

B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report

To the Members of Metahelix Life Sciences Limited

Report on the Audit of consolidated Ind AS Financial Statements

Opinion

We have audited the consolidated Ind AS Financial Statements of Metahelix Life Sciences Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31 March 2019, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of the subsidiary as was audited by the other auditor, the aforesaid consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated Changes in Equity and consolidated Cash Flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's director's report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditors' Report (Continued)

Metahelix Life Sciences Limited

Other Information

In connection with our audit of the consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS Financial Statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS Financial Statements.



Independent Auditors' Report (*Continued*)

Metahelix Life Sciences Limited

Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements (*Continued*)

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated Ind AS Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiary) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS Financial Statements, including the disclosures, and whether the consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated Ind AS Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entity included in the consolidated Ind AS financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS Financial Statements.



Independent Auditors' Report (Continued)

Metahelix Life Sciences Limited

Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements (Continued)

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements of PT Metahelix Lifesciences Indonesia, subsidiary of the Holding Company, whose financial statements reflect total assets of Rs.333.34 lacs as at 31 March 2019, total revenues of Rs.128.58 lacs and net cash flows amounting to Rs.27.18 lacs for the year ended on that date, as considered in the consolidated Ind AS Financial Statements. These financial statements have been audited by other auditor whose reports has been furnished to us by the Management and our opinion on the consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of its subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

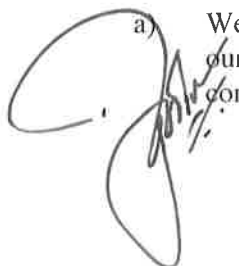
This subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of its subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of its subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of its subsidiary as were audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

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



Independent Auditors' Report (*Continued*)

Metahelix Life Sciences Limited

Report on Other Legal and Regulatory Requirements (*Continued*)

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated 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 Ind AS Financial Statements.
 - d) In our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary as noted in the 'Other Matters' paragraph:
- i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 30 to the consolidated Ind AS Financial Statements;
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019;
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2019; and
 - iv. The disclosures in the consolidated Ind AS Financial Statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated Ind AS Financial Statements since they do not pertain to the financial year ended 31 March 2019.



Independent Auditors' Report (*Continued*)
Metahelix Life Sciences Limited

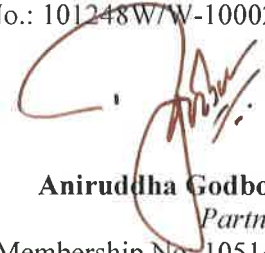
Report on Other Legal and Regulatory Requirements (*Continued*)

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Aniruddha Godbole
Partner

Membership No. 105149

Mumbai
18 April 2019

Metahelix Life Sciences Limited (Holding Company)

Annexure A to the Independent Auditors' report on the Consolidated Ind AS Financial Statements of Metahelix Life Sciences Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid Consolidated Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of Metahelix Life Sciences Limited (hereinafter referred to as "the Holding Company")

In our opinion, the Holding Company have, in all material respects, adequate internal financial controls with reference to Consolidated Ind AS Financial Statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Holding Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to Consolidated Ind AS Financial Statements based on the criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. 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 Holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Ind AS Financial Statements. 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 with reference to Consolidated Ind AS Financial Statements were established and maintained and if such controls operated effectively in all material respects.



Metahelix Life Sciences Limited (Holding Company)

Annexure A to the Independent Auditors' report on the Consolidated Ind AS Financial Statements of Metahelix Life Sciences Limited for the year ended 31 March 2019 (Continued)

Auditor's Responsibility (Continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Ind AS Financial Statements.

Meaning of Internal Financial controls with reference to Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial controls with reference to Consolidated Ind AS Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022


Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
18 April 2019

Metahelix Life Sciences Limited
Consolidated Balance Sheet as at 31 March 2019

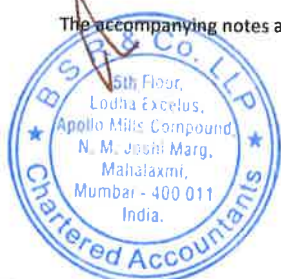
All amounts are in Rs lacs unless otherwise stated

	Notes	As at 31 March 2019	As at 31 March 2018
I. ASSETS			
1. Non-current assets			
a) Property, plant and equipment	4	2,035.80	2,107.14
b) Capital work-in-progress	4	9.20	27.94
c) Other intangible assets	4(a)	674.98	569.78
d) Intangible assets under development	4(b)	2,598.39	2,235.94
e) Financial assets			
(i) Loans	5	189.57	260.13
(ii) Other financial assets	6	20.97	-
f) Deferred tax assets (net)	7	2,171.70	2,078.14
g) Income-tax assets (net)	8	1,279.75	906.06
Total non-current assets		8,980.36	8,185.13
2. Current assets			
a) Inventories	10	24,452.65	19,861.31
b) Financial assets			
i) Investments	11	3,077.12	-
ii) Trade receivables	12	3,418.21	3,651.43
iii) Cash and cash equivalents	13	672.95	2,579.45
iv) Bank balances other than (iii) above	13	132.42	149.99
v) Loans	5	93.33	111.61
vi) Other financial assets	6	234.63	165.51
c) Other current assets	9	1,447.01	1,813.43
Total current assets		33,528.32	28,332.73
TOTAL ASSETS		42,508.68	36,517.86
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	10.75	10.75
b) Other equity	15	13,162.75	10,836.47
Equity attributable to owners of the Company		13,173.50	10,847.22
Non-controlling interest		184.18	110.63
Total equity		13,357.68	10,957.85
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
i) Borrowings	16	113.66	197.22
b) Provisions	19	160.39	156.87
c) Other non-current liabilities	20	9.81	11.32
Total non-current liabilities		283.86	365.41
2. Current liabilities			
a) Financial liabilities			
i) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	18	13.24	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	18	17,700.39	16,084.98
ii) Other financial liabilities	17	3,276.23	2,331.63
b) Provisions	19	25.97	21.01
c) Income-tax liabilities (net)	8	65.70	92.24
d) Other current liabilities	20	7,785.61	6,664.74
Total current liabilities		28,867.14	25,194.60
Total liabilities		29,151.00	25,560.01
TOTAL EQUITY AND LIABILITIES		42,508.68	36,517.86

Significant accounting policies

1, 2, 3

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



As per our report of even date
for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/ W - 100022


