14 PROVISIONS

	31-Mar-18	31-Mar-17
Non-current		
Provision for employee benefits	13,685.05	13,429.09
Other provisions	1,021.58	45.87
	14,706.64	13,474.96
Current		
Provision for employee benefits	669.31	1,343.12
Other provisions	1,800.76	413.56
	2,470.07	1,756.68

15 OTHER LIABILITIES

	31-Mar-18	31-Mar-17
Current		
Advance from customers	659.92	879.39
Book overdraft	34.41	135.80
Others liabilities	881.67	1,635.47
	1,576.00	2,650.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

16 REVENUE FROM OPERATIONS		
	For the year ended on	
	31-Mar-18	31-Mar-17
Revenue from sale of products (including excise duty)		
Sale of Products	277,188.11	266,322.23
	277,188.11	266,322.23
Revenue from rendering services		
- Sale of services	1,246.91	1,059.37
	1,246.91	1,059.37
Other operating income		
- Sale of Scrap	593.03	592.79
	593.03	592.79
Total	279,028.05	267,974.39
17 OTHER INCOME		
	For the year ended on	
	31-Mar-18	31-Mar-17
Other non-operating income		
Royalty income	22.64	23.36
Interest on deposits and others	312.07	454.41
Dividend income	4.09	7.09
Profit on Assets Sold / Discarded	36.06	-
Exchange differences (net)	-	1,896.12
Duty drawback	161.31	16.68
Sundry balances/Creditors written back (See note (i))	1,122.59	217.25
Miscellaneous income	1,760.74	1,246.91
	3,419.50	3,861.82
(i) Includes SBLC commission written back ₹ 534.81 lacs (31 March 2017: NIL)		
18 COST OF CONSUMPTION AND TRADED GOODS SOLD		
	For the year ended on	
	31-Mar-18	31-Mar-17
Inventory at the beginning of the year	11,069.46	13,167.72
Add: Purchases	157,021.85	135,981.71
Less: Inventory at the end of the year	(10,353.62)	(11,069.46)
Cost of raw materials consumed	157,737.69	138,079.97
19 CHANGE IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS		
	For the year ended on	
	31-Mar-18	31-Mar-17
Inventory at the end of the year		
- Finished goods	17,291.87	12,739.09
- Work-in-progress	6,158.06	4,621.07
	23,449.93	17,360.16
Inventory at the beginning of the year		
- Finished goods	12,739.09	16,327.88
- Work-in-progress	4,621.07	5,882.66
	17,360.16	22,210.54
Excise duty related to (increase) / decrease in inventory of finished goods	45.67	7.09
Net (increase) / decrease in inventories	(6,135.44)	4,843.29
20 EMPLOYEE BENEFITS EXPENSE		
	For the year ended on	
	31-Mar-18	31-Mar-17
Salaries, wages, bonus etc.	42,607.93	40,193.25
Contribution to provident and other funds	12,285.25	11,883.46
Staff welfare expenses	960.55	365.78
	55,853.73	52,442.49

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

21 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended on	
	31-Mar-18	31-Mar-17
Depreciation on property, plant and equipment	40,378.03	16,319.64
Amortization of intangible assets	1,237.24	1,370.92
Depreciation on investment property	4.09	4.32
	41,619.36	17,694.88

22 OTHER EXPENSES

	Notes	For the year ended on	
		31-Mar-18	31-Mar-17
Consumables, spares and loose tools		4,424.19	4,224.36
Power and fuel		11,880.53	11,824.43
Freight & forwarding charges		15,211.57	13,584.50
Sub-contracting expenses		255.82	248.46
Factory expenses		1,077.19	715.06
Job work charges		432.47	388.86
Rent		2,235.91	2,025.18
Rates and taxes		253.28	204.47
Repairs & Maintenance			
- Building		85.34	75.35
- Plant and machinery		1,500.76	1,961.96
- Others		94.82	182.40
Insurance		690.78	705.32
Communication expenses		1,756.11	1,467.18
Printing and stationery		53.56	52.50
Advertising and sales promotion		531.35	447.96
Legal and professional expenses		4,338.96	4,609.44
Allowances for doubtful debts and advances		86.84	92.62
Bad debts / advances written off		320.35	180.98
License & Registration expenses		45.87	209.19
Donations		6.45	7.06
Exchange differences (net)		2,700.97	-
Miscellaneous expenses		2,478.23	1,157.66
Travelling and conveyance		1,358.99	1,776.28
Commission expenses		2,398.23	2,689.80
Research and development		78.41	63.29
Loss on sale of property, plant and equipment		34.09	189.61
Loss on liquidation of subsidiary / sale of investment	See note (i)	345.72	5.97
		54,656.33	49,089.89

(i) During the year 2017-18, Bilcare Packaging Limited (BPL) a wholly owned subsidiary went under liquidation on 15th March 2018 pursuant to the creditors resolution. As a part of the liquidation process, the liquidator has determined USD 5 payable to the company as liquidation proceeds post the creditors settlements.

23 FINANCE COSTS

	For the year ended on	
	31-Mar-18	31-Mar-17
Interest	17,652.92	15,225.50
Bank charges and commission	7,253.16	2,409.45
	24,906.09	17,634.95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

24 EXCEPTIONAL ITEMS

	For the year ended on	
	31-Mar-18	31-Mar-17
Settlement gain on restructuring of loans	(16,348.57)	(5,731.16)
Present value gain on restructured loans	(12,068.24)	(1,070.71)
Gain on sale of investment property	-	(223.06)
Write off of non-recoverable deposits	142.12	-
One time foreign tax payment	508.27	-
Settlement with trade payables	1,113.49	-
	(26,652.93)	(7,024.93)

Refer Note 24 of Notes to the Standalone Financial Statements

25 INCOME TAX

[a] Income tax expense is as follows:

	For the year ended on	
	31-Mar-18	31-Mar-17
Statement of profit and loss		
Current tax:		
Current tax on profits for the year	2,570.64	2,268.02
Total current tax expense	2,570.64	2,268.02
Deferred tax:		
Deferred tax expense / (income)	(3,380.91)	106.41
Total deferred tax expense / (benefit)	(3,380.91)	106.41
Income tax expense	(810.26)	2,374.43
Other comprehensive income		
Deferred tax related to OCI items:		
- On loss / (gain) on remeasurements of defined benefit plans	(197.93)	(1.99)
	(197.93)	(1.99)

[b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

	For the year ended on	
	31-Mar-18	31-Mar-17
Profit/(loss) before tax	(20,720.88)	(5,606.45)
Tax at the Indian tax rate of 30.16 % (2016-17 30.90%)	(6,822.50)	(1,732.39)
Tax effects on amounts which are not deductible (taxable) in calculating taxable income:		
Different tax rate in subsidiaries	287.65	5,647.44
Tax Rate Difference	2,172.90	(17.93)
Adjustment relating to prior year	(368.06)	(3.82)
Non-deductible expenses as per income tax	393.70	347.27
Exempted income	(102.18)	(5,359.91)
Change in deferred tax due to change in tax rate	1,915.72	26.63
Tax losses for which no deferred tax was recognised	-	1,783.98
Income credited to profit and loss but not considered for tax purposes	-	-
Tax losses for which no deferred income tax was recognised	3,518.00	1,227.70
Previous year loss recouped during the year	(1,974.45)	107.10
Trade tax adjustments	177.24	161.03
Other difference	(8.30)	187.34
Income tax expense	(810.26)	2,374.43

26 EARNING PER SHARE

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

	31-Mar-18	31-Mar-17
Basic and diluted earning per share (face value of ₹ 10 each)	(85.43)	(35.90)
- Profit attributable to the equity share holders of the Company used in calculating basic earning per share	(20,113.62)	(8,453.86)
- Weighted average number of shares used as denominator in calculating basic earning per share (in Nos.)	23,545,231	23,545,231

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

27 FINANCIAL RISK MANAGEMENT

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks and has the overall responsibility for establishing and governing the Group's risk management framework. The Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group policies and Group risk appetite.

The sources of risk, which the entity is exposed to and how the entity manages these risks and their impact on financial statements is given below:

Risk	Exposure from	Measurement	Management
Credit risk	Trade receivables	Aging analysis, Credit ratings	Credit limits and Letters of credit
Liquidity risk	Borrowings, Trade payables and other liabilities	Cash flow forecasts	Restructuring of Credit lines, which would enable the Company to raise fresh funds.
Market risk - Foreign Currency	Foreign currency receivables and payables	Cash flow forecasting and Sensitivity analysis	The Group monitors both foreign currency receivables and payables and periodically evaluates the need for hedging the net position
Market risk - Interest rate	Borrowings at variable interest rates	Sensitivity analysis	The Group primarily has fixed rate borrowings. It regularly monitors the variable rate borrowings.

[A] Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the customers outstanding balances to which the Company grants credit terms in the normal course of business. Customer receivables of Bilcare Research GmbH and Bilcare Research Inc, USA are subject to a non-recourse factoring with a domestic bank in Germany. Customer receivables of Bilcare Research Srl are subject to a recourse factoring with two domestic banks in Italy. The Group does not hold collateral as security, except for a few customer receivables of Bilcare Limited which are secured by letter of credits, issued by bankers. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The requirement for impairment is analysed at each reporting date on an individual basis for major clients and an allowance for doubtful debts and impairment that represents its estimate of life-time expected losses in respect of other trade receivables under simplified approach. The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Reconciliation of allowance for impairment in respect of trade and other receivables during the year was as follows:

	31-Mar-18	31-Mar-17
Balance at the beginning of the year	3,090.03	3,463.76
Movement in Expected Credit Loss allowance for doubtful debts	(542.70)	(373.73)
Balance at the end of the year	2,547.33	3,090.03

[B] Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management implies the availability of funding through credit facilities, external sources and equity infusion to meet the obligations when due. The Group accesses global and local financial markets and uses a range of products and a mix of currencies to ensure efficient funding from across well diversified markets and investor pools.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group manages its liquidity risk by preparing cash flow projections and projects the cash flows considering the level of liquid assets necessary to meet these requirements and monitors the liquidity ratios for maintaining debt financing plans.

