

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Granules Omnichem Private Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of Granules Omnichem Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its loss, and its cash flows for the year ended on that date.


## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid 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 written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial position;
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W

  
per Navneet Rai Kabra  
Partner

Membership Number: 102328

Place of Signature: Hyderabad

Date: April 24, 2015



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Annexure referred to in paragraph 1 of our report of even date

Re: Granules Omnichem Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the period and no material discrepancies were identified on such verification.
- (ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under Clause 3(ii) of the Order are not applicable to the Company.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. The activities of the Company did not involve any purchase of inventory, sale of goods and sale of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) Since the Company has not commenced commercial production, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, customs duty and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to wealth-tax, service-tax, excise duty and cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (d) According to the information and explanations given to us, the provisions of investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder are not applicable to the company.
- (viii) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.

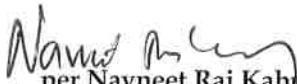


# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W

  
per Navneet Rai Kabra  
Partner

Membership Number: 102328  
Place of Signature: Hyderabad  
Date: April 24, 2015



**Granules Omnichem Private Limited**

Balance Sheet as at March 31, 2015

CIN: U24233AP2011PTC076274

(All amounts in Indian Rupees, unless otherwise stated)

	Notes	March 31 2015	March 31 2014
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	754,619,340	414,000,000
Reserves and surplus	4	(32,516,656)	(19,769,234)
		<u>722,102,684</u>	<u>394,230,766</u>
<b>Non-current liabilities</b>			
Long-term borrowings	5	1,210,735,393	1,486,377,000
Trade payables	6	-	2,714,640
Other liabilities	7	-	5,863,764
Long-term provisions	8	21,467	1,179,053
		<u>1,210,756,860</u>	<u>1,496,134,457</u>
<b>Current liabilities</b>			
Trade payables	6	22,880,444	4,178,043
Other current liabilities	7	310,093,120	130,591,010
Short-term provisions	8	1,171,935	7,485,418
		<u>334,145,499</u>	<u>142,254,471</u>
<b>TOTAL</b>		<b>2,267,005,043</b>	<b>2,032,619,694</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	1,548,565,632	155,135,133
Capital work-in-progress	10	614,521,698	1,704,579,475
Loans and advances	11	4,941,976	10,380,284
Other non-current assets	12	18,960,822	22,181,314
		<u>2,186,990,128</u>	<u>1,892,276,206</u>
<b>Current assets</b>			
Cash and cash balances	13	68,711,857	129,561,344
Loans and advances	11	2,128,673	642,400
Other current assets	12	9,174,385	10,139,744
		<u>80,014,915</u>	<u>140,343,488</u>
<b>TOTAL</b>		<b>2,267,005,043</b>	<b>2,032,619,694</b>
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI &amp; ASSOCIATES LLP

ICAI Firm registration number: 101049W

Chartered Accountants



Per Navneet Rai Kabra

Partner

Membership No. 102328




Place: Hyderabad

Date: April 24, 2015

For and on behalf of the Board of Directors

Granules Omnichem Private Limited


  
Gwinnett Bompas  
Director


  
C. Krishna Prasad  
Director

Place: Hyderabad

Date: April 24, 2015



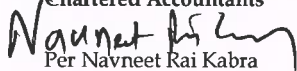
**Granules Omnichem Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2015**  
**CIN: U24233AP2011PTC076274**  
(All amounts in Indian Rupees, unless otherwise stated)

	Notes	March 31 2015	March 31 2014
<b>Income</b>			
Revenue from Operations		-	-
Other income	14	20,599,711	-
<b>Total</b>		<b>20,599,711</b>	<b>-</b>
<b>Expenses</b>			
Employee benefit expenses	15	4,745,108	700,653
Other expenses	16	15,956,414	2,917,222
Finance Costs	17	8,415,278	501,109
Depreciation and amortisation expense	18	4,230,333	-
<b>Total</b>		<b>33,347,133</b>	<b>4,118,984</b>
<b>Loss before tax</b>		<b>(12,747,422)</b>	<b>(4,118,984)</b>
<b>Tax Expenses</b>			
Current Tax		-	9,588,385
Tax of earlier years		-	110,291
<b>Total tax expenses</b>		<b>-</b>	<b>9,698,676</b>
<b>Net loss after tax</b>		<b>(12,747,422)</b>	<b>(13,817,660)</b>
<b>Earnings per share</b>			
Basic and diluted		(0.06)	(0.33)
Nominal value of share		10	10
Weighted average number of shares		229,456,488	41,272,110
<b>Summary of significant accounting policies</b>	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For S.R. BATLIBOI & ASSOCIATES LLP  
ICAI Firm registration number: 101049W