Aniruddha Godbole
Partner
Membership No:105149

Mumbai, 18 April, 2019

for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited


A Mukundan
Chairman
DIN:00778253



K R Venkatadri
Director
DIN:03409857


Ashish Mehta
Director
DIN:03619474


S Nagarajan
Director
DIN:07493850


Suresh Kannan
Manager & CFO

M:083306


H V Chidananda
Sr. GM-Finance &
Company Secretary
M: A57499

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

All amounts are in Rs lacs except for earning per equity share information

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
I Revenue from operations	21	33,656.86	31,941.78
II Other income	22	435.11	387.66
III Total Income (I+II)		34,091.97	32,329.44
IV Expenses			
Cost of materials consumed	23	25,043.97	19,415.56
Changes in inventories of finished goods and work-in-progress	24	(6,742.11)	(2,810.16)
Employee benefits expense	25	4,128.05	3,820.72
Finance costs	26	38.39	101.06
Depreciation and amortization expense	27	670.34	556.14
Other expenses	28	7,980.38	7,925.06
Total expense (IV)		31,119.02	29,008.38
V Profit before tax (III - IV)		2,972.95	3,321.06
VI Tax expenses	8		
(1) Current tax		740.18	736.57
(2) Deferred tax		(93.56)	286.84
Total tax expenses		646.62	1,023.41
VII Profit for the year (V - VI)		2,326.33	2,297.65
VIII Other comprehensive income			
<i>Items that will not be reclassified to profit and loss:</i>			
Remeasurement of the employee defined benefit plans		(57.41)	(6.63)
<i>Items that will be reclassified to profit and loss:</i>			
Exchange differences in translating the financial statement of a foreign subsidiary		(2.70)	(10.75)
Total other comprehensive income (net of taxes)		(60.11)	(17.38)
IX Total comprehensive income for the year		2,266.22	2,280.27
X Profit for the year attributable to:			
Owners of the Company		2,386.39	2,357.18
Non-controlling interest		(60.06)	(59.53)
XI Other comprehensive income attributable to:		2,326.33	2,297.65
Owners of the Company		(60.11)	(17.38)
Non-controlling interest		-	-
XII Total comprehensive income attributable to:		(60.11)	(17.38)
Owners of the Company		2,326.28	2,339.80
Non-controlling interest		(60.06)	(59.53)
Earnings per equity equity (of Rs. 10 each)	37	2,266.22	2,280.27
(1) Basic (in Rs.)		2,219.85	2,192.68
(2) Diluted (in Rs.)		2,219.85	2,192.68

Significant accounting policies

1, 2, 3

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



As per our report of even date
for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W - 100022

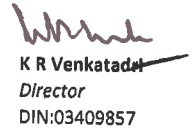


Aniruddha Godbole
Partner
Membership No. 105149

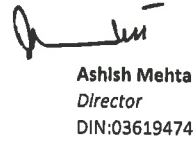
for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited



R. Mukundan
Chairman
DIN:00778253



K R Venkatada
Director
DIN:03409857



Ashish Mehta
Director
DIN:03619474



S Nagarajan
Director
DIN:07493850



Suresh Kannan
Manager & CFO
M:083306



H V Chidananda
Sr. GM-Finance &
Company Secretary
M: A57499

Mumbai, 18 April, 2019

Mumbal, 18 April, 2019



Metahelix Life Sciences Limited

Consolidated Statement of Cash Flows for the year ended 31 March 2019

All amounts are in Rs lacs unless otherwise stated

	For the year ended 31 March 2019	For the year ended 31 March 2018
A Cash flows from operating activities		
Profit before tax	2,972.95	3,321.06
Adjustments for:		
Depreciation and amortisation	670.34	556.14
Other non-operating income	(222.84)	(147.83)
(Gain)/loss on sale of property, plant and equipment	(0.41)	2.94
Finance costs	38.39	101.06
Interest income	(78.99)	(80.74)
Impairment of intangible asset	169.96	233.63
Allowance for slow moving inventory	342.85	248.63
Profit on redemption of investment in liquid funds	(66.97)	-
Net gain on financial assets designated at fair value through profit and loss	(17.39)	-
Bad debts written off	29.82	302.11
Deferred revenue	(1.51)	(1.51)
Provision for bad debts no longer required written back	(29.82)	(302.11)
Allowance for doubtful debts on trade receivables	273.86	340.86
Liability no longer required written back	(31.67)	-
Net unrealised foreign exchange (loss)	(4.44)	-
Operating cash flows before movements in working capital	4,044.13	4,574.24
Movements in working capital:		
(Increase) in inventories	(4,934.19)	(5,050.91)
(Increase) in trade and other receivables	(36.20)	(130.86)
Decrease / (increase) in other financial assets	89.06	(2.87)
Decrease in other current assets	361.69	130.73
Increase in trade payables	1,628.65	6,033.47
Increase in financial liabilities	1,006.55	515.49
Increase/ (decrease) in provisions	(51.63)	(48.32)
Increase/ (decrease) in other current liabilities	1,152.54	(390.89)
Cash generated from operations	3,260.60	5,630.08
Income taxes paid (net of refund)	(1,140.41)	(827.67)
Net cash generated from operating activities	2,120.19	4,802.41
B Cash flows from investing activities		
Purchases of property, plant and equipment (including capital work-in-progress, capital advances and capital creditors)	(115.46)	(136.60)
Proceeds on disposal of property, plant and equipment	0.43	4.32
Payments towards intangible assets	(1,097.69)	(977.95)
Proceeds from issue of shares to minority shareholder	133.61	127.10
Interest received on bank deposit	87.86	72.28
Proceeds of redemption of investment in liquid funds	6,257.24	-
Investment in fixed deposits having maturity more than 12 months	(20.97)	-
Investment in liquid funds	(9,250.00)	-
Net cash used in investing activities	(4,004.98)	(910.85)
C Cash flow from financing activities		
Repayment of borrowings	(144.73)	(1,401.91)
Interest paid	(39.18)	(101.39)
Finance income on facilitation of loans	144.63	87.83
Net cash used in financing activities	(39.28)	(1,415.47)
D Net (decrease)/ increase in cash and cash equivalents (A + B + C)	(1,924.07)	2,476.09
E Cash and cash equivalents at the beginning of the year	2,729.44	253.35
F Cash and cash equivalents at the end of the year (D + E)	805.37	2,729.44



Metahelix Life Sciences Limited
 Consolidated Statement of Cash Flows for the year ended 31 March 2019 (continued)

All amounts are in Rs. lacs unless otherwise stated

Notes to cash flow statement

1. Components of cash and cash equivalents:

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- In current accounts	670.76	690.28
- In Deposits accounts with original maturity of less than 3 months	0.10	1,887.41
Cash on hand (Include foreign currency of amounting to Rs.0.53 Lac)	2.09	1.76
Other Bank balances:		
Bank - deposit with original maturity more than 3 months	132.42	149.99
	805.37	2,729.44

Significant accounting policies 1,2,3

The accompanying notes are an Integral part of the consolidated financial statements

As per our report of even date

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/ W - 100022

Aniruddha Godbole
 Partner
 Membership No:105149

for and on behalf of the Board of Directors of
 Metahelix Life Sciences Limited

R Mukundan
 Chairman
 DIN:00778253

K R Venkatadri
 Director
 DIN:03409857

Ashish Mehta
 Director
 DIN:03619474

S Nagarajan
 Director
 DIN:07493850

Suresh Kannan
 Manager & CFO
 M:083306

H V Chidananda
 Sr. GM-Finance &
 Company Secretary
 M: A57499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited