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows, balances due within 12 months which equals their carrying balances, as the impact of discounting is not significant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

	Upto 1 year	Between 1 and 5 years	More than 5 years	Total
31-Mar-18				
Non-derivatives				
Borrowings (including interest)	178,476.29	43,493.62	13,551.19	235,521.10
Trade payables	45,060.07	658.96	-	45,719.02
Capital creditors	643.47	3,913.21	-	4,556.68
Total	224,179.83	48,065.79	13,551.19	285,796.81
31-Mar-17				
Non-derivatives				
Borrowings (including interest)	89,109.41	120,066.04	309.29	209,484.74
Trade payables	29,419.63	-	-	29,419.63
Capital creditors	2,039.34	2,436.50	-	4,475.84
Total	120,568.38	122,502.54	309.29	243,380.21

[C] Market risk

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- Currency risk;
- Price risk; and
- Interest rate risk

The above risks may affect the Group's income and expenses, or the value of its financial instruments. The Group is not exposed to price risk, since the Group is primarily invested in equity instruments of subsidiaries and carries no other external investments. The Group's exposure to currency risk and interest rate risk has been provided below:

(i) Foreign Currency risk

The Group is subject to the risk that changes in foreign currency values impact the Group's exports revenue and imports of raw material and property, plant and equipment. The risk exposure is with respect to SGD, USD, EUR and GBP. The risk is measured through monitoring the net exposure to various foreign currencies and requirement of hedging is monitored.

(a) Foreign Currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

	USD	EUR	GBP	SGD	Others
31-Mar-18					
Trade and other receivables	9,809.11	9,056.32	41.92	-	-
Trade and other payables	8,000.87	4,561.26	27.27	4,115.65	2.88
	USD	EUR	GBP	SGD	Others
31-Mar-17					
Trade and other receivables	7,678.78	6,211.42	74.20	-	-
Trade and other payables	7,799.89	633.54	14.43	4,716.31	0.27

(b) Foreign currency sensitivity analysis

The sensitivity of profit and loss before tax to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table demonstrates the sensitivity to a reasonably possible change in USD, EUR, GBP and SGD exchange rates, with all other variables held constant:

	Impact on profit before tax		Impact on other components of Equity	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
USD				
- Increase by 9%	162.74	(10.90)	-	-
- Decrease by 9%	(162.74)	10.90	-	-
EUR				
- Increase by 9%	404.56	502.01	-	-
- Decrease by 9%	(404.56)	(502.01)	-	-
GBP				
- Increase by 9%	1.32	5.38	-	-
- Decrease by 9%	(1.32)	(5.38)	-	-
SGD				
- Increase by 9%	(370.41)	(424.47)	-	-
- Decrease by 9%	370.41	424.47	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(ii) 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. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's long-term debt obligations with floating interest rates

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

	Amount	Decrease by 100 basis points	Increase by 100 basis points
31-Mar-18			
Variable rate borrowings	125,698.79	1,256.99	(1,256.99)
31-Mar-17			
Variable rate borrowings	117,320.93	1,173.21	(1,173.21)

28 FAIR VALUE MEASUREMENTS

(A). Accounting classification and fair values

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. The fair values of financial assets and liabilities at the balance sheet date are not materially different from their reported carrying values unless specifically mentioned in the notes to the consolidated financial statements.

Financial instruments by category	31-Mar-18			31-Mar-17		
	FVTPL	Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI
[i] Financial assets						
Security deposit	-	354.05	-	-	492.41	-
Term deposits (with maturity more than 12 months)	-	-	-	-	48.93	-
Interest and other receivable	-	834.34	-	-	913.38	-
Trade receivables	-	29,022.47	-	-	20,829.61	-
Cash and cash equivalents	-	9,953.00	-	-	12,399.92	-
<i>Investments</i>						
- Equity instruments	-	33.64	-	-	29.17	-
- Mutual Funds	67.00	-	-	17.01	-	-
	67.00	40,197.49	-	17.01	34,713.42	-
[ii] Financial liabilities						
Borrowings	-	206,905.98	-	-	199,552.56	-
Trade payables	-	44,033.27	-	-	31,827.72	-
Other financial liabilities	-	16,743.09	-	-	18,757.56	-
	-	267,682.34	-	-	250,137.84	-

Particulars	Fair value as at		Fair value	Valuation
	31-Mar-18	31-Mar-17		
[i] Financial liabilities				
<i>Investments</i>				
- Equity instruments	1.00	1.00	Level 2	Unquoted bid prices
- Mutual Funds	67.00	17.01	Level 1	Quoted Market prices

(a) The Group long-term loans have been restructured and contracted at fixed /NIL rates of interest. However, since these loans prior to restructuring were classified as NPA accounts, the fair value of these loans cannot be derived. Majority of the Group borrowings have been restructured as on date and the principal and interest amounts have been reset to effect the restructuring.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(B) Fair Value Hierarchy

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The Group has made certain judgements and estimates 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 Group has classified the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: Level 2 hierarchy includes financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3 hierarchy.

(C) Valuation Techniques

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for mutual funds
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis or such other acceptable valuation methodology, wherever applicable

There are no items in the financial instruments, which require level 3 valuation.

29 CAPITAL MANAGEMENT

The Group's objective when managing capital are to:

- safeguard their ability to continue as a going concern and to provide returns to shareholders and other stakeholders;
- the Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a financial gearing ratio, which is net debt divided by equity.

The gearing ratios is:

	31-Mar-18	31-Mar-17
Net Debt	196,953	187,153
Total Equity	46,327	67,603
Net Debt to equity ratio	4.25	2.77

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

30. BUSINESS COMBINATIONS

Subsidiaries

The Group's subsidiaries at 31 March 2018 are set out below. Unless otherwise stated, they have share capital that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by Group. The country of incorporation or registration is also their principal place of business.

Name of the Subsidiaries	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
		31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
		%	%	%	%
Bilcare GCS Ltd.	United Kingdom	100.00	100.00	-	-
Bilcare GCS Inc.	United States of America	100.00	100.00	-	-
Bilcare Packaging Ltd. (See Note (i))	Mauritius	100.00	100.00	-	-
Bilcare Technologies Singapore Pte. Ltd.	Singapore	100.00	100.00	-	-
Bilcare Technologies Italia Srl.	Italy	100.00	100.00	-	-
Bilcare Mauritius Ltd.	Mauritius	100.00	100.00	-	-
Bilcare Research Swiss I AG	Switzerland	100.00	100.00	-	-
Bilcare Research Swiss II AG	Switzerland	100.00	100.00	-	-
Bilcare Research Holding AG	Switzerland	100.00	100.00	-	-
Bilcare Research AG	Switzerland	100.00	100.00	-	-
Bilcare Germany Management GmbH	Germany	100.00	100.00	-	-
Bilcare Research Singapore Pte. Ltd.	Singapore	100.00	100.00	-	-
Bilcare Research Inc	United States of America	100.00	100.00	-	-
Bilcare Research Srl	Italy	100.00	100.00	-	-
Bilcare Agency GmbH	Switzerland	100.00	100.00	-	-
Bilcare Research (Shanghai) Co., Ltd.	China	100.00	-	-	-
Films Germany Holding GmbH	Germany	100.00	100.00	-	-
Bilcare Research GmbH	Germany	100.00	100.00	-	-
Bilcare Research PPI Holding GmbH	Germany	100.00	-	-	-
Bilcare Research PPI GmbH & Co. KG	Germany	100.00	-	-	-
Bilcare Research SFS Holding GmbH	Germany	100.00	-	-	-
Bilcare Research SFS GmbH & Co. KG	Germany	100.00	-	-	-
BIL Leasing Verwaltungs GmbH & Co (See note (ii))	Germany	94.00	94.00	6.00	6.00
Caprihans India Limited	India	51.00	51.00	49.00	49.00

(i) During the year 2017-18, Bilcare Packaging Limited (BPL) a wholly owned subsidiary went under liquidation on 15th March 2018 pursuant to the creditors resolution.

(ii) The Group holds 94% in BIL Leasing Verwaltungs-GmbH & Co, however only has a voting power of 10%. Therefore, the Group does not control the subsidiary and accounts for it as financial asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

31 EMPLOYEE BENEFIT OBLIGATIONS

Country	Type of Employee benefit	31-Mar-18	31-Mar-17
India	Gratuity - Defined Benefit plan	285.16	203.58
	Leave encashment / Compensated absences	59.27	58.47
	Gratuity - Defined Benefit plan	17.16	12.69
	Leave encashment / Compensated absences	288.56	264.54
Germany	Pension - Defined Benefit plan	11,663.61	10,688.81
	Jubilee - Other long-term employee benefits	749.79	631.37
	Other short-term employee benefits	(346.07)	1,285.86
Italy	Pension - Defined Benefit plan	1,449.59	1,353.37
Switzerland	Pension - Defined Benefit plan	187.29	273.52
		14,354.36	14,772.21
Non-Current		13,685.05	13,429.09
Current		669.31	1,343.12

(a) Leave obligations

Leave Encashments / Compensated absences: Total liability provided on account of leave obligation is ₹ 347.83 Lacs (31 March 2017: ₹ 323.01 Lacs).