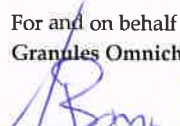
Chartered Accountants

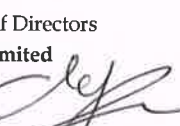
  
Per Navneet Rai Kabra  
Partner  
Membership No. 102328



Place: Hyderabad  
Date: April 24, 2015

For and on behalf of the Board of Directors  
Granules Omnichem Private Limited

  
Gwinnett Bompas  
Director

  
C. Krishna Prasad  
Director

Place: Hyderabad  
Date: April 24, 2015



**Granules Omnichem Private Limited**

Cash flow statement for the year ended March 31, 2015

CIN: U24233AP2011PTC076274

(All amounts in Indian Rupees, except otherwise stated)

	Year ended March 31, 2015	Year ended March 31, 2014
<b>Cash flows from operating activities</b>		
Loss before tax	(12,747,422)	(4,118,984)
Adjustments for:		
Unrealised foreign exchange gain	(18,812,706)	-
Interest income	(1,218,356)	-
Provision for doubtful advances	-	1,285,400
Interest expense	7,809,722	501,109
Loss on sales of assets under construction	906,892	-
<b>Operating loss before working capital changes</b>	<b>(24,061,870)</b>	<b>(2,332,475)</b>
<b>Movements in working capital:</b>		
Increase in Trade payables	15,987,761	4,851,290
Increase in other liabilities	(527,814)	9,620,811
Increase/(Decrease) in other assets	(1,407,119)	800,770
(Decrease)/Increase in provisions	(745,008)	1,596,907
(Increase)/Decrease in loans and advances	(2,417,412)	(1,068,106)
<b>Cash generated from/(used in) operations</b>	<b>(13,171,462)</b>	<b>13,469,197</b>
Direct taxes paid (net)	(7,147,046)	(3,287,802)
<b>Net cash generated from/(used in) operating activities</b>	<b>A (20,318,508)</b>	<b>10,181,395</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets including Capital work in progress	(337,356,258)	(995,553,964)
Interest received	13,001,153	26,734,904
Investment in bank deposits	(167,000)	-
Dividend received	4,817,133	6,286,477
Proceeds from sales of capital work-in-progress	5,017,319	-
<b>Net cash used in investing activities</b>	<b>B (314,687,653)</b>	<b>(962,532,583)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	2,254,393	617,039,719
Repayment of borrowings	(407,835)	-
Increase in share capital	340,619,340	-
Interest paid during the year	(68,309,224)	(50,790,029)
<b>Net cash generated from financing activities</b>	<b>C 274,156,674</b>	<b>566,249,690</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(A+B+C) (60,849,487)</b>	<b>(386,101,498)</b>
Cash and cash equivalents at the beginning of the year	129,561,344	515,662,842
<b>Cash and cash equivalents at the end of the year</b>	<b>68,711,857</b>	<b>129,561,344</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	18,847	47,227
With banks on current accounts	12,916,373	9,504,117
On deposit accounts	55,776,637	120,010,000
<b>Total cash and cash equivalents (refer note 13)</b>	<b>68,711,857</b>	<b>129,561,344</b>
<b>Summary of significant accounting policies</b>	<b>2.1</b>	

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm registration number: 101049W