Consolidated Statement of changes in equity for the year ended 31 March 2019

All amounts are in Rs lacs unless otherwise stated

	Equity share capital	Other equity			Total	Total Equity
		Securities premium	Retained earnings	Other comprehensive income		
Balance as at 1 April, 2017	10.75	6,704.32	1,796.45	(4.10)	8,496.67	8,507.42
Profit for the year 2017-18	-	-	2,357.18	-	2,357.18	2,357.18
Remeasurement of the net defined benefit liability / asset	-	-	-	(6.63)	(6.63)	(6.63)
Foreign currency translation reserve on consolidation	-	-	-	(10.75)	(10.75)	(10.75)
Balance as at 31 March 2018	10.75	6,704.32	4,153.63	(21.48)	10,836.47	10,847.22
Profit for the year 2018-19	-	-	2,386.39	-	2,386.39	2,386.39
Remeasurement of the net defined benefit liability / asset	-	-	-	(57.41)	(57.41)	(57.41)
Foreign currency translation reserve on consolidation	-	-	-	(2.70)	(2.70)	(2.70)
Balance as at 31 March 2019	10.75	6,704.32	6,540.02	(81.59)	13,162.75	13,173.50

Significant accounting policies

1,2,3

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

As per our report of even date
for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/ W - 100022



Aniruddha Godbole
Partner
Membership No:105149

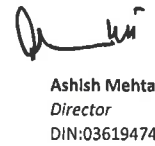
for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited



R Mukundan
Chairman
DIN:00778253



K R Venkatadri
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H V Chidananda
Sr. GM-Finance &
Company Secretary
M: A57499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements

1. Corporate Information

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

During the year, the Holding Company has changed its business model from Purchase model to Own Production model for three crops namely Paddy, Maize and Millet in Andhra Pradesh and Telangana.

As of 31 March 2019, Rallis India Limited own 100% of the Holding Company’s equity share capital and is the holding company.

The Holding Company is a public limited company incorporated and domiciled in India. The address of its corporate office is plot no 3, KIADB 4th phase, Bommasandra, Bangalore, Karnataka- 56009

These consolidated financial statements comprise the Holding Company and its subsidiary namely PT. Metahelix Lifesciences Indonesia (referred to collectively as the ‘Group’)

2. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new Ind AS which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2019:

Ind AS – 116

The new standard on leases sets out the principles for the recognition, measurement, presentation and disclosure of the leases. The core objective of this standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represent those transactions.

The Holding Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Holding Company has completed an initial assessment of the potential impact on its consolidated financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present.

- the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straight-line basis whilst the lease liability reduces by the principal amount of repayments;

- Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease’s life, due to the higher principal value, causing profit



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

2. Recent accounting pronouncement (continued)

Ind AS – 116 (continued)

variability over the term of lease. This effect may be partially mitigated due to the number of leases held by Cochlear at various stages of their terms;

- operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of all lease liabilities will be classified as financing activities

The Holding Company is currently evaluating the effect of this standard.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Group's consolidated financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.

- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre-payable financial assets

- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

- Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions – i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

3. Significant accounting policies

3.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

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



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.3 Basis of Consolidation

Subsidiary Company

The consolidated financial statements incorporate the financials statements of the Holding Company and its subsidiary. The control is achieved when the Holding Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Holding Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Holding Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Holding Company considers all relevant facts and circumstances in assessing whether or not the Holding Company's voting rights in an investee are sufficient to give it power including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Holding Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Holding Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings

Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Holding Company gains control until the date when the Holding Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non- controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Holding Company and to the non- controlling interests even if this results in the non- controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Holding Company's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

Non-controlling interest ('NCI')

NCI is measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Holding Company's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiary considered in the consolidated financial statements:

Name of the Company	PT Metahelix Lifesciences Limited
Country of incorporation	Indonesia
Ownership interest (in %)	66%



Metahelix Life Sciences Limited

Notes to the Consolidated Ind AS Financial Statements (continued)

3.4 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest ` lakhs, unless otherwise indicated.

3.5 Foreign currency translation

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognized in the Statement of Profit and Loss.

3.6 Revenue Recognition

Effective 1 April, 2018, the Group has adopted Ind AS 115 'Revenue from contracts with customers'.

Revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is adjusted for estimated customer returns, rebates and other similar allowances. Revenue from sale of goods is recognized as per below 5 step model:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, revenue is recognized when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer, i.e. at which time all the following conditions are satisfied:

- The Group has transferred to the buyer the significant risk & rewards of the ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Rendering of service

Income recognition for services takes place as and when the services are performed in accordance with IND AS 115



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.6 Revenue Recognition (continued)

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Insurance Claim

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

Facilitation Income

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

Lease Income

Lease income is accounted on accrual basis.

3.7 Property Plant and Equipment

• **Recognition and measurement**

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

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

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.



3.7 Property Plant and Equipment (continued)

• **Depreciation**

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

The estimated useful lives are as mentioned below:

<u>Type of asset</u>	<u>Useful lives</u>
Buildings	
- Factory Building	25 years
- R&D Buildings	30 years
- Greenhouse	5 years
Furniture and Fixtures	10 and 4 years
Office Equipment	5 and 8 years
Plant and Equipment	
- Computer Equipment	3 and 4 years
- Plant and Machinery – R&D	5 years
- Lab equipment	10 years
- Electrical equipment	10 years
- General plant and machinery	15 years
- Motor Vehicles	3 years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

• **Gain or Loss on Disposal**

Any gain or loss on disposal of property, plant and equipment is recognized in the Consolidated Statement of Profit and Loss.

3.8 Intangible Assets

a) Intangible assets acquired separately

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

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

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

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



3.8 Intangible Assets (continued)

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

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

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

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

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

The Group amortizes intangible assets with a finite useful using the straight line method over the following range of useful lives:

Type of asset	Useful lives
Seed development technology	3 years
Computer Software	3 years

The estimated useful life is reviewed annually by the management.

3.9 Inventories

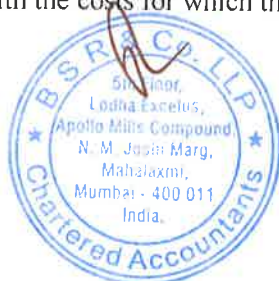
Inventories are valued at the lower of cost (determined on weighted average basis) and net realizable value after providing for obsolescence and other loss where considered necessary. Cost of Inventories includes cost of purchase, cost of processing and other costs incurred in bringing it to their present location and condition. Remnant/substandard stocks are not valued and are accounted as revenue in the year of sale of such stock. Work-in-progress and finished goods include material cost and appropriate share of production overheads. Cost associated with hybrid seed production in leased land for which produce is yet to be received will be accounted as WIP. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.10 Government Grants

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

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

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



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.11 Employee Benefits

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

a) Defined contribution plans

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

b) Defined benefit plans

The Group operates defined benefit plans in the form of gratuity fund. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

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

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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

c) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

d) Compensated Absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.12 Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

3.13 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

3.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.