(b) Defined Contribution plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis

(c) Gratuity - Defined Benefit plans - Bilcare Limited, India

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. 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. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation.

(i) Movement of defined benefit obligation and plan assets

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	294.28	157.97	136.31
Current service cost	41.90	-	41.90
Interest (expenses) / income	23.44	12.74	10.70
	65.34	12.74	52.60
Remeasurements			
Gain/loss from change in demographic assumption	-	-	-
Gain/loss from change in financial assumption	15.86	(0.80)	16.66
Experience gain / loss	1.26	0.08	1.18
Total amount recognised in other comprehensive income	17.12	(0.72)	17.84
Employer contributions	-	4.96	(4.96)
Benefit payments	(2.47)	(2.47)	-
Mortality charges & taxes	-	(1.79)	1.79
31-Mar-17	374.27	170.69	203.58
	Present value of obligation	Fair value of plan assets	Net Amount
31-Mar-17	374.27	170.69	203.58
Current service cost	54.47	-	54.47
Interest expenses / income	27.90	12.81	15.08
Past Service Cost	47.24	-	47.24
Total amount recognised in profit and loss	129.61	12.81	116.79

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

Remeasurements

Gain / loss from change in demographic assumption	-	-	-
Gain / loss from change in financial assumption	(11.89)	(0.85)	(11.04)
Experience gain / loss	(20.42)	0.78	(21.20)
Total amount recognised in other comprehensive income	(32.31)	(0.07)	(32.24)

Employer contributions	-	4.96	(4.96)
Benefit payments	(4.63)	(4.63)	-
Mortality charges & taxes	-	(1.99)	1.99
31-Mar-18	466.94	181.78	285.16

(ii) Net assets / liabilities

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-18	31-Mar-17
Present value of funded obligations	466.94	374.27
Fair value of plan assets	181.78	170.69
Net (deficit) for funded schemes	(285.16)	(203.58)

(iii) Analysis of plan assets is as follows:

	31-Mar-18	31-Mar-17
Insurer managed funds (%)	100%	100%
Others (%)	0%	0%
Total	100%	100%

(iv) Actuarial assumptions and sensitivity analysis

	31-Mar-18	31-Mar-17
Salary growth rate	10.00%	10.00%
Discount rate	7.80%	7.50%
Attrition rate	5.00%	5.00%

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. Assumptions regarding future mortality experience are in accordance with the Indian Assured Lives Mortality (2006-08) ultimate (IALM ult).

Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is

	Impact on present benefit obligation	
	31-Mar-18	31-Mar-17
Discount rate - Increase by 1%	430.56	343.60
Decrease by 1%	508.56	409.54
Salary growth rate - Increase by 1%	498.30	395.38
Decrease by 1%	437.62	352.93
Attrition rate - Increase by 1%	462.97	372.04
Decrease by 1%	471.33	376.75

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous period.

(v) Expected future benefits payments

The Company monitors the funding levels on annual basis and accordingly decides upon the contribution to the fund. Expected contributions to post-employment benefit plans for the year ending 31 March 2019 are ₹ 285.00 lacs. The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

	Less than a year	1 to 2 years	2 to 5 Years	More than 5 years
As at 31-Mar-2018				
Defined benefit obligation - Gratuity	59.91	38.48	134.48	350.45
As at 31-Mar-2017				
Defined benefit obligation - Gratuity	28.95	34.65	117.20	277.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(d) Gratuity - Defined Benefit plans - Caprihans India Limited, India.

The Company has a defined benefit gratuity plan. The fund is administered by ICICI Prudential Life Insurance. The following table summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for gratuity.

(i) Movement of defined benefit obligation and plan assets

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	(541.62)	501.89	(39.73)
Current service cost	(31.36)	-	(31.36)
Interest (expenses) / income	(41.13)	65.76	24.63
Total amount recognised in profit and loss	(72.49)	65.76	(6.73)
Remeasurements			
Gain/loss from change in demographic assumption	-	-	-
Gain/loss from change in financial assumption	(24.52)	-	(24.52)
Experience gain / loss	18.56	-	18.56
Total amount recognised in other comprehensive income	(5.96)	-	(5.96)
Employer contributions	-	39.73	39.73
Benefit payments	63.23	(63.23)	-
31-Mar-17	(556.84)	544.15	(12.69)
	Present value of obligation	Fair value of plan assets	Net Amount
31-Mar-17	(556.84)	544.15	(12.69)
Current service cost	(32.07)	-	(32.07)
Interest expenses / income	(38.39)	39.24	0.85
Total amount recognised in profit and loss	(70.46)	39.24	(31.22)
Remeasurements			
Gain / loss from change in demographic assumption	(7.91)	-	(7.91)
Gain / loss from change in financial assumption	21.97	-	21.97
Experience gain / loss	-	-	-
Total amount recognised in other comprehensive income	14.06	-	14.06
Employer contributions	-	12.69	12.69
Benefit payments	43.94	(43.94)	-
Mortality charges & taxes	-	-	-
31-Mar-18	(569.30)	552.14	(17.16)

(ii) Net assets / liabilities

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-18	31-Mar-17
Present value of funded obligations	(569.30)	(556.84)
Fair value of plan assets	552.14	544.15
Net (deficit) for funded schemes	(17.16)	(12.69)

(iii) The major categories of plan assets of the fair value of the total plan assets of gratuity are as follows:

Particulars	31-Mar-18	31-Mar-17
Insurer managed funds	552.14	544.15
(%) of total plan assets	100%	100%

(iv) Actuarial assumptions and sensitivity analysis

	31-Mar-18	31-Mar-17
Discount rate	7.50%	6.90%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	8.00%	8.00%
Expected average remaining working life (in years)	17.88	18.37
Withdrawal rate (based on grade and age of employees)	5.00%	5.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(v) Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is

	Impact on present benefit obligation	
	31-Mar-18	31-Mar-17
Discount rate - Increase by 1%	535.73	538.99
Decrease by 1%	606.96	575.56
Salary growth rate - Increase by 1%	606.41	575.47
Decrease by 1%	535.58	539.09
Withdrawal rate - Increase by 50%	566.62	554.53
Decrease by 50%	572.64	559.35

The sensitivity analyses above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(vi) Expected future benefits payments

	Within the next 12 months	2-5 Years	More than 5 years
As at 31-Mar-2018			
Defined benefit obligation - Gratuity	122.17	208.60	680.83
As at 31-Mar-2017			
Defined benefit obligation - Gratuity	93.69	226.73	650.55

Weighted average duration of defined benefit obligation (based on discounted cash flow) 6 years as on 31 March 2018 and 7 years as on 31 March 2017.

Expected contribution to plan assets for next year ₹ 45.42 lacs as on 31 March 2018 and ₹ 42.59 lacs as on 31 March 2017.

(e) Pension plans in Germany

The voluntary German pension plan is administrated by the German subsidiary and is based on a defined benefit index which defines the fixed amount of money as monthly pension for each year of service based on various salary groups. The plan includes pension for old age, occupational disability as well as widows and orphans pension. The most recent actuarial valuation of the present value of the defined benefit obligation was carried out on 31 March 2018 by an independent third party using the Projected Unit Credit Method.

(i) Movement of defined benefit obligation and plan assets

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	11,034.01	-	11,034.01
Current service cost	120.93	-	120.93
Interest (expenses) / income	231.85	-	231.85
Total amount recognised in profit and loss	352.79	-	352.79
Remeasurements			
Gain/loss from change in demographic assumption	3.63	-	3.63
Gain/loss from change in financial assumption	585.42	-	585.42
Experience gain / loss	(161.20)	-	(161.20)
Total amount recognised in other comprehensive income	427.85	-	427.85
Employer contributions	-	(234.23)	(234.23)
Benefit payments	(234.23)	234.23	-
Exchange differences	(891.61)	-	(891.61)
31-Mar-17	10,688.81	-	10,688.81
	Present value of obligation	Fair value of plan assets	Net Amount
31-Mar-17	10,688.81	-	10,688.81
Current service cost	110.12	-	110.12
Interest (expenses) / income	216.46	-	216.46
Total amount recognised in profit and loss	326.58	-	326.58
Remeasurements			
Gain / loss from change in demographic assumption	-	-	-
Gain / loss from change in financial assumption	(493.26)	-	(493.26)
Experience gain / loss	(300.93)	-	(300.93)
Total amount recognised in other comprehensive income	(794.19)	-	(794.19)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

	Present value of obligation	Fair value of plan assets	Net Amount
Employer contributions	-	(263.22)	(263.22)
Benefit payments	(263.22)	263.22	-
Exchange differences	1,705.64	-	1,705.64
31-Mar-18	11,663.61	-	11,663.61

(ii) Net assets / liabilities

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-18	31-Mar-17
Present value of funded obligations	11,663.61	10,688.81
Fair value of plan assets	-	-
Net deficit for funded schemes	11,663.61	10,688.81

Principal assumptions used for the purposes of the actuarial valuations of the pension plan were as follows:

	31-Mar-18	31-Mar-17
Discount rate	2.09%	1.87%
Expected pension increase(every 3 years)	6.00%	6.00%

The following sensitivity analyses on the defined benefit obligation - based on the principal assumptions - have been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period:

	31-Mar-18		31-Mar-17	
	Pension	Jubilee	Pension	Jubilee
Discount rate - Increase by 0.5%	(928.77)	-	(896.06)	-
Decrease by 0.5%	1,052.93	-	1,019.32	-
Pension increase rate - Increase by 1.5%	724.79	-	664.78	-
Decrease by 1.5%	(669.97)	-	(613.53)	-

(f) Jubilee plan in Germany

In addition, the Group is providing cash benefits to its employees in Germany once they reach a certain age of service. Due to the requirements of Ind AS 19 this jubilee plan is classified as other long-term employee benefit plan. The most recent actuarial valuation of the present value was carried out on 31 March 2018 by an independent third party using the Projected Unit Credit Method.