Chartered Accountants

*Navneet Rai Kabra*  
Per Navneet Rai Kabra

Partner

Membership No. 102328



Place: Hyderabad

Date: April 24, 2015

For and on behalf of the Board of Directors

Granules Omnichem Private Limited

*Gwinnett Bompas*  
Gwinnett Bompas  
Director

*C. Krishna Prasad*  
C. Krishna Prasad  
Director

Place: Hyderabad

Date: April 24, 2015





**Granules Omnichem Private Limited**

Notes to financial statements for the year ended March 31, 2015

CIN: U24233AP2011PTC076274

(All amounts in Indian Rupees, unless otherwise stated)

**3. Share capital**

	March 31, 2015	March 31, 2014
<b>Authorised shares</b>		
9,50,00,000 (March 31, 2014: 4,50,00,000 ) equity shares of Rs 10/- each	950,000,000	450,000,000
	<b>950,000,000</b>	<b>450,000,000</b>

**Issued and subscribed shares**

85,761,934 shares (March 31, 2014: 4,14,00,000 ) equity shares of Rs 10/- each	857,619,340	414,000,000
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**Paid up shares**

65,161,934 (March 31, 2014: 41,400,000 ) equity shares of Rs.10 each fully paid up	651,619,340	414,000,000
20,600,000 (March 31, 2014: Nil) equity shares of Rs. 10 each paid up at Rs. 5 per share	103,000,000	-
<b>Total paid-up share capital</b>	<b>754,619,340</b>	<b>414,000,000</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the year**

	March 31, 2015		March 31, 2014	
	Nos.	Amount	Nos.	Amount
<b>Equity shares</b>				
At the beginning of the year	41,400,000	414,000,000	37,510,000	375,100,000
Issued during the year	44,361,934	340,619,340	3,890,000	38,900,000
Outstanding, at the end of the year	85,761,934	754,619,340	41,400,000	414,000,000

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. The Company has not declared any dividend in the current and previous year. 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% shares in the Company**

	March 31, 2015		March 31, 2014	
	No's	% holding	No's	% holding
<b>Equity shares</b>				
SA Ajinomoto OmniChem NV	42,880,967	50%	20,700,000	50%
Granules India Limited	42,880,967	50%	20,700,000	50%

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

**4. Reserves and surplus**

	March 31, 2015	March 31, 2014
<b>Deficit in the statement of profit and loss</b>		
Balance, at the beginning of the year	(19,769,234)	(5,951,574)
Loss for the year	(12,747,422)	(13,817,660)
<b>Net deficit in the statement of profit and loss</b>	<b>(32,516,656)</b>	<b>(19,769,234)</b>





**Granules Omnichem Private Limited**

Notes to financial statements for the year ended March 31, 2015

CIN: U24233AP2011PTC076274

(All amounts in Indian Rupees, unless otherwise stated)

**5. Long term borrowings**

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>Secured</b>				
Foreign currency term loans from banks	1,209,600,000	1,486,377,000	-	-
Vehicle loan from financial institution	1,135,393	-	711,165	-
<b>Total</b>	<b>1,210,735,393</b>	<b>1,486,377,000</b>	<b>711,165</b>	<b>-</b>
Less: Current maturities (Amount disclosed under the head "other current liabilities" (refer note 7)			(711,165)	

Foreign currency loans had been obtained from DEG-Deutsche Investitions-und Entwicklungsgesellschaft Mbh, Germany and ING Vysya Bank, Singapore Branch.

Loan from DEG-Deutsche Investitions-und Entwicklungsgesellschaft Mbh, Germany is repayable in twelve equal half yearly instalments commencing from January 15, 2017 and carries an interest rate of EURIBOR plus 4.70 % per annum. Loan from ING Vysya Bank, Singapore Branch is repayable in eight equal half yearly instalments commencing from January 15, 2017 and carries an interest rate of EURIBOR plus 4.00 % per annum.

These loans are secured by way of first ranking pari passu charge over all immovable and movable fixed assets (both present and future ) of the Company. Further the loan are also secured by way of first demand payment guarantees (jointly and severally) from the sponsors i.e. Granules India Limited and SA Ajinomoto OmniChem NV.