Metahelix Life Sciences Limited

Notes to the Consolidated Ind AS Financial Statements (continued)

3.15 Impairment of assets

a) Non-financial assets

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

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

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

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

b) Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12- month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

3.16 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalized until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

3.17 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Managing Director & CEO.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.18 Leases

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

• **Operating Lease:**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognized in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis

• **Finance Lease:**

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

3.19 Cash flow statement

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

3.20 Earnings per share

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



3.21 Financial Instruments

a) Initial Recognition

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

b) Subsequent Measurement

i) Financial assets carried at amortized cost

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

ii) Financial assets at fair value through other comprehensive income

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

iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized 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 recognized in profit or loss.

iv) Financial liabilities

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

v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vi) De-recognition of financial instruments

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



3.22 Financial Instruments (continued)

b) Subsequent Measurement (continued)

vii) Fair value of financial instruments

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

3.23 Critical judgments in applying accounting policies

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

a) Critical judgments in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Discount rate used to determine the carrying amount of the Group's defined benefit obligation

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Contingences and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Group. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Useful lives of Property, Plant and Equipment

As described at note 3.6 above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Allowances for doubtful debts

The Group makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.



Metahelix Life Sciences Limited
Notes to the Consolidated Ind AS Financial Statements (continued)

3.23 Critical judgments in applying accounting policies (continued)

b) Key sources of estimation uncertainty (continued)

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Group had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Group's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return.

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Group to be reliable estimate of future sales returns



All amounts are in Rs lacs unless otherwise stated

Note 4: Property, plant and equipment and capital work in progress ('CWIP')

Cost or deemed cost (Gross carrying amount)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Total	CWIP
Balance as at 31 March 2017	187.01	912.57	1,411.40	19.43	40.39	2,570.80	2.88
Additions	-	8.54	86.81	6.20	7.26	108.81	25.06
Disposals	-	-	9.97	-	-	9.97	-
Balance as at 31 March 2018	187.01	921.11	1,488.24	25.63	47.65	2,669.64	27.94
Additions	-	19.66	100.69	3.71	14.88	138.94	9.20
Disposals	-	0.67	16.22	-	0.12	17.01	27.94
Balance as at 31 March 2019	187.01	940.10	1,572.71	29.34	62.41	2,791.57	9.20

Accumulated depreciation:

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Total	CWIP
Balance as at 31 March 2017	-	91.60	245.26	7.30	18.41	362.57	-
Disposals	-	-	2.71	-	-	2.71	-
Depreciation charge for the year	-	47.49	143.87	1.71	9.57	202.64	-
Balance as at 31 March 2018	-	139.09	386.42	9.01	27.98	562.50	-
Disposals	-	0.67	16.20	-	0.12	16.99	-
Depreciation charge for the year	-	51.04	149.43	2.30	7.49	210.26	-
Balance as at 31 March 2019	-	189.46	519.65	11.31	35.35	755.77	-

Carrying amount (Net):

Balance as at 31 March 2019	187.01	750.64	1,053.06	18.03	27.06	2,035.80	9.20
Balance as at 31 March 2018	187.01	782.02	1,101.82	16.62	19.67	2,107.14	27.94

Note 4(a): Intangible assets

Cost or deemed cost (Gross carrying amount)

Particulars	Seed development technology	Computer Software	Total
Balance as at 31 March 2017	1,134.32	62.41	1,196.73
Additions	398.63	12.39	411.02
Balance as at 31 March 2018	1,532.95	74.80	1,607.75
Additions	553.13	12.15	565.28
Balance as at 31 March 2019	2,086.08	86.95	2,173.03

Accumulated amortization:

Balance as at 31 March 2017	629.29	55.18	684.47
Amortization for the year	349.45	4.05	353.50
Balance as at 31 March 2018	978.74	59.23	1,037.97
Amortization for the year	447.30	12.78	460.08
Balance as at 31 March 2019	1,426.04	72.01	1,498.05

Carrying amount (Net):

Balance as at 31 March 2019	660.04	14.94	674.98
Balance as at 31 March 2018	554.21	15.57	569.78

Note 4(b): Intangible assets under development:

Balance as at 31 March 2017	1,902.62
Add : Additions	965.57
Less : Commercialised	398.62
Less : Write off	233.63
Balance as at 31 March 2018	2,235.94
Add : Additions	1,131.43
Less : Commercialised	553.12
Less : Write off	215.86
Balance as at 31 March 2019	2,598.39

Notes:

- Plant and equipment includes plant and machinery, electrical equipments and installations, laboratory equipments, computers and data processing units.
- Plant and equipment's of Unit 4 of cob drying unit at carrying cost of Rs. 706.71 lacs (As at 31 March 2018; Rs. 756.46 lacs) are subject to a first charge to secure the loan from Company's bank and other corporate body.
- Land and buildings with a carrying amount of Rs. 804.75 lacs (31 March 2018: Rs.834.66 lacs) are subject to a first charge to secure the loan from Company's bank.
- The Company has internally developed Seed development technology for producing hybrid seeds. The Carrying amount of Seed development technology of Rs.660.04 lacs (31 March 2018: Rs.554.21 lacs) will be fully amortized in next 3 years.
- The Company has not capitalised any borrowing cost during the current year (31 March 2018-Nil)
- The Company has not recognised any impairment loss during the current year (31 March 2018-Nil)



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 5: Financial assets - Loans

	As at 31 March 2019	As at 31 March 2018
Unsecured considered good		
-Deposit with others - Non-current	189.57	260.13
-Deposit with others - Current	93.33	111.61
	282.90	371.74
Current	93.33	111.61
Non-Current	189.57	260.13

Note: There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

Note 6: Other financial assets (at amortised cost)

	As at 31 March 2019	As at 31 March 2018
Loans and receivables (Unsecured, considered good)		
Deposit accounts-original maturity more than 12 months	20.75	-
Interest accrued on fixed deposits with banks		
-Fixed deposits - less than 12 months	1.47	10.56
-Fixed deposits - more than 12 months	0.22	-
Other receivable	233.16	154.95
	255.60	165.51
Current	234.63	165.51
Non-Current	20.97	-

Note: There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

Note 7: Deferred tax assets (net)

Deferred tax relates to the following:

	As at 31 March 2019	As at 31 March 2018
Opening balances :		
Deferred tax assets		
Provision for bad debts	349.76	332.99
Employee and other related costs	62.16	54.97
Unused tax losses	771.66	1,667.88
MAT credit entitlement	2,059.73	1,323.21
Deferred tax liabilities		
Property, plant and equipment	(190.18)	(180.82)
Intangible assets	(974.99)	(833.24)
Total	2,078.14	2,364.99
Recognised in statement of profit and loss		
Provision for bad debts	85.28	16.77
Employee and other related costs	2.70	7.19
Unused tax losses	(562.37)	(896.21)
MAT credit entitlement	740.10	736.52
Property, plant and equipment	(8.51)	(9.36)
Intangible assets	(163.64)	(141.75)
Total	93.56	(286.84)
Closing balances :		
Deferred tax assets		
Provision for bad debts	435.04	349.76
Employee and other related costs	64.86	62.16
Unused tax losses	209.29	771.66
MAT credit entitlement	2,799.83	2,059.73
Deferred tax liabilities		
Property, plant and equipment	(198.69)	(190.18)
Intangible assets	(1,138.63)	(974.99)
Deferred tax assets (net)	2,171.70	2,078.14

Notes:

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



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 8: Income taxes

	For the year ended 31 March 2019	For the year ended 31 March 2018
Income tax recognised in Statement of Profit and Loss		
Current income tax:		
Current income tax charge	740.18	736.57
Deferred tax:		
Relating to origination and reversal of temporary differences	(93.56)	286.84
Income tax expense reported in the Statement of Profit and Loss	646.62	1,023.41