(i) Movement of defined benefit obligation and plan assets

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	651.40	-	651.40
Current service cost	49.32	-	49.32
Interest (expenses) / income	8.83	-	8.83
Remeasurement (gain)/loss on defined benefit obligation	4.42	-	4.42
Total amount recognised in profit and loss	62.57	-	62.57
Employer contributions	-	-	-
Benefit payments	(30.18)	-	(30.18)
Exchange differences	(52.42)	-	(52.42)
31-Mar-17	631.37	-	631.37
Current service cost	53.55	-	53.55
Interest (expenses) / income	10.56	-	10.56
Remeasurement (gain)/loss on defined benefit obligation	(11.31)	-	(11.31)
Total amount recognised in profit and loss	52.80	-	52.80
Employer contributions	-	-	-
Benefit payments	(38.47)	-	(38.47)
Exchange differences	104.09	-	104.09
31-Mar-18	749.79	-	749.79

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(g) Pension plan in Italy

The pension obligation in relation to TFR which is the pension plan required by Italian law, was calculated by an independent third party using the Projected Unit Method.

(i) Movements in the present value of the defined benefit obligation in the current year were as follows:

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	1,477.69	-	1,477.69
Current service cost	-	-	-
Interest (expenses) / income	22.71	-	22.71
Total amount recognised in profit and loss	22.71	-	22.71
Remeasurements			
Gain/loss from change in demographic assumption	-	-	-
Gain/loss from change in financial assumption	21.85	-	21.85
Experience gain / loss	(21.25)	-	(21.25)
Total amount recognised in other comprehensive income	0.59	-	0.59
Employer contributions	-	-	-
Benefit payments	(33.11)	-	(33.11)
Exchange differences	(114.49)	-	(114.49)
31-Mar-17	1,353.38	-	1,353.38
	Present value of obligation	Fair value of plan assets	Net Amount
31-Mar-17	1,353.38	-	1,353.38
Current service cost	-	-	-
Interest expenses / income	21.12	-	21.12
Total amount recognised in profit and loss	21.12	-	21.12
Remeasurements			
Gain / loss from change in demographic assumption	-	-	-
Gain / loss from change in financial assumption	(27.15)	-	(27.15)
Experience gain / loss	(6.03)	-	(6.03)
Total amount recognised in other comprehensive income	(33.19)	-	(33.19)
Employer contributions	-	-	-
Benefit payments	(105.59)	-	(105.59)
Exchange differences	213.86	-	213.86
31-Mar-18	1,449.59	-	1,449.59

(ii) Net assets / liabilities

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-18	31-Mar-17
Present value of funded obligations	1,449.59	1,353.38
Fair value of plan assets	-	-
Net deficit for funded schemes	1,449.59	1,353.38

Principal assumptions used for the purposes of the actuarial valuations were as follows:

	31-Mar-18	31-Mar-17
Discount rate	1.65%	1.45%
Rate of price inflation	1.50%	1.50%

The following sensitivity analyses - based on the principal assumptions - have been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period:

If the discount rate would be 25 basis points (0.25 percent) higher / (lower), the defined benefit obligation would decrease by ₹ 35.47 lacs (increase by ₹ 36.28 lacs if all other assumptions were held constant).

The average duration of the defined benefit obligation at the end of the reporting period is not available. In 2016/2017 the average duration was 20.3 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(h) Pension plan in Switzerland

Swiss pension plans need to be administered by a pension fund that is legally separated from the entity. The law prescribes certain minimum benefits.

The pension plans of the employees and management of the Company is carried out by collective funds with Baloise-Sammelstiftung. Under the pension plans, the employees and management are entitled to retirement benefits and risk insurance for death and disability. The boards of the various pension funds are composed of an equal number of representatives from both employers and employees.

Due to the requirements of IAS 19 the above mentioned pension plans are classified as defined benefit plans. The pension plans are described in detail in the corresponding statutes and regulations. The contributions of employers and employees in general are defined in percentages of the insured salary. The retirement pension is calculated based on the old-age credit balance on retirement multiplied by the fixed conversion rate. The employee has the option to withdraw the capital at once. The death and disability pensions are defined as percentage of the insured salary. The assets are invested directly with the corresponding pension funds.

The pension funds can change their financing system (contributions and future payments) at any time. Also, when there is a deficit which cannot be eliminated through other measures, the trustees of the pension funds can oblige plan participants and the entity to pay a restructuring contribution. For the pension funds of the Group such a deficit currently cannot occur as the plans are fully reinsured. However, the pension funds could cancel the contracts and the Company would have to join another pension fund.

In the current and comparative period no plan amendments, curtailments or settlements occurred. The board of each pension fund is responsible for the investment of assets and the investment strategies are defined in a way that the benefits can be paid out on due date.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out on 31 March 2018 by an independent third party. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(i) Movements in the present value of the defined benefit obligation in the current year were as follows:

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

	Present value of obligation	Fair value of plan assets	Net Amount
1-Apr-16	863.97	(477.58)	386.39
Current service cost	126.07	-	126.07
Interest (expenses) / income	3.98	1.71	5.69
Total amount recognised in profit and loss	130.05	1.71	131.76
Remeasurements			
Gain/loss from change in demographic assumption	-	-	-
Gain/loss from change in financial assumption	(78.67)	(4.33)	(83.00)
Experience gain / loss	(84.08)	(52.68)	(136.76)
Total amount recognised in other comprehensive income	(162.74)	(57.01)	(219.75)
Employer contributions	66.00	(66.00)	0.00
Benefit payments	(132.43)	132.43	(0.00)
Exchange differences	(24.88)	-	(24.88)
31-Mar-17	739.97	(466.45)	273.52
	Present value of obligation	Fair value of plan assets	Net Amount
31-Mar-17	739.97	(466.45)	273.52
Current service cost	72.40	-	72.40
Interest (expenses) / income	6.79	-	6.79
Total amount recognised in profit and loss	79.19	-	79.19
Remeasurements			
Gain / loss from change in demographic assumption	-	-	-
Gain / loss from change in financial assumption	(24.89)	-	(24.89)
Experience gain / loss	(92.01)	-	(92.01)
Total amount recognised in other comprehensive income	(116.90)	-	(116.90)
Employer contributions	55.81	-	55.81
Benefit payments	(256.43)	-	(256.43)
Exchange differences	152.10	-	152.10
31-Mar-18	653.74	(466.45)	187.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

(ii) Net assets / liabilities

An analysis of net (deficit)/assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-18	31-Mar-17
Present value of funded obligations	653.74	739.97
Fair value of plan assets	(466.45)	(466.45)
Net deficit for funded schemes	187.29	273.52

Principal assumptions used for the purposes of the actuarial valuations were as follows:

	31-Mar-18	31-Mar-17
Discount rate	1.00%	0.75%
Expected rates of salary increase	1.70%	1.70%

The following sensitivity analysis - based on the principal assumptions - have been determined based on reasonably possible changes to the assumptions occurring at the end of the reporting period:

If the discount rate would be 25 basis points (0.25 percent) higher / (lower), the defined benefit obligation would decrease by ₹ 32.25 lacs (increase by ₹ 34.67 lacs) if all other assumptions were held constant.

32 LEASE

(i) Operating Lease

The Group has entered into commercial leases on certain assets, mainly buildings and motor vehicles. These lease contracts do not include any renewal options. There are no restrictions placed upon the Group by entering into these leases.

Non-cancellable operating lease commitments:

Particulars	31-Mar-18	31-Mar-17
Not later than one year	1,145.17	468.37
Later than one year and not later than five years	1,335.09	575.52
Later than five years	381.63	-
Total future minimum lease payments	2,861.90	1,043.89

Aggregate amount of operating lease rent debited to Consolidated Statement of profit and loss during the year is ₹ 2,235.91 lacs (31-Mar-2017: ₹ 2,025.18 lacs).