Vehicle loan from financial institution, secured by charge over vehicle, is repayable in 36 monthly installments and carries interest rate of 10.27% per annum.

**6. Trade payables**

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Dues to other than micro, small and medium enterprises (note 28)	-	2,714,640	22,880,444	4,178,043
<b>Total</b>	<b>-</b>	<b>2,714,640</b>	<b>22,880,444</b>	<b>4,178,043</b>

**7. Other liabilities**

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current maturities of long term borrowings (note 5)	-	-	711,165	-
Capital creditors	-	-	51,970,788	105,059,754
Interest accrued but not due on borrowing	-	-	11,386,574	14,870,541
Retention money	-	5,863,764	6,461,961	8,518,232
Other statutory dues	-	-	1,459,608	2,142,483
Advance for trial run production	-	-	237,947,963	-
Others advances	-	-	155,061	-
<b>Total</b>	<b>-</b>	<b>5,863,764</b>	<b>310,093,120</b>	<b>130,591,010</b>

**8. Provisions**

	Long-term		Short-term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>Provision for employee benefits</b>				
Provision for leave benefits	-	-	1,171,935	759,357
Provision for gratuity	21,467	1,179,053	-	-
<b>Other provisions</b>				
Provision for taxation (net of advance tax)	-	-	-	6,726,061
<b>Total</b>	<b>21,467</b>	<b>1,179,053</b>	<b>1,171,935</b>	<b>7,485,418</b>



**Granules Omnichem Private Limited**

Notes to financial statements for the year ended March 31, 2015

CIN: U24233AP2011PTC076274

(All amounts in Indian Rupees, unless otherwise stated)

**10. Capital Work-in-Progress**

During the year, the Company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP).

		March 31, 2015	March 31, 2014
Construction Work-in-Progress (Including raw material used for trial run)	A	1,737,912,559	1,307,594,519
Balance brought forward		396,984,956	87,538,059
Capitalisation of exchange differences		(276,777,000)	173,899,281
Expenditure during construction period			
- Employee Benefit expenses (refer note 15)		62,652,716	40,085,954
- Other Expenses (refer note 16)		79,937,802	64,066,131
- Finance Charges (refer note 17)		60,244,717	71,164,512
- Depreciation and Amortisation (refer note 18)		11,849,687	2,274,933
	(i)	334,892,878	439,028,870
	(ii)	54,431,244	42,043,914
	B (i-ii)	280,461,634	396,984,956
Less: Trial run income, interest and other income	C	(1,403,852,495)	-
Less: Capitalised during the year	(A+B+C)	614,521,698	1,704,579,475

**11. Loans and advances**

		Non-current		Current	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>Unsecured</b>					
<b>Capital advances</b>					
Considered good		694,241	7,484,674	-	-
Considered doubtful		1,285,400	1,285,400	-	-
		1,979,641	8,770,074	-	-
Less: Provision for Doubtful Advances		(1,285,400)	(1,285,400)	-	-
	(A)	694,241	7,484,674	-	-
Security Deposits- considered good	(B)	3,243,000	2,550,000	232,000	260,000
<b>Other loans and advances</b>					
<b>Unsecured, considered good</b>					
Advance income-tax (net of provision for taxation)		766,596	345,610	-	-
Advances recoverable in cash or in kind		-	-	422,345	-
Prepaid expenses		238,139	-	1,474,328	380,591
Balances with statutory/ government authorities		-	-	-	1,809
	(C)	1,004,735	345,610	1,896,673	382,400
<b>Total (A+B+C)</b>		<b>4,941,976</b>	<b>10,380,284</b>	<b>2,128,673</b>	<b>642,400</b>

**12. Other assets**

		Non-current		Current	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>Unsecured considered good</b>					
Non- current bank balances (note 13)		2,717,000	2,550,000	-	-
Unamortised Ancillary costs of arranging borrowings		16,243,822	19,631,314	3,369,131	3,350,770
Interest accrued on fixed deposits		-	-	1,477,891	6,788,974
<b>Other receivables</b>					
From related parties		-	-	4,327,363	-
<b>Total</b>		<b>18,960,822</b>	<b>22,181,314</b>	<b>9,174,385</b>	<b>10,139,744</b>