Income tax assets and liabilities

	As at 31 March 2019	As at 31 March 2018
Income tax liabilities		
Provision for current tax [net of advance tax Rs 1,338.96 lacs (31 March 2018 - Rs 1,312.42 lacs)]	65.70	92.24
Income tax assets		
Advance income tax [net of provision for tax Rs 1,371.56 lacs (31 March 2018 - Rs 631.46 lacs)]	1,201.92	885.35
Tax deducted at source	77.83	20.71
	1,279.75	906.06

Reconciliation of the tax expense and the accounting profit for the year is as follows:-

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	2,972.95	3,321.06
Income tax expense calculated at domestic tax rate	1,038.87	1,149.35
Effect of expenses that are not deductible in determining taxable profit	17.00	11.21
Effect of concessions (research and developments and other allowances)	(432.97)	(388.79)
Effect of unabsorbed tax losses lapsed/expired	-	220.66
Effect of different tax rates (surcharge) in deferred tax	-	(0.18)
Others	23.72	31.16
Income tax expense recognised in the Statement of Profit and Loss	646.62	1,023.41

Note 9: Other current assets

	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Capital advances	13.36	18.09
Statutory dues receivable from government authorities - VAT (Refer note 30)	184.80	184.80
Inventory recoverable	142.71	106.41
Advance to suppliers	941.64	1,356.88
Advances to employees	94.51	92.68
Prepaid expenses	69.24	54.57
Others	0.75	-
	1,447.01	1,813.43

Note 10: Inventories (At lower of cost and net realizable value)

	As at 31 March 2019	As at 31 March 2018
Raw materials	3,805.58	6,062.69
Work-in-progress	1,506.57	121.38
Finished goods	18,357.65	13,037.03
Packing materials	782.85	640.21
	24,452.65	19,861.31

Note: The cost of inventories recognised as an expense (provision for obsolete / slow moving inventory) as at 31 March 2019 amounts to Rs 342.85 lacs (Rs 248.63 lacs as at 31 March 2018)



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 11: Current Investments

	As at 31 March 2019	As at 31 March 2018
Investment in mutual funds - unquoted		
Investments carried at fair value through profit and loss (FVTPL)		
Kotak Liquid Direct Plan Growth (No. Of Units - 81,312.162, Previous Year: Nil)	3,077.12	-
Aggregate carrying value of unquoted investments	3,077.12	-

Cost of investment	3,059.73	-
Aggregate carrying value of unquoted investments	3,077.12	-
Aggregate amount of impairment in the value of investment	-	-

Note 12: Trade receivables

	As at 31 March 2019	As at 31 March 2018
Current		
Secured, considered good	267.19	254.42
Unsecured, considered good	3,151.02	3,397.01
Considered doubtful	1,244.98	1,000.94
Less: Allowance for doubtful debts (expected credit loss allowance)	(1,244.98)	(1,000.94)
	3,418.21	3,651.43

Notes:

- i. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- ii. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- iii. Above balance of trade receivable includes balance with related party (Refer note 35)
- iv. Movement in the expected credit loss allowance

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	1,000.94	962.19
Less: Written off during the year	29.82	302.11
Add: Provision made during the year	273.86	340.86
Balance at the end of the year	1,244.98	1,000.94

Note 13: Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- In current accounts	670.76	690.28
- in deposit accounts with original maturity of less than 3 months	0.10	1,887.41
Cash on hand (Include foreign currency of amounting to Rs. 0.53 lacs, Previous year: Rs.0.53 lacs)	2.09	1.76
	672.95	2,579.45
Other bank balances:		
Bank - deposit with original maturity more than 3 months and less than 12 months	132.42	149.99
	132.42	149.99



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 14 :Share Capital

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Rs lacs	Number of shares	Rs lacs
Authorised share:				
Equity shares of Rs 10 each with voting rights	28,812,800	2,881.28	28,812,800	2,881.28
Issued, subscribed and fully paid up:				
Equity shares of Rs 10 each	107,502	10.75	107,502	10.75

Notes:

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

b) Shares issued for consideration other than cash - NIL (Previous year - NIL), share allotted by way of bonus share and shares bought back during the last 5 years - NIL (Previous year - NIL).

c) Details of shares held by holding company

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Rs lacs	Number of shares	Rs lacs
Rallis India Limited and its nominees	107,502	10.75	107,502	10.75

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

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% Holding	Number of shares	% Holding
Rallis India Limited and its nominees	107,502	100.00%	107,502	100.00%



Metahelix Life Sciences Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 15: Other equity

	As at 31 March 2019	As at 31 March 2018
Securities premium	6,704.32	6,704.32
Retained earnings	6,540.02	4,153.63
Other comprehensive income	(81.59)	(21.48)
Total	13,162.75	10,836.47

Securities premium

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	6,704.32	6,704.32
Balance at the end of the year	6,704.32	6,704.32

Retained earnings

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	4,153.63	1,796.45
Profit for the year	2,386.39	2,357.18
Balance at the end of the year	6,540.02	4,153.63

Other comprehensive income

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year		
Actuarial adjustment	(10.95)	(4.32)
Exchange differences in translating the financial statement of a foreign subsidiary	(10.53)	0.22
Movement during the year		
Actuarial adjustment	(57.41)	(6.63)
Exchange differences in translating the financial statement of a foreign subsidiary	(2.70)	(10.75)
Balance at the end of the year		
Actuarial adjustment	(68.36)	(10.95)
Exchange differences in translating the financial statement of a foreign subsidiary	(13.23)	(10.53)
Balance at the end of the year	(81.59)	(21.48)

Note 15a: Non-controlling interest

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	110.63	43.06
Add: Additional investment	133.61	127.10
Add: Share of loss	(60.06)	(59.53)
Balance at the end of the year	184.18	110.63



All amounts are in Rs lacs unless otherwise stated

Note 16: Borrowings

	As at 31 March 2019	As at 31 March 2018
Non-current interest-bearing loans and borrowings		
Secured loan from banks (refer note (a) below)	50.00	100.00
Secured loan from other corporate body (refer note (b) below)	47.01	72.24
Loan from other corporate body [(Unsecured) (refer note (c) below)]	16.65	24.98
	113.66	197.22
Aggregate Secured loans	97.01	172.24
Aggregate Unsecured loans	16.65	24.98

* Current portion of long term debts are disclosed under current financial liabilities

Note:

The terms of repayment of term loan and other loans are stated below

As at 31 March 2019

Particulars	Terms of security and repayment	Amount outstanding	Rate of Interest
a. Secured loan from Banks Owed by Metahelix Life Sciences Limited	Term loan from ICICI Bank - Is secured by hypothecation of movable assets, both present and future including its movable plant and equipment, machinery spares, tools and accessories and other movables, both present and future All piece and parcel of the Immoveable Agricultural property situated at Kokkanda Village, Mulugu Mandal, Medak District. The balance outstanding as at 31 March 2019 is Rs 100 lacs which is repayable in 8 equated quarterly Installments of Rs 12.50 lacs each (of which Rs 50.00 lacs has been classified under note 17 other current financial liabilities).	100.00	7.50%
b. Secured loans from other corporate body Owed by Metahelix Life Sciences Limited	Term loan from Biotechnology Industry Partnership Project Is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of the Company, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The Balance outstanding as at 31 March 2019 is Rs 72.23 lacs (of which Rs 25.22 lac has been classified under note 17 other current financial liabilities) which is repayable along with interest in 8 equal half yearly Installments from December 2015 (Rice) and June 2017 (Maize).	72.23	2.00%
c. Loan from Council of Scientific and Industrial Research Owed by Metahelix Life Sciences Limited	Term loan from Council of Scientific and Industrial Research. The balance payable as on 31 March 2019 is Rs 24.98 lac (of which Rs. 8.33 lac has been classified under note 17 other current financial liabilities). The same is repayable along with interest in 6 annual Installments.	24.98	3.00%

As at 31 March 2018

Particulars	Terms of security and repayment	Amount outstanding	Rate of Interest
a. Secured loan from Banks Owed by Metahelix Life Sciences Limited	Term loan from Kotak Mahindra Bank - First and exclusive charge on plant and equipment of Unit 4 of the cob drying unit purchased out of the Bank's term loan. The balance outstanding as at 31 March 2018 is Rs 61.17 lacs (of which Rs 61.17 lacs has been grouped under note 17 other current financial liabilities), which is repayable in balance 6 monthly Installments. Term loan from ICICI Bank - Is secured by hypothecation of movable assets, both present and future including its movable plant and equipment, machinery spares, tools and accessories and other movables, both present and future All piece and parcel of the Immoveable Agricultural property situated at Kokkanda Village, Mulugu Mandal, Medak District. The balance outstanding as at 31 March 2018 is Rs 150 lacs which is repayable in 12 equated quarterly Installments of Rs 12.50 lacs each (of which Rs 50.00 lacs has been classified under note 17 other current financial liabilities).	61.17 150.00	10.50% 7.50%
b. Secured loans from other corporate body Owed by Metahelix Life Sciences Limited	Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of the Company, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The Balance outstanding as at 31 March 2018 is Rs 97.46 lacs (of which Rs 25.22 lacs has been classified under note 17 other current financial liabilities) which is repayable along with interest in 10 equal half yearly Installments from December 2015 (Rice) and June 2017 (Maize).	97.46	2.00%
c. Loan from Council of Scientific and Industrial Research Owed by Metahelix Life Sciences Limited	Term loan from Council of Scientific and Industrial Research. The balance payable as on 31 March 2018 is Rs 33.31 lacs (of which Rs 8.33 lacs has been classified under note 17 other current financial liabilities). The same is repayable along with interest in 7 annual Installments.	33.31	3.00%
d. Unsecured loan from Banks Owed by Metahelix Life Sciences Limited	Short term loan of Rs 1,000 lacs as at 31 March 2018 repaid on 14 May 2017.	NIL	NA



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 17: Other current financial liabilities

	As at 31 March 2019	As at 31 March 2018
Creditors for capital goods	#	26.17
Current maturities of long term borrowings		
Secured loans from banks (refer note 16 (a))	#	111.17
Secured loans from other corporate body (refer note 16 (b))	#	25.22
Unsecured loans from other corporate body (refer note 16 (c))	#	8.33
Others (Interest accrued)	#	8.30
Customer deposit	#	606.56
Sales return provision	#	334.90
Amount due to customers	#	758.03
Other payables (Includes accrued expenses and amount due to employees)	#	452.95
	#	2,331.63

Note 18 : Trade payables

	As at 31 March 2019	As at 31 March 2018
i) Total outstanding dues of micro enterprises and small enterprises (Refer note 31)	13.24	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	17,700.39	16,084.98
	17,713.63	16,084.98

Note 19: Provisions:

	As at 31 March 2019	As at 31 March 2018
Non current		
Compensated absences	160.39	144.15
Gratuity	-	12.72
	160.39	156.87
Current		
Compensated absences	25.97	21.01
	186.36	177.88
Current	25.97	21.01
Non current	160.39	156.87

Note 20: Other liabilities

	As at 31 March 2019	As at 31 March 2018
Advance received from customers	7,628.69	6,518.12
Provident fund	29.90	27.62
Tax deducted at source	61.49	61.29
Goods and service tax payable	11.72	2.14
Other taxes	1.04	1.23
Deferred revenue	11.32	12.83
Other liabilities	51.26	52.83
	7,795.42	6,676.06
Current	7,785.61	6,664.74
Non-current	9.81	11.32

Note:

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



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 21: Revenue from operations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sales		
Sales- manufactured goods	43,661.65	41,516.13
Discounts	(10,111.98)	(9,696.59)
	33,549.67	31,819.54
Other operating income		
Farm Income	32.63	29.98
Liabilities written back	31.67	-
Revalidation charges	42.89	92.26
	107.19	122.24
	33,656.86	31,941.78

Disclosure under Ind AS 115 - Revenue from contracts with customers

The Company is engaged into manufacturing of seeds. There is no impact on the Company's revenue on applying Ind AS 115 from the contract with customers.

Disaggregation of revenue from contracts with customers

	For the year ended 31 March 2019	For the year ended 31 March 2018
1) Revenue from contracts with customers:		
Sale of products (Transferred at point in time)		
Manufacturing		
India	33,549.67	31,800.92
Asia	-	18.62
Total	33,549.67	31,819.54
2) Other operating revenue		
Farm Income	32.63	29.98
Liabilities written back	31.67	-
Revalidation charges	42.89	92.26
	107.19	122.24
Total Revenue	33,656.86	31,941.78

Major Product lines

	For the year ended 31 March 2019	For the year ended 31 March 2018
Seeds	33,549.67	31,819.54

Sales by performance obligations

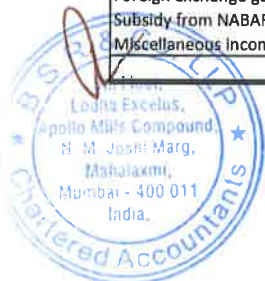
	For the year ended 31 March 2019	For the year ended 31 March 2018
Upon shipment	-	-
Upon delivery	33,549.67	31,819.54
	33,549.67	31,819.54

Reconciliation of revenue from contract with customer

	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from contract with customer as per the contract price	64,821.56	58,877.54
Adjustments made to contract price on account of :-		
a) Discounts / rebates / Incentives	10,111.98	9,696.59
b) Sales returns /credits / reversals	21,159.91	17,361.41
Revenue from contract with customer as per the Statement of Profit and Loss	33,549.67	31,819.54

Note 22: Other Income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Gain on redemption of current investments	66.97	-
Net gain on financial assets designated at fair value through profit and loss	17.39	-
Interest Income on bank deposits	78.99	80.74
Profit on sale of property, plant and equipment	0.41	-
Foreign exchange gain	4.44	-
Subsidy from NABARD	1.51	1.51
Miscellaneous Income	265.40	305.41
	435.11	387.66