(ii) Finance Lease

The Group has finance leases and hire purchase contracts for various items of property, plant and equipment and software. Renewals are at the option of the specific entity that holds the lease. Future minimum lease payments under finance leases and hire purchase contracts together with the present value of the net minimum lease payments are, as follows:

Particulars	31-Mar-18		31-Mar-17	
	Future Minimum Lease Payment	Present Value of Minimum Lease Payment	Future Minimum Lease Payment	Present Value of Minimum Lease Payment
Not later than one year	2,280.80	2,017.17	2,256.09	1,944.48
Later than one year and not later than five years	4,309.26	3,904.53	4,700.53	4,197.79
Later than five years	-	-	253.45	249.98
Total Minimum lease payments	6,590.06	5,921.70	7,210.07	6,392.26
Less : Amounts representing finance charges	668.36	-	817.81	-
Present value of minimum lease payments	5,921.70	5,921.70	6,392.26	6,392.26

There were no significant new finance lease arrangements in FY 2017 - 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

33 CONTINGENT LIABILITIES

Particulars	31-Mar-18	31-Mar-17
(a) Claims against the Company not acknowledged as debts:		
- Standby Letter of Credit [#]	-	25,308.45
- Disputed Income Tax matters in Appeal	1110.80	-
- Excise matters	505.94	255.17
- Rental legal disputed cases	395.99	365.69
- Liability to suppliers written back during the year on account of pending legal cases	777.78	1,978.40
(b) In view of the terms of settlement, the long term borrowings (primarily with Banks) which have been restructured till date, the Company is showing the remission amount as a contingent liability till the final repayment of the outstanding restructured/ settlement amounts. In the event of a default in payment of the restructured/ settlement amounts as per the agreed schedule, the Company will be liable to pay the entire original amount of the said loan, which is inclusive of interest due there upon.	49,923.85	33,185.09

(c) In case of all the present as well as the restructured loans there may be a penal interest charge, which is currently contingent and undeterminable.

[#] Devolved during the year

34 COMMITMENTS

Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Property, plant and equipments	31-Mar-18	31-Mar-17
Estimated amount of contracts remaining to be executed (net of advances)	2,046.90	2,457.41

For lease related commitments see note 32 for details

35 SEGMENT INFORMATION

The Group is engaged in Pharma Packaging Research Solutions which is considered the only reporting business segment for disclosure in the financial statements by the Management. Further, the geographical information of revenues from external customers and non current assets other than financial instruments, deferred tax assets, post employment benefit assets has not been presented, as such segmentation is not compiled by the Group.

36 RELATED PARTY DISCLOSURES

(A). Related parties and their relation

[1] Key Management Personnel:

Mr. Mohan H. Bhandari (Chairman & Managing Director)
Mr. Anil Tikekar (Company Secretary & CFO)

[2] Relatives of Key Management Personnel:

Ankita J. Kariya
Nutan M. Bhandari
Kiran H. Bhandari
Prakash H. Bhandari

(B). Transactions and Balances:

	31-Mar-18	31-Mar-17
Transactions with related parties:		
Remuneration paid to Key Management Personnel	27.15	24.50
Remuneration paid to relatives of Key Management Personnel	18.85	18.85
Balances due from /to related parties:		
Capital advance to Key Management Personnel	7,779.29	7,503.29
Capital advance to relatives of Key Management Personnel	2,358.38	2,358.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

37 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES AS PER COMPANIES ACT, 2013 Statement pursuant to Section 129 (3) of the Companies Act, 2013

Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Year in which subsidiary was acquired/ incorporated	Reporting Currency	Country	Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Total Income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Other Comprehensive Income	Total Comprehensive Income	% of Shareholding
1	Bilcare GCS Ltd UK	2015	GBP	UK	0.95	34.15	155.87	120.77	-	567.61	63.43	7.43	56.01	1.33	57.33	100%
2	Bilcare GCS Inc US	2015	USD	USA	-	243.69	436.32	192.62	-	2,778.35	13.40	2.48	10.92	0.84	11.75	100%
3	Bilcare Packaging Limited #	2013	USD	Mauritius	31.30	(6,037.32)	23,586.45	29,592.48	-	-	(843.84)	-	(843.84)	(25.01)	(868.85)	100%
4	Bilcare Technologies Singapore Pte. Ltd.	2005	SGD	Singapore	1,682.07	112.50	2,125.35	330.78	-	26.45	(858.60)	-	(858.60)	140.59	(718.01)	100%
5	Bilcare Mauritius Ltd.	2010	USD	Mauritius	12,196.84	21,561.94	33,233.19	(525.59)	32,585.76	0.02	(2,564.27)	-	(2,564.27)	(9.37)	(2,573.64)	100%
6	Bilcare Research Swiss I AG	2016	EURO	Switzerland	3,809.94	21,816.81	37,923.61	12,296.86	37,200.03	343.24	(2,326.90)	6.49	(2,333.39)	3,868.66	1,535.27	80%
7	Bilcare Research Swiss II AG	2016	EURO	Switzerland	954.46	5,435.83	9,468.11	3,077.82	9,300.01	85.62	(591.35)	1.62	(592.97)	965.62	372.65	20%
8	Bilcare Research Holding AG	*	EURO	Switzerland	4,601.03	19,230.46	28,003.53	4,172.05	27,772.42	-	(428.60)	4.26	(432.86)	3,397.71	2,964.84	100%
9	Bilcare Research AG	*	EURO	Switzerland	7,673.86	179.07	154,572.19	146,719.26	11,506.24	8,208.15	(7,257.36)	(73.62)	(7,183.74)	1,770.92	(5,412.82)	100%
10	Bilcare Germany Management GmbH	*	EURO	Germany	16.88	(8,179.83)	75,938.69	84,101.64	74,105.38	8,999.11	368.07	1,308.10	(940.03)	(1,230.80)	(2,170.84)	100%
11	Bilcare Research Singapore Pte. Ltd.	2015	SGD	Singapore	233.22	(5,981.89)	21,218.15	26,966.83	-	9,214.85	(3,778.12)	(375.82)	(3,402.29)	(284.03)	(3,686.32)	100%
12	Bilcare Research Inc	*	USD	USA	31.30	5,404.90	20,377.93	14,941.73	-	26,566.50	(3,711.79)	-	(3,711.79)	(5.36)	(3,717.15)	100%
13	Bilcare Research Srl	*	EURO	Italy	337.55	10,083.95	22,421.13	11,999.63	-	34,518.59	1,353.00	404.27	948.73	1,414.75	2,363.48	100%
14	Bilcare Agency GmbH	*	CHF	Switzerland	12.83	(10.26)	8.89	6.32	-	-	(6.96)	-	(6.96)	0.09	(6.87)	100%
15	Films Germany Holding GmbH	*	EURO	Germany	16.88	2,212.07	2,244.94	15.99	2,176.80	21.01	12.79	5.94	6.85	313.91	320.76	100%
16	Bilcare Research GmbH	*	EURO	Germany	6,161.77	74,550.07	134,962.88	54,251.04	9,136.73	164,069.88	12,891.58	37.58	12,854.00	11,801.20	24,655.20	100%
17	Bilcare Research (Shanghai) Co. Ltd.	2017	CNY	China	48.07	(31.20)	74.14	57.28	-	22.74	(28.95)	0.48	(29.44)	(1.77)	(31.20)	100%
18	Caprihans India Limited	*	INR	India	1,313.40	11,624.36	16,372.02	3,434.27	-	25,828.49	584.38	170.09	414.28	10.32	424.61	51%

During the year the Company went under liquidation.

* INEOS Group acquisition in 2010

Part "B": Associates and Joint Ventures - None

Notes:

- 1 Bil Leasing Verwaltungs GmbH & Co is not considered above as it is an SPV and contractual voting power is only 10%
- 2 Bilcare Technologies Italia Srl., Italy is not considered above as it is under closure
- 3 Bilcare Research PPI Holding GmbH, Bilcare Research PPI GmbH & Co. KG, Bilcare Research SFS Holding GmbH and Bilcare Research SFS GmbH & Co. KG are not separately shown as they are consolidated under Bilcare Research GmbH being SPV's specifically for energy cost reduction.
- 4 Exchange rate considered:

Currency	SGD	EURO	GBP	USD	CHF	CNY
Average rate	47.7223	75.4219	85.4732	64.4474	66.7306	9.7918
Closing Rate	49.6817	80.6222	92.2846	65.0441	68.2932	10.3799

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

C ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 as at 31 March 2018

Name of the Entity	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Bilcare India Limited	102.88	47,662.03	39.73	(7,994.14)	0.84	9.95	42.16	(7,984.19)
Indian Subsidiary								
Caprihans India Limited	27.93	12,937.75	(2.06)	414.28	0.87	10.32	(2.24)	424.61
Foreign Subsidiaries								
Bilcare GCS Limited UK	0.08	35.10	(0.28)	56.01	0.11	1.33	(0.30)	57.33
Bilcare GCS Inc US	0.53	243.69	(0.05)	10.92	0.07	0.84	(0.06)	11.75
Bilcare Packaging Ltd	(12.96)	(6,006.03)	4.19	(843.84)	(2.12)	(25.01)	4.59	(868.85)
Bilcare Technologies Singapore Pte. Ltd.	3.87	1,794.57	4.27	(858.60)	11.90	140.59	3.79	(718.01)
Bilcare Mauritius Ltd.	72.87	33,758.78	12.75	(2,564.27)	(0.79)	(9.37)	13.59	(2,573.64)
Bilcare Research Swiss I AG	55.32	25,626.75	11.60	(2,333.39)	327.58	3,868.66	(8.11)	1,535.27
Bilcare Research Swiss II AG	13.79	6,390.29	2.95	(592.97)	81.76	965.62	(1.97)	372.65
Bilcare Research Holding AG	51.44	23,831.49	2.15	(432.86)	287.70	3,397.71	(15.66)	2,964.84
Bilcare Research AG	16.95	7,852.94	35.71	(7,183.74)	149.95	1,770.92	28.58	(5,412.82)
Bilcare Germany Management GmbH	(17.62)	(8,162.96)	4.67	(940.03)	(104.22)	(1,230.80)	11.46	(2,170.84)
Bilcare Research Singapore Pte. Ltd.	(12.41)	(5,748.68)	16.91	(3,402.29)	(24.05)	(284.03)	19.47	(3,686.32)
Bilcare Research Inc	11.73	5,436.20	18.45	(3,711.79)	(0.45)	(5.36)	19.63	(3,717.15)
Bilcare Research Srl	22.50	10,421.50	(4.72)	948.73	119.79	1,414.75	(12.48)	2,363.48
Bilcare Agency GmbH	0.01	2.57	0.03	(6.96)	0.01	0.09	0.04	(6.87)
Bilcare Research (Shanghai) Co. Ltd.	0.04	16.86	0.15	(29.44)	(0.15)	(1.77)	0.16	(31.20)
Films Germany Holding GmbH	4.81	2,228.94	(0.03)	6.85	26.58	313.91	(1.69)	320.76
Bilcare Research GmbH	174.22	80,711.84	(63.89)	12,854.00	999.28	11,801.20	(130.19)	24,655.20
Non Controlling Interest in the Subsidiaries								
Caprihans India Limited	13.68	6,339.50	-	-	-	-	-	-
Total Eliminations/ Consolidation Adjustments	(429.65)	(199,046.56)	17.47	(3,515.14)	(1,774.68)	(20,958.57)	129.23	(24,473.71)
Total	100.00	46,326.57	100.00	(20,118.68)	100.00	1,180.98	100.00	(18,937.71)