**Granules Omnichem Private Limited**

Notes to financial statements for the year ended March 31, 2015

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(All amounts in Indian Rupees, unless otherwise stated)

**13. Cash and bank balances**

	Non-current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
<b>Cash and cash equivalents</b>				
Balances with banks:				
- On current accounts		-	12,916,373	9,504,117
- Deposits with original maturity of less than 3 months			45,003,000	-
Cash on hand			18,847	47,227
			<b>57,938,220</b>	<b>9,551,344</b>
<b>Other bank balances</b>				
- Deposits with original maturity for more than 3 months but less than 12 months			10,773,637	120,010,000
- Margin money deposit	2,717,000	2,550,000	-	-
	<b>2,717,000</b>	<b>2,550,000</b>	<b>10,773,637</b>	<b>120,010,000</b>
Amount disclosed under non current assets ( Refer note 12)	<b>(2,717,000)</b>	<b>(2,550,000)</b>		
			<b>68,711,857</b>	<b>129,561,344</b>

**14. Other Income**

	March 31, 2015	March 31, 2014
Interest		
-on bank deposit	7,457,574	33,291,987
-on others	232,496	151,200
Dividend income on current investment	4,817,133	6,286,477
Miscellaneous income	3,357,189	1,739,802
Exchange difference (net)	19,198,745	574,448
Reversal of provision for gratuity	419,025	-
<b>Total</b>	<b>35,482,162</b>	<b>42,043,914</b>
Transfer to Statement of profit and loss	20,599,711	-
Transferred to Capital work in progress	14,882,451	42,043,914

**15. Employee benefit expenses**

	March 31, 2015	March 31, 2014
Salaries, wages and bonus	63,339,908	38,025,962
Contribution Provident Fund and other funds	1,813,112	703,613
Gratuity	-	1,007,266
Staff Welfare	2,244,804	1,049,766
<b>Total</b>	<b>67,397,824</b>	<b>40,786,607</b>
Transferred to Statement of Profit and Loss	4,745,108	700,653
Transferred to Capital work in progress	62,652,716	40,085,954



**Granules Omnichem Private Limited**

Notes to financial statements for the year ended March 31, 2015

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**16. Other Expenses**

	March 31, 2015	March 31, 2014
Power and fuel	46,462,782	8,344,775
Manpower hire charges	11,420,805	608,354
Water charges	2,043,509	3,351,147
Communication costs	1,288,209	543,611
Insurance	2,212,425	2,057,224
Payment to auditor:		
-For statutory audit fee	1,000,000	600,000
-Reimbursement of expenses	36,956	-
Reimbursement of expenses	-	11,987
Professional and consultancy charges	4,507,802	31,886,219
Printing and stationery	1,268,350	-
Rates and taxes	5,066,454	691,849
Rent	2,348,759	6,316,739
Repairs and maintenance		
-Buildings	1,115,245	1,271,211
-Others	3,465,403	812,415
Security charges	2,895,677	2,767,247
Travel and conveyance	7,280,925	5,894,146
Provision for doubtful advances	-	1,285,400
Loss on sale of assets under construction	906,892	76,074
Miscellaneous expenses	2,574,023	464,955
<b>Total</b>	<b>95,894,216</b>	<b>66,983,353</b>
Transferred to Statement of Profit and Loss	15,956,414	2,917,222
Transferred to Capital Work-in-Progress	79,937,802	64,066,131

**17. Finance costs**

	March 31, 2015	March 31, 2014
Interest on term loans	64,825,257	64,625,962
Interest on others	103,764	501,109
Bank charges	361,844	3,187,780
Amortisation of ancillary borrowing costs	3,369,131	3,350,770
<b>Total</b>	<b>68,659,996</b>	<b>71,665,621</b>
Transferred to Statement of Profit or loss	8,415,278	501,109
Transferred to Capital work in progress	60,244,717	71,164,512