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

Note 23: Cost of materials consumed

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventory at the beginning of the year	6,702.90	4,743.41
Add: Purchases and processing charges	21,796.64	20,357.57
Less: inventory at the end of the year	(4,588.43)	(6,702.90)
Cost of materials consumed	23,911.11	18,398.08
Packing material consumed	1,132.86	1017.48
	25,043.97	19,415.56

Note 24: Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock		
Finished goods	13,143.44	10,352.63
Work-in-progress	121.38	102.03
	13,264.82	10,454.66
Closing Stock		
Finished goods	18,500.36	13,143.44
Work-in-progress	1,506.57	121.38
	20,006.93	13,264.82
Net increase	(6,742.11)	(2,810.16)

Note 25: Employee benefits expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	3,756.81	3,462.50
Contribution to provident and other funds (Refer note 33)	242.54	212.15
Staff welfare expenses	128.70	146.07
	4,128.05	3,820.72

Note 26: Finance costs

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on borrowings	38.39	101.06
	38.39	101.06

Note 27: Depreciation and amortization expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment (Refer note 4)	210.26	202.64
Amortization of intangible assets [(Refer note 4(a)]	460.08	353.50
	670.34	556.14



Metahelix Life Sciences Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

Note 28: Other expenses

	For the year ended 31 March 2019	For the year ended 31 March 2018
Electricity	210.69	236.92
Freight	1,366.81	1,453.50
Rent	497.86	403.22
License fees	12.10	12.34
Rates and taxes	52.77	53.56
Insurance	23.72	18.16
Intangible asset written off	169.96	233.63
Repairs and maintenance		
- Plant and machinery	59.48	25.99
- Buildings	2.98	2.40
- Others	115.27	123.37
Corporate social responsibility (refer note 38)	48.65	32.38
Advertisement and business promotion	2,709.86	2,797.41
Loss on sale of property, plant and equipment (net)	-	2.94
Directors' fees	18.41	12.20
Provision for doubtful debts	273.86	340.86
Bad debts written off	29.82	302.11
Less; Provision for doubtful debts written back	(29.82)	(302.11)
Foreign exchange loss	-	4.66
Breeding and lab expenses	513.49	357.29
Legal and professional fees	572.37	558.86
Travelling cost	997.28	962.11
Telephone expenses	85.61	82.33
Bank charges	2.22	3.83
Other expenses	225.56	191.12
Auditors' remuneration		
For services as auditor	17.63	15.48
Reimbursement-out of pocket expenses	3.80	0.50
	7,980.38	7,925.06



Metahelix Life Sciences Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 29 - Commitments

- i) Estimated amount of contract with minimum commitment for plant activity Rs 2,317.50 lacs (As at 31 March 2018: 3,399.00 lacs)
- ii) Estimated amount of contract remaining to be executed on capital account and not provided for Rs 59.47 lacs (As at 31 March 2018: Rs 42.48 lacs)

Note 30 - Contingent Liability

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

a. Tax contingencies

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

Nature of Tax	As at	As at
	31 March 2019	31 March 2018
Income tax liability in respect of matters preferred by the Company *	5,580.92	3,112.04

* Excludes Rs. 995.88 lacs, Previous Year Rs.709.88 lacs (deposits paid under protest)

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

ii) Telangana Value Added Tax ('AP VAT'), Department had conducted the audit for the period from April 2012 till March 2016. On 22 December 2017, the Company received an assessment order from the Commercial Tax Department demanding an amount of Rs 1,466 lacs towards VAT dues for the Assessment period 2012-2016. As per the order, the Company has claimed exemption on the entire sales turnover, without specifying the products sold. The department has taken into consideration sales of different types of seeds and levied VAT @5% on turnover for the above mentioned period. The Company has filed an appeal against the order on 2 February 2018. In process of the appeal, the Company has paid Rs 183.25 lacs (12.5% of the demand amount) as a pre-deposit (under protest) under the AP VAT Act 2005. The order was remanded back to the assessing authority by appellate vide its order dated 9 April 2018. During the year Company has received revised assessment order dated 28 February 2019 from the assessing authority with Nil liability.

b. Amount in respect of other claims

Nature of Tax	As at	As at
	31 March 2019	31 March 2018
Others (claims related to contractual disputes)	431.46	435.29

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

The customers of the Company have filed criminal cases against the sales employees of the Company for the lack of germination quality of the seeds sold by them in regular course of business. These cases are presently in different stages of legal proceedings in the Courts of respective jurisdictions and the probability of a loss, if any, being sustained and an estimate of the amount of any loss are difficult to ascertain. Consequently, for a majority of these cases, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of these disputes. The Company is contesting these cases and the Company's management believes that presently provision against these potential claims is not required as the ultimate outcome of these disputes would not have a material impact on the Company's financial position.

c. Guarantees

Guarantees issued by bank on behalf of the Company as on 31 March 2019 is Rs 161.09 lac (As at 31 March 2018 Rs 273.40 lacs) these are covered by the charge created in favour of the Company's bankers by way of hypothecation of stock and debtors.

Note 31 - Trade Payable Includes amount payable to Micro, Small and Medium Enterprises as follows:

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financials statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act as at the balance sheet date.

	As at	As at
	31 March 2019	31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principle	13.24	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

Note 32: Lease arrangements- Operating lease

The Company has taken certain premises on operating lease which is cancellable at the option of both the lessor or the lessee. The total rental expense for the cancellable lease for the current year amounts to Rs. 497.86 lacs (31 March 2018 Rs. 403.22 lacs)



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 33 - Employee benefit plans

a) Defined Contribution plans:

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 158.14 lac (Previous Year Rs. 149.27 lac) for Provident Fund contributions and Rs. 0.84 lac (Previous year Rs. 2.87 lac) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method.

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

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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

	31 March 2019	31 March 2018
Actuarial assumptions for gratuity		
Discount rate	7.00%	7.40%
Expected rate of salary increase	10.00%	8.00%
Expected Return on plan assets	7.40%	7.00%
Mortality	IALM 2012-14 (Ultimate)	IALM 2006-08 (Ultimate)
Withdrawal Rates	14%	12%
Expected average remaining working life	5 Years	6 Years

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

	31 March 2019	31 March 2018
Service cost:		
Current service cost	66.54	55.61
Past Service Cost	-	3.54
Net interest expense	3.22	0.86
Components of defined benefit costs recognised in Statement of Profit and Loss	69.76	60.01
Remeasurement on DBO/Plan Assets:		
Return on plan assets (excluding amounts included in net interest expense)	-	(10.55)
Actuarial loss/ (gain) arising from changes in demographic assumptions	10.38	-
Actuarial (gain)/loss arising from changes in financial assumptions	(77.27)	7.50
Actuarial (gain) arising from experience adjustments	(1.47)	(7.90)
Components of defined benefit costs recognised in other comprehensive income	(68.36)	(10.95)
	138.12	70.96

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

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

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

	31 March 2019	31 March 2018
Present value of funded defined benefit obligations	481.80	399.42
Fair value of plan assets	482.55	386.70
Funded status	(0.75)	12.72
Net (asset)/ liability arising from defined benefit obligation	(0.75)	12.72



Metahelix Life Sciences Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

Movements in the present value of the defined benefit obligation ('DBO') are as follows:

	31 March 2019	31 March 2018
Opening defined benefit obligation	399.43	358.19
Current service cost	66.54	55.60
Past service cost	-	3.54
Interest cost	29.56	25.07
Remeasurement (gain)/losses:		
Actuarial (gain)/loss arising from changes in demographic assumptions	(10.38)	-
Actuarial loss/(gain) arising from changes in financial assumptions	64.81	(9.74)
Actuarial loss/(gain) arising from experience adjustments	1.47	7.90
Benefits paid	(69.62)	(41.14)
Closing defined benefit obligation	481.81	399.42

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

	31 March 2019	31 March 2018
Opening fair value of the plan assets	386.70	362.10
Interest income	26.34	24.21
Remeasurement (gain)/loss:		
Return on plan assets (excluding amounts included in net interest expense)	(64.81)	(10.55)
Actuarial gain	63.30	2.08
Contributions from the employer	140.64	50.00
Benefits paid	(69.62)	(41.14)
Closing fair value of plan assets	482.55	386.70

The management of funds is entrusted with Kotak Life Insurance.