Note: The above amounts/ percentage of net assets & net profit/(loss) in respect of Bilcare Ltd and its subsidiaries are determined based on the amounts of the respective entities included in Consolidated Financial Statements before inter company eliminations/ consolidation adjustments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

ANNEXURE A TO NOTES TO FINANCIAL STATEMENTS

	31-Mar-18	31-Mar-17
Secured-Non-current borrowings		
Rupee term loans - From banks		
1. Bank of Baroda # (Payable from 30.04.2013 in 72 monthly installments, rate of interest 12.75% p.a.) (Default in payment from July 2013 till date, ₹ 15371.55 lacs, now repayable on demand) *	15,371.55	15,571.55
2. Punjab National Bank (Loan restructured during the year, see item 26 below for details)	-	5,664.86
3. United Bank of India (Payable from 20.03.2018 in 8 quarterly installments, rate of interest 9.65% p.a.) (Loan restructured as a one time settlement during the year) (Default in payment from March 2018 till date, ₹ 350.91 lacs)	3,510.07	4,631.23
4. Canara Bank (Payable from 28.03.2018 in 12 quarterly installments, rate of interest 9.25% p.a.) (Loan restructured as a one time settlement during the year) (Default in payment from December 2017 till date, ₹ 375.00 lacs)	1,956.58	4,614.58
5. Jammu & Kashmir Bank # (Payable from 31.03.2018 in 2 quarterly installments at base rate of interest) (Loan restructured as a one time settlement during the year) (Default in payment from March 2018 till date, ₹ 760.51 lacs)	1,460.51	6,603.46
6. Lakshmi Vilas Bank Limited # (Loan restructured to NCD's during the year, see item 29 below for details)	-	2,528.75
7. Indusind Bank Limited # (Payable from 31.12.2017 in 16 quarterly installments, rate of interest 7.74% p.a.) (Loan restructured as a one time settlement during the year)	1,800.54	4,848.71
8. Central Bank of India (Payable from 30.06.2017 in 16 quarterly installments, rate of interest 8.50% p.a.)	1,762.27	2,086.92
9. Karur Vysya Bank Limited (Restructured as one-time bullet repayment paid on 03.05.2017)	-	212.50
10. Cosmos Bank # (Payable from 30.06.2017 in 24 quarterly installments, rate of interest 12.50% p.a.) (Conversion of part fund based limits to term loan during the year)	1,968.24	-
11. IDBI Bank # (Loan on account of devolvement of SBLC ₹ 5091.62 lacs (on 13.10.2017), rate of interest 15.50% p.a.) * (Repayable on demand)	5,091.62	-
Foreign currency term loans - From banks		
12. Deutsche Bank - Senior loan (See note (i)) (Repayable in bullet payment by July 31, 2019)	-	42,935.90
13. Deutsche Bank - Junior loan (See note (i)) (Repayable in bullet payment by July 31, 2019)	-	17,565.56
14. Deutsche Bank - Proventus- II (See note (i)) (Repayable in bullet payment by July 31, 2019)	-	18,277.07
15. EXIM Bank (Refer point 28 below) (Repayable in quaterly payment by 31.10.2018, rate of interest is 3 Months LIBOR + 4%) (Secured by Standby Letter of Credit given by South Indian Bank Limited)	-	14,069.98
16. EXIM Bank (Refer point 29 below) (Repayable in quaterly payment by 10.02.2019, rate of interest is 3 Months LIBOR + 4%) (Secured by Standby Letter of Credit given by Laxmi Vilas Bank Limited)	-	6,483.86
17. EXIM Bank (Refer point 11 above) (Repayable in quaterly payment by 31.03.2019, rate of interest is 3 Months LIBOR + 4%) (Secured by Standby Letter of Credit given by IDBI Bank Limited)	-	4,754.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

	31-Mar-18	31-Mar-17
Term loans - From others		
18. SREI Equipment Finance Private Limited (Liability taken over by B B Paper Recycling Company during the year)	-	188.01
19. Invent Assets Securitisation & Reconstruction Private Limited (State Bank of India) (Payable from 31.12.2015 in 17 quarterly installments, Maturity date 31-Dec-19) (Default in payment from March 2018 till date, ₹ 146.00 lacs)	5,980.83	5,904.05
20. Invent Assets Securitisation & Reconstruction Private Limited (State Bank of Hyderabad) (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 32.00 lacs)	1,658.95	1,583.44
21. Invent Assets Securitisation & Reconstruction Private Limited (Karnataka Bank) (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 32.00 lacs)	1,658.95	1,486.08
22. Invent Assets Securitisation & Reconstruction Private Limited (Andhra Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 32.00 lacs)	1,658.95	1,716.27
23. Invent Assets Securitisation & Reconstruction Private Limited (Dhanlaxmi Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 34.37 lacs)	1,757.84	1,715.50
24. Invent Assets Securitisation & Reconstruction Private Limited (State Bank of Bikaner and Jaipur) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 30.38 lacs)	1,554.13	1,583.44
25. Phoenix ARC Private Limited ("Phoenix") (Federal Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from March 2018 till date, ₹ 13.31 lacs)	2,219.27	2,140.57
26. Phoenix ARC Private Limited ("Phoenix") (Punjab National Bank) # (Payable from 30.06.2017 in 23 quarterly installments, Maturity date 31-Dec-22) (Default in payment from December 2017 till date, ₹ 86.29 lacs)	2,426.91	-
27. Phoenix ARC Private Limited ("Phoenix") (Axis Bank) (Payable from 30.06.2017 in 12 quarterly installments, Maturity date 31-Mar-20) (Default in payment from March 2018 till date, ₹ 116.51 lacs)	1,197.99	1,600.00
28. Asset Reconstruction Company India Limited ("Arcil") (South Indian Bank) # (Payable from 30.06.2018 in 32 quarterly installments) (Loan on account of devolvement of SBLC (on 13.10.2017), restructured during the year)	6,870.74	-
Non Convertible Debentures (Zero Coupon Bonds)		
29. Zero Coupon Redeemable Non Convertible Debentures (Lakshmi Vilas Bank Limited) # (Redeemable in 3 equal annual installments from 31.03.2024) (Loan on account of devolvement of SBLC (on 13.10.2017), and term loan restructured during the year)	3,931.19	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ lacs, unless otherwise stated)

	31-Mar-18	31-Mar-17
Unsecured		
Term loans - From banks		
30. Corporation Bank # (Payable from 31.01.2013 in 3 installments, rate of interest 13.25% p.a.) (Default in payment from Jan '13 till date, ₹ 4,725.00 lacs, now repayable on demand) *	4,725.00	5,000.00
Term loans - From others		
31. Council of Scientific & Industrial Research (CSIR) (Payable from 01.10.2014 in 10 yearly installments, rate of simple interest 3.00% p.a.) (Default in payment from October 2015 till date, ₹ 215.89 lacs)	751.97	751.97
Deferred sales tax loan		
32. Deferred sales tax loan (Payable in equal annual installments till 2023, interest free)	876.53	1,010.47
Total	70,190.63	175,529.34

Secured-Current borrowings

Foreign currency term loans - From banks

33. Deutsche Bank - Senior loan (Refer point 12 above) (Repayable in bullet payment by July 31, 2019)	53,396.10	-
34. Deutsche Bank - Junior loan (Refer point 13 above) (Repayable in bullet payment by July 31, 2019)	22,944.88	-
35. Deutsche Bank - Proventus- II (Refer point 14 above) (Repayable in bullet payment by July 31, 2019)	25,207.34	-
36. Deutsche Bank (See note (ii)) (Repayable in bullet payment by September 30, 2018)	14,381.62	-
Total	115,929.94	-

The Director/s have issued personal guarantee for these loans.

* a) The Company is in the negotiation of restructuring these loans and hence these have been disclosed as Non- Current Borrowings.

b) In view of the on- going discussions for restructuring, the Company has not provided interest on these loans which have been classified by the respective banks as Non Performing Assets (NPA), from the date of such classification.

c) Bank accounts including NPA accounts, restructured loan accounts of ultimate holding company are based on actual confirmations received and Management Representation in case where no confirmation was received.

Note

(i) The bank loan of July 2014, is with Deutsche Bank, London is under refinancing. The average interest rate is LIBOR+5% p.a. and the same was secured by pledge of assets and shares.