**18. Depreciation and Amortisation**

	March 31, 2015	March 31, 2014
Amortisation - Leasehold Land	1,532,197	1,532,197
Depreciation - Tangible assets	14,547,823	742,736
<b>Total</b>	<b>16,080,020</b>	<b>2,274,933</b>
Transferred to Statement of Profit or loss	4,230,333	-
Transferred to Capital work in progress	11,849,687	2,274,933





Granules Omnichem Private Limited

Notes to financial statements for the year ended March 31, 2015

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9. TANGIBLE ASSETS

	Leasehold Land	Buildings	Plant and Machinery	Lab Equipment	Electrical installations	Office Equipment	Computers and servers	Furniture and fixtures	Vehicles	Total
Cost										
As at April 1, 2013	151,687,500	-	-	-	-	255,609	500,640	782,238	2,199,950	155,425,937
Additions	-	-	-	-	-	294,600	1,110,727	791,388	1,736,491	3,933,206
Disposals	-	-	-	-	-	-	-	110,000	-	110,000
As at March 31, 2014	151,687,500	-	-	-	-	550,209	1,611,367	1,463,626	3,936,441	159,249,143
Additions	-	535,600,321	596,011,643	31,980,633	170,954,273	10,686,056	33,297,421	28,749,204	2,230,968	1,409,510,519
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2015	151,687,500	535,600,321	596,011,643	31,980,633	170,954,273	11,236,265	34,908,788	30,212,830	6,167,409	1,568,759,662
Depreciation/Amortisation										
As at April 1, 2013	1,532,197	-	-	-	-	8,938	52,695	43,869	211,286	1,848,985
Charge for the year	1,532,197	-	-	-	-	20,181	225,442	166,266	330,847	2,274,933
Disposals	-	-	-	-	-	-	-	9,908	-	9,908
As at March 31, 2014	3,064,394	-	-	-	-	29,119	278,137	200,227	542,133	4,114,010
Charge for the year	1,532,197	3,012,103	4,670,601	491,100	2,625,202	658,270	1,847,812	606,681	636,054	16,080,020
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2015	4,596,591	3,012,103	4,670,601	491,100	2,625,202	687,389	2,125,949	806,908	1,178,187	20,194,030
Net Block										
As at March 31, 2014	148,623,106	-	-	-	-	521,090	1,333,230	1,263,399	3,394,308	155,135,133
As at March 31, 2015	147,090,909	532,588,218	591,341,042	31,489,533	168,329,071	10,548,876	32,782,839	29,405,922	4,989,222	1,548,565,632



## **1. Corporate information**

Granules Omnichem Private Limited ('the Company') incorporated on September 2, 2011 as a 50:50 Joint venture between Granules India Limited, India and SA Ajinomoto Omnichem N.V, Belgium. The Company is engaged in the business of manufacture and sale of pharmaceutical intermediates and active pharmaceutical ingredients (APIs) and has a plant at Ramky Pharma City - SEZ situated in Visakhapatnam, Andhra Pradesh.

## **2. Basis of preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

### **2.1 Summary of significant accounting policies**

#### **a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### **b. Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and trial run expenses (net of revenue). Any Trade discounts and rebates are deducted in arriving at the purchase price.

Gains and losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference



**c. Depreciation on tangible fixed assets**

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on fixed assets.

Particulars	Rate
Buildings	1.67%-10.00%
Plant and Machinery	5.00%-10.00%
Laboratory Equipment	10.00%
Electrical Installations	10.00%
Office equipment	20.00%
Computers and servers	16.67%- 33.33%
Furniture and fixtures	10.00%
Vehicles	12.50%

Leasehold land is amortized on a straight line basis over the extended period of lease. i.e. 99 years.

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets which are equal to useful lives and residual values specified in Schedule II. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets. However this re-estimation of useful lives and residual value did not have any material impact on the financial statement of the Company for the current year.

**d. Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Operating lease payments are recognized as an expense in the statement of profit and loss on straight line basis.

**e. Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.





**f. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

**Dividend**

Dividend is recognized as and when the Company's right to receive payment is established by the reporting date.

**g. Foreign currency translation**

Foreign currency transactions and balances

(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- a) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
- b) All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of "a" above, the Company treats a foreign monetary item as "Long term foreign currency monetary item, if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.



**h. Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**i. Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders related service.

Gratuity liability is a defined benefit obligation and the cost of providing the benefits under this plan is determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for this plan using the projected unit credit method. Actuarial gains and losses for defined benefits plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**j. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



**k. Provisions**

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

**l. Income Taxes**

Tax expense comprises current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

**m. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**n. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



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**19. Capital and Other commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 4,188,887 [31 March 2014: Rs. 71,194,699].

**20. Related Party Transactions**

**a. Names of related parties and their relationship**

**Related parties with whom transactions have taken place during the year**

Joint Venturer	Granules India Limited
Joint Venturer	SA Ajinomoto OmniChem N.V
Key Managerial Personnel	Gulshan Kumar Kapoor, CEO#

# Appointed with effect from May 26, 2014

**b. Related party transactions during the year:**

Particulars	March 31, 2015	March 31, 2014
<b>i. Transaction during the year</b>		
<b>Allotment of Equity Shares</b>		
Granules India Limited	170,309,670	19,450,000
SA Ajinomoto OmniChem N.V	170,309,670	19,450,000
<b>Purchases of raw materials for trial run production</b>		
Granules India Limited	601,810	-
<b>Sales of assets under construction</b>		
Granules India Limited	1,691,127	-
<b>Sales of goods from trial run production</b>		
SA Ajinomoto OmniChem N.V	37,073,404	-
<b>Advances from customer</b>		
SA Ajinomoto OmniChem N.V	256,440,597	-
<b>Remuneration to Key Managerial Personnel*</b>		
Gulshan Kumar Kapoor	9,858,051	-
<b>ii. Receivable / (Payable) balance (net)</b>		
Granules India Limited**	(368,298)	-
SA Ajinomoto OmniChem N.V**	(233,666,113)	-
Gulshan Kumar Kapoor	(3,000,000)	-

\* As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and therefore not included above.

\*\* The Company has availed term loans from foreign banks which are further secured by first demand payment guarantees from the sponsors i.e. Granules India Limited and S.A. Ajinomoto OmniChem N.V. The closing balance of such loans as at March 31, 2015 is Rs. 1,209,600,000 (March 31, 2014: Rs. 1,486,377,000)





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\*\* The Company has availed term loans from foreign banks which are further secured by first demand payment guarantees from the sponsors i.e. Granules India Limited and S.A. Ajinomoto OmniChem N.V. The closing balance of such loans as at March 31, 2015 is Rs. 1,209,600,000 (March 31, 2014: Rs. 1,486,377,000)

**21. Retirement benefits**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on retirement or separation at the rate of 15 days' last drawn basic salary for each completed year of service. The scheme is funded during the current year.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

**A. Net employee benefit expenses (recognized in employee benefit expenses)**

	For the year ended March 31, 2015	For the year ended March 31, 2014
Current service cost	551,630	1,102,061
Interest cost	96,682	14,087
Net actuarial (gain)/loss recognized for the year	(1,067,337)	(108,882)
<b>Expenses recognized in the statement of Profit and Loss</b>	<b>(419,025)</b>	<b>1,007,266</b>

**B. Balance sheet**

**Benefit asset/liability**

	March 31, 2015	March 31, 2014
Present value of defined benefit obligation	(760,028)	(1,179,053)
Fair value of plan assets	738,561	-
<b>Plan asset/ (liability)</b>	<b>(21,467)</b>	<b>(1,179,053)</b>

**C. Changes in the present value of the defined benefit obligation**

	March 31, 2015	March 31, 2014
Opening defined benefit obligation	11,79,053	171,787
Interest cost	96,682	14,087
Current service cost	551,630	1,102,061
Actuarial (gain)/loss on obligation	(10,67,337)	(108,882)
<b>Closing defined benefit obligation</b>	<b>760,028</b>	<b>1,179,053</b>