(ii) During the year the bank loan from Deutsche bank was taken by Bilcare Research Swiss I AG and Bilcare Research Swiss II AG at an interest cost of LIBOR+2.5% p.a.

Note

[illegible]

Bilcare Limited

Regd. Office: 1028, Shirol, Rajgurunagar, Pune - 410 505, India

Phone : +91 2135 304200 Fax: +91 2135 304370

Website: www.bilcare.com Email: investors@bilcare.com

CIN: L28939PN1987PLC043953

Notice

Notice is given that the 31st Annual General Meeting of the Members of Bilcare Limited will be held on Saturday, the 29th day of September 2018, at 11.00 a.m. at the Registered Office of the Company at 1028, Shirol, Rajgurunagar, Pune - 410 505 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31 March 2018, together with the Report of the Board of Directors attached thereto and Auditors' Report thereon.
2. To appoint a director in place of Mrs. Nutan M. Bhandari [DIN 02198203], who retires by rotation and being eligible, seeks re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. K. R. Miniyaar & Associates, Chartered Accountants (FRN 124806W), be appointed as statutory auditors of the Company, in place of M/s. M G M & Company, Chartered Accountants (FRN 117963W), to hold office for a term of five years from the conclusion of this 31st Annual General Meeting (AGM) until the conclusion of the 36th Annual General Meeting, at such remuneration and reimbursement of 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:

"RESOLVED THAT, pursuant to the provisions of Sections 149, 152 and any other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Rules thereof (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vasant Vijaykumar Bang [DIN 08137616], who was appointed as an Additional Director by the Board of the Directors of the Company with effect from 30 May 2018 and who holds office only upto the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) Consecutive years upto the conclusion of 36th Annual General Meeting of the Company to be held in the calendar year 2023."

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

"RESOLVED that pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit & Auditors) Rules 2014 including any statutory modifications or re-enactments thereof, for the time being in force and as per the recommendation of the Audit Committee and approved by the Board of Directors, the remuneration of Rs. 1,50,000/- (Rupees One Lac Fifty Thousand only) plus taxes as applicable, conveyance and other out of pocket expenses at actuals, payable to M/s. Parkhi Limaye & Co., Cost Accountants (Firm Registration No: 000191) appointed as Cost Auditors for the financial year 2018-19 be and is hereby ratified and confirmed."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT subject to the compliance of the provisions of the Companies Act, 2013 and provisions of Companies (Acceptance of Deposits) Rules, 2015 or other laws/rules/regulations, as applicable, consent of shareholders of the Company be and is hereby accorded to the Board of Directors of the Company including any committee thereof, for inviting accepting and renewal of deposits from public to such an extent that the deposits outstanding and the deposits to be accepted/renewed shall not exceed 25% of the aggregate of the Paid-up Share Capital, Free Reserves and Securities Premium Account of the Company as per the latest audited balance sheet.

FURTHER RESOLVED THAT the deposits to be accepted by the Company shall be unsecured deposits and shall carry the rate of interest, as may be decided by the Board of Directors of the Company.”

By Order of the Board of Directors
For Bilcare Limited

Mohan H. Bhandari
Chairman & Managing Director

Pune : 13 August 2018

Notes:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business under item Nos. 4 to 6 of the notice is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company duly completed and signed not less than forty eight (48) hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority as applicable. A person can act as proxy on behalf of Members not exceeding 50 (Fifty) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company. In case, a proxy is proposed to be appointed by a Member holding more than 10% (Ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
4. Corporate Members are requested to send board resolution duly certified, authorising their representative to attend and vote on their behalf at the AGM.
5. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 22.
6. The Company's Share Transfer Books and the Register of Members will remain closed from Saturday, 15 September 2018 to Friday, 21 September 2018 (both days inclusive).
7. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depositories Participants and those holding shares in physical form are requested to intimate the above mentioned changes to the Secretarial Department at the Registered Office of the Company/Registrar and Transfer Agent of the Company.
8. Equity Shares of the Company are under compulsory demat trading by all investors. Those Members who have not dematerialised their shareholding are advised to dematerialise their shareholding to avoid any inconvenience in future.
9. Members who hold shares in electronic 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 Folio number/s in the Attendance Slip for attending the meeting to facilitate identification of Membership at the meeting.

10. Members are requested to bring their Attendance Slip alongwith the copy of Annual Report to the Meeting.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names in the Register of Members of the Company will be entitled to vote.
12. In terms of the Articles of Association of the Company, read with Section 152 of the Companies Act, 2013, Mrs. Nutan M. Bhandari, Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, offer herself for re-appointment. The Board of Directors of the Company recommends her re-appointment.
13. Details of Directors seeking appointment / re-appointment at the ensuing AGM, as required under Regulation 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of the SS-2 is annexed to the Notice.
14. Those Members who have not encashed/received their Dividend Warrants for the previous year(s), may approach to the Registrar & Transfer Agent of the Company for claiming unpaid / unclaimed Dividend.
15. Dividends which remain unclaimed/unencashed for a period of 7 (Seven) years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government under the provisions of Section 124(5) of the Companies Act, 2013. No claim by the Members shall lie for the unclaimed dividend once the same is transferred to IEPF.
16. Non-Resident Indian Members are requested to inform the Company/Depository Participant, immediately of:
 - (i) Change in their residential status on return to India for permanent settlement.
 - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agent of the Company.
18. Securities of listed companies would be transferred in dematerialised form only, from a cut-off date, to be notified by SEBI. In view of the same members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard.
19. Green initiative in Corporate Governance:

The Ministry of Corporate Affairs has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its Members. To further Company's environment friendly agenda and to participate in MCA's Green Initiative, members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
20. The Notice of the AGM alongwith the annual report for the year 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for the physical copy of the same.
21. Road Map showing directions to reach the venue of the AGM is given at the end of this Notice.

22. Voting through electronic means:

- a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice.
- b) Mr. Shekhar Ghatpande, Practicing Company Secretary (Membership No. FCS 1659), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c) The facility for voting through Ballot Paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- d) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- e) The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Wednesday, 26 September 2018, 9.00 A.M. IST	Friday, 28 September 2018, 5.00 PM IST

- f) During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Friday, 22nd September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- g) Instructions and other information relating to e-voting are as under:
 - i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii) Click on Shareholders.
 - iii) 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 Folio Number registered with the Company.
 - iv) Next enter the Image Verification as displayed and Click on Login.
 - v) If you are holding shares in demat 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.
 - vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated 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. Eg. 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. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).
--	---

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) 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.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the Bilcare Limited on which you choose to vote.
- xi) 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.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) 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.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

- xviii) 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 Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

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.

- xix) 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.
 - xx) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
 - xxi) The Scrutinizer shall after the conclusion of voting at the Annual 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 forthwith.
 - xxii) The voting rights of shareholders shall be in proportion to their shares of the paid equity capital of the Company as on 22nd September, 2018.
 - xxiii) The results declared alongwith the Scrutinizers' Report shall be placed on the Company's website www.bilcare.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange.
24. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Address of the Registrar and Transfer Agents:

Link Intime India Pvt. Ltd.,

(Unit: Bilcare Limited)

Block No. 202, 2nd Floor,

Akshay Complex Off Dhole Patil Road,

Pune-411 001, India

Telefax: +91-20-26163503

E-mail: pune@linkintime.co.in

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under items 4 to 6 of the accompanying Notice dated 13 August 2018.

Item No. 4

Mr. Vasant Vijaykumar Bang [DIN 08137616] is appointed as an Additional Director of the Company with effect from 30 May 2018. In terms of Section 161(1) of the Companies Act, 2013, Mr. Bang holds office as additional director upto the date of this Annual General Meeting. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Independent Director of the Company. In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules under the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mr. Bang is proposed to be appointed as an Independent Director for 5 (five) consecutive years for a term up to the conclusion of 36th Annual General Meeting

of the Company. Pursuant to Section 149(11), he is eligible for re-appointment on the conclusion of aforesaid tenure.

In the opinion of the Board, Mr. Bang fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. The Copy of the draft letter for appointment of Mr. Bang as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Bang as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Bang as an Independent Director, for the approval by the shareholders of the Company. Except Mr. Bang, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at Item No.4.

Item No. 5

The Board of Directors, at its meeting held on 13 August, 2018 as per the recommendation of the Audit Committee, approved the appointment of M/s. Parkhi Limaye & Co., Cost Accountants (Firm Registration No: 000191) appointed as the Cost Auditors, for the Financial year 2018-19 at a fee of ₹ 150,000/- plus applicable taxes and other out of pocket expenses, for conducting the audit of the cost accounting records of the Company for the financial year ending 31st March, 2019. Pursuant to section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014 members of the Company are required to ratify the remuneration to be paid to the Cost auditors of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No 5 of the notice for ratification of remuneration payable to the Cost Auditors of the Company for the year ending 31st March, 2019.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the Resolution at Item No 5.

Accordingly an Ordinary Resolution as set out in Item No. 5 of the notice is recommended for your approval.

Item No. 6

Considering the provisions of the Companies Act, 2013 and provisions of Companies (Acceptance of Deposits) Rules, 2015, if the Company decides to accept/renew the deposits from public, a resolution needs to be passed in the General Meeting of the members of the Company, permitting acceptance/renewal of deposits and approving the terms and conditions, subject to which such deposits shall be accepted/renewed.

In order to enable the Board to take a decision about acceptance/renewal of deposits, from time to time, depending on the requirement of the Company and prevalent rate of interest, the Board recommends that powers be vested with the Board of Directors to accept/ renew the deposits from public, upto the permitted limits.