**D. Changes in the fair value of plan assets**

	March 31, 2015	March 31, 2014
Opening fair value of plan assets	-	-
Contributions by employer	738,561	-
Expected rate of return	29,542	-
Benefits paid	-	-
Actuarial gains/(losses)	(29,542)	-
<b>Closing fair value of plan assets</b>	<b>738,561</b>	<b>-</b>



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**E. The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:**

	March 31, 2015	March 31, 2014
Discount Rate	7.84%	8.20%
Expected rate of return on plan assets	-	-
Expected average remaining working lives of Employees (years)	2.87	21.62
Future salary growth rate	12.50%	10%
Expected return on plan assets	8.00%	-

The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

**F. Amounts for the current and previous periods are as follows:**

	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	760,028	1,179,053	171,787
Actual return on Plan Assets	-	-	-
Contributions	738,561	-	-
Benefit Paid	-	-	-
Fair value of Plan Assets at the end of the period	738,561	-	-
Surplus/(deficit)	(21,467)	(1,179,053)	(171,787)

**22. Operating Lease:**

The Company has taken premises on operating lease. Lease payment recognised in the statement of Profit and Loss Account for the year ended March 31, 2015 is Rs. 2,348,759 (March 31, 2014: Rs. 6,316,739). Lease agreements impose no restrictions. There are no subleases.

**23. Derivative instruments and un-hedged foreign currency exposure:**

- There are no outstanding derivative contracts as at March 31, 2015 and March 31, 2014.
- Particulars of Unhedged foreign currency exposure is as follows:

	March 31, 2015	March 31, 2014
Capital creditors	3,931,200	4,830,725
Trade payable	22,760,000	-
Other current assets	4,281,863	-
Other Liabilities	11,386,574	14,870,541
Borrowings	1,209,600,000	14,863,770,000
Capital advances	-	6,074,983
Advances received from customer	237,947,976	-
Bank balances	263,262	-

**24. Earnings in foreign currency**

	March 31, 2015	March 31, 2014
Exports on F.O.B basis*	37,073,404	-

\* The amount has been included in trial run income under capital work-in-progress



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25. Expenditure in foreign currency:*	March 31, 2015	March 31, 2014
Bank charges	315,739	1,963,167
Travelling expenses	64,825,257	105,729
Interest on term loans	-	64,625,962
Professional charges	-	2,994,561

\* The amount disclosed includes amount transferred to capital work-in-progress.

26. C.I.F value of imports	March 31, 2015	March 31, 2014
Capital goods*	115,330,162	115,804,653

\* Includes raw material procured for trial run

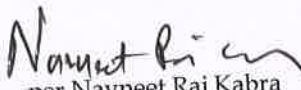
27. Capitalization of exchange differences

The Ministry of Corporate Affairs (MCA) has issued an amendment dated 29 December 2011 to Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates" allowing companies to capitalize exchange difference arising on long-term foreign currency monetary items. In accordance with the said amendment, the Company has capitalized during the year, an exchange gain of Rs. 276,777,000 (March 31, 2014: Exchange loss of Rs. 173,899,281) arising on long-term foreign currency loan.

28. Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2015 and March 31, 2014.
29. As per the transfer pricing rules prescribed under the Income Tax Act, 1961, the Company is examining the international transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions involved.
30. As the Company is yet to commence operations, the information required under Paragraph 5 of Part II of Schedule III of the Companies Act, 2013 have been made to the extent applicable.
31. Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

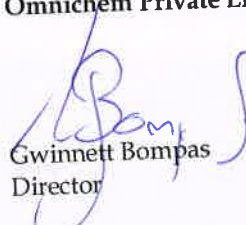
For S.R. Batliboi & Associates LLP  
 ICAI Firm registration number: 101049W  
 Chartered Accountants

  
 per Navneet Rai Kabra  
 Partner  
 Membership no.: 102328



Place: Hyderabad  
 Date: April 24, 2015

For and on behalf of the board of directors of Granules  
 Omnichem Private Limited

  
 Gwinnett Bompas  
 Director

  
 C. Krishna Prasad  
 Director

Place: Hyderabad  
 Date: April 24, 2015