The Company, before accepting/renewing deposits, shall comply with all other formalities as prescribed by the Companies Act, 2013 and provisions of Companies (Acceptance of Deposits) Rules, 2015 as in force from time to time.

None of the Directors, Key Managerial Persons, Managers of the Company or their relatives have any concern or interest, financial or otherwise in the above resolution except to the extent of their Shareholding.

Accordingly an Ordinary Resolution as set out in Item No. 6 of the notice is recommended for your approval.

**DETAILS OF DIRECTOR(S) SEEKING RE-APPOINTMENT / CONTINUATION
OF DIRECTORSHIP IN THE ENSUING ANNUAL GENERAL MEETING.**

Name of the Director	Mrs. Nutan M. Bhandari	Mr. Vasant Vijaykumar Bang
DIN	02198203	08137616
Date of Birth	09-April-1960	03-February-1968
Age	58 Years	50 Years
Date of first appointment	25-March-2015	30-May-2018
Terms & conditions of re-appointment/ continuation of Directorship	As mentioned in the respective resolutions and explanatory statements	
Qualification	Graduate in Psychology from Pune University	Holds Ph.D. from Birla Institute of Technology & Science (BITS), Pilani. Besides he is a Production Engineer & a MBA.
Experience / Expertise in functional field and brief resume	Mrs. Nutan M. Bhandari steers the CSR initiatives of the Company. Under her leadership, Company runs an initiative called 'Window to the World' where-in it has tied up with few schools around the manufacturing plant in Pune to provide children with adequate educational & extra-curricular opportunities. Some of the activities taken up are conducting health & sports camps, yoga classes & science fares etc.	Mr Vasant Bang is founder director of DELTA M Management R&D Lab which offers consultancy, research & executive learning services in Marketing & Business Strategy. In his career spanning over more than 25 years he has taught in Ph.D, MBA & Executive MBA programmes in Pune & Mumbai. He has also conducted MDPs for senior managers of top companies like Mitsubishi Corp, Japan; LIC, SBI Life, various nationalized & cooperative banks etc. His articles have been published in reputed international journals and national newspapers.
No. of Shares held in the Company	12,05,122	Nil
No. of Board Meetings attended during the financial year 2017-18	All meetings (i.e. seven out of seven meetings)	N.A.
Remuneration sought to be paid / last drawn (including sitting fees, if any)	As mentioned in the Corporate Governance Report	(*)
Other Directorships	None	None
Chairmanship / Membership of Committees of other Companies	None	None
Relationship with other Directors, Manager and Key Managerial Personnel	Mrs. Nutan Bhandari is the spouse of Mr. Mohan H. Bhandari, Chairman & Managing Director of the Company	None

* No remuneration was drawn by Mr. Vasant Bang as he was appointed on 30 May 2018 i.e. after financial year 2017-18. He is entitled to receive sitting fees as paid to other Non-Executive Directors.

ATTENDANCE SLIP

Sr No:

Registered Folio No./ DP ID & Client ID	
Name and address of the Member(s)	
Joint Holder 1 Joint Holder 2	
No. of Shares	

I/We record my/our presence at the 31st Annual General Meeting of the Company to be held on Saturday, 29 September 2018 at 11.00 a.m. at the Registered Office of the Company at 1028, Shirol, Rajgurunagar, Pune - 410 505.

Member's/ Proxy's name in Block letters

Member's/ Proxy's Signature

Note: Please fill in the name and sign this Attendance Slip and deposit the same with the Company Officials at the venue of the Meeting.

ELECTRONIC VOTING PARTICULARS

EVS (Electronic Voting Sequence Number)	*Sequence No.
180817039	

* Only Members who have not updated their PAN with the Company/ Depository Participant shall use sequence no. in the PAN field.

Notes:

1. Please read the instructions printed under the Notes to the Notice of the 31st Annual General Meeting of the Company to be held on Saturday, 29 September 2018 at 11.00 a.m.
2. The remote e-Voting period starts from 9.00 a.m. IST on Wednesday, 26 September 2018 and ends at 5.00 p.m. IST on Friday, 28th September 2018. The Voting module shall be disabled by Central Depository Services (India) Limited (CDSL) for voting thereafter.

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN: L28939PN1987PLC043953

Name of the Company: Bilcare Limited

Registered Office: 1028, Shirol, Rajgurunagar, Pune - 410 505

Name of the Member(s)	
Registered Address	
Email ID	
DP ID & Client ID / Folio No.	

I/We, being the member (s) of shares of the above named company, hereby appoint

- 1) _____ of _____ having e-mail id _____ or failing him
 2) _____ of _____ having e-mail id _____ or failing him
 3) _____ of _____ having e-mail id _____

and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty First Annual General Meeting of the company, to be held on the Saturday, the 29th day of September, 2018 At 11.00 a.m. at the Registered Office of the Company at 1028, Shirol, Rajgurunagar, Pune - 410 505 and at any adjournment thereof in respect of such resolutions as are indicated below:

Description	For *	Against*
1. Receive, consider and adopt the audited Financial Statements of the Company together with the reports of Board of Directors and the Auditors thereon.		
2. Re-appointment of Mrs. Nutan M. Bhandari [DIN 02198203], who retires by rotation and being eligible, offers herself for re-appointment.		
3. Appointment of Statutory Auditors and authorizing Board to fix their remuneration.		
4. Appointment of Mr. Vasant Vijaykumar Bang [DIN 08137616] as an Independent Director.		
5. Ratification of Remuneration of Cost Auditor.		
6. Acceptance of Fixed Deposits.		

Signed this _____ day of _____ 2018.

Affix
Revenue
Stamp

Signature of shareholders

Signature of first proxy holder

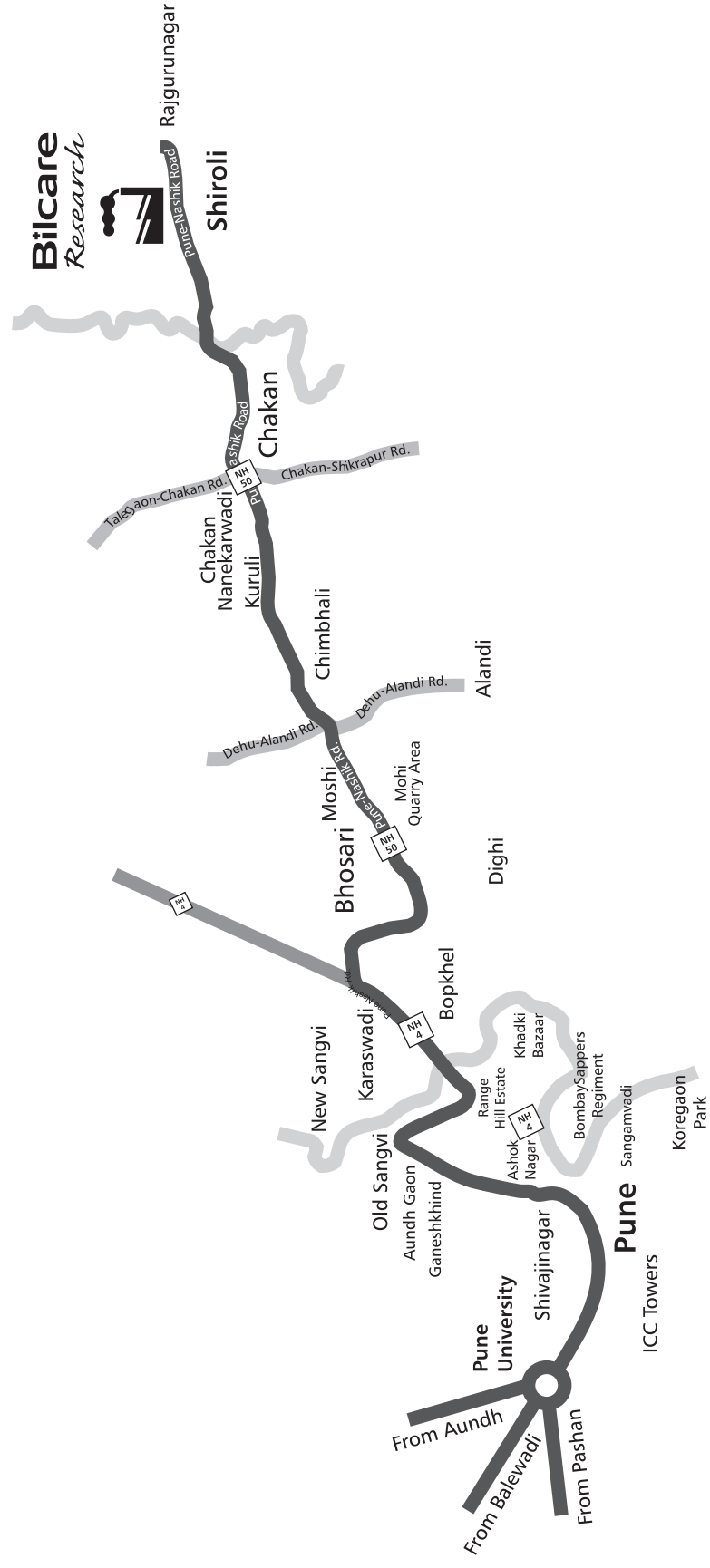
Signature of second proxy holder

Signature of third proxy holder

Note:

- *1. Please put 'x' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. 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.

Road Map to AGM Venue





Bilcare Limited
1028, Shirol, Rajgurunagar
Pune 410505, India.

investors@bilcare.com
www.bilcare.com