Particulars	31 March 2019	31 March 2018
Investment Funds with Insurance Company		
Unit Linked	482.55	386.70
Total asset	482.55	386.70

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

1. If the discounting rate is 100 basis point higher (lower), the defined benefit obligation would decrease by Rs. 24.09 lacs (increase by Rs. 36.14 lac) [as at 31 March 2018: decrease by Rs.23.97 lacs (increase by Rs.26.76 lac)]
2. If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs. 34.69 lac (decrease by Rs. 23.13 lac). [as at 31 March 2018: increase Rs.26.36 lacs (decrease by Rs.23.96 lacs)]
3. If the life expectancy increases/(decreases) by 1 year for both men and women, the defined benefit obligation would increase by Rs. 0.14 lac (decrease by Rs 0.14 lac) [as at 31 March 2018: Increase by Rs.0.04 (lacs) (decrease by Rs.0.04 lac)
4. If the withdrawal increases (decreases) by 1% the defined benefit obligation would decrease by Rs.0.96 lac (increase by Rs.10.12 lac) [As at 31 March 2018 decrease by Rs.1.99 lac (Increase by Rs.1.99 lac)]

The sensitivity analysis presented above may not representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to make a contribution of 70 lacs (as at 31 March 2018: 60 lacs) to the defined benefit plans during the next financial year.

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

	31 March 2019	31 March 2018
Discount rate	7.00%	7.40%
Salary escalation rate	10.00%	8.00%
Mortality	IALM 2012-14 (Ultimate)	IALM 2006-08 (Ultimate)
Withdrawal Rates	14%	12%

Compensatory absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Amount of Rs. 48.22 lacs (Previous year: Rs. 27.15 lacs) has been recognised in the Statement of Profit and Loss towards compensated absences.



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 34: Segment Information

The Company is principally engaged in the production and marketing of seeds. The seed related activities are considered as primary segment and secondary segment is reported based on the geographical location of the customer. Information reported to the chief operating decision maker ('CODM') for the purpose of resources allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Company. The Company has determined its business segment as "seed related activity" comprising of seeds, revalidation charges and farm income.

Information about major customers

No single customer contributed 10% or more to the Company's revenue for both 2018-19 and 2017-18.

Note 35: Related party disclosure

Ultimate Holding Company	Tata Chemicals Ltd
Holding Company	Rallis India Limited
Key Managerial Personnel	Mr S.Nagarajan - Managing Director & CEO (Director w.e.f 1 April 2019) Suresh Kannan - Chief Financial Officer

a. Trading transactions

Particulars	Sale of Goods and services		Purchase of Goods		Cash Discount		Processing Charges, Freight Reimbursement and Consultancy	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Ultimate Holding Company; Tata Chemicals Limited	-	(409.72)	-	-	-	-	-	74.19
Holding Company; Rallis India Limited	2,225.74	2,354.58	164.12	320.95	-	19.24	191.30	125.54

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

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

Particulars	Amounts owed by related parties as at		Amounts owed to related parties as at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Holding Company; Rallis India Limited	101.44	94.78	106.78	121.57

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

c. Compensation of key managerial personnel

	Year Ended	Year Ended
	31 March 2019	31 March 2018
Short term benefits	162.59	146.60
Post-Employment benefits	6.60	7.40

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends. It is exclusive of gratuity and compensated absence.



All amounts are in Rs lacs unless otherwise stated

Note 36: Financial Instruments

Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in Note 16 and Note 17 offset by cash and bank balances) and total equity of the Company. The Company is not subject to any externally imposed capital requirements.

Gearing Ratio

The gearing ratio at the end of the reporting period was as follows:

	As at 31 March 2019	As at 31 March 2018
Debt (Refer note (i))	197.21	341.94
Cash and bank balances	(805.37)	(2,729.44)
Net debt	(608.16)	(2,387.50)
Total equity	13,357.68	10,957.85
Net debt to equity ratio	-5%	-22%

(i) Debt is defined as long-term borrowings and current maturities of long term borrowings as described in notes 16 and 17.

Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Fair value hierarchy

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 not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	Carrying amount				Fair value measurement using			
	Total	FVTPL	FVTOCI	Amortised cost	Total	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets								
Cash and cash equivalents	672.95	-	-	672.95	-	-	-	-
Other bank balances	132.42	-	-	132.42	-	-	-	-
Trade receivables	3,418.21	-	-	3,418.21	-	-	-	-
Loans	282.90	-	-	282.90	-	-	-	-
Other non current financial assets	20.97	-	-	20.97	20.97	-	-	-
Other current financial assets	234.63	-	-	234.63	-	-	-	20.97
Current investments	3,077.12	3,077.12	-	-	3,077.12	-	3,077.12	-
Financial liabilities								
Non-current borrowings (excluding current portion)	113.66	-	-	113.66	113.66	-	-	-
Current borrowings	83.55	-	-	83.55	-	-	-	113.66
Trade payable	17,713.63	-	-	17,713.63	-	-	-	-
Other financial liabilities	3,276.23	-	-	3,276.23	-	-	-	-

There have been no transfers amount Level 1, Level 2 and Level 3 during the year.

The following table provides the fair value measurement hierarchy of the Company's financial assets that are measured at fair value or where fair value disclosure is required as at 31 March 2018:

Particulars	Carrying amount				Fair value measurement using			
	Total	FVTPL	FVTOCI	Amortised cost	Total	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets								
Cash and cash equivalents	2,579.45	-	-	2,579.45	-	-	-	-
Other bank balances	149.99	-	-	149.99	-	-	-	-
Trade receivables	3,651.43	-	-	3,651.43	-	-	-	-
Loans	371.74	-	-	371.74	-	-	-	-
Other non current financial assets	165.51	-	-	165.51	-	-	-	-
Other current financial assets	-	-	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-
Financial liabilities								
Non-current borrowings (excluding current portion)	197.22	-	-	197.22	197.22	-	-	-
Current borrowings	144.72	-	-	144.72	-	-	-	197.22
Trade payable	16,084.98	-	-	16,084.98	-	-	-	-
Other financial liabilities	2,331.63	-	-	2,331.63	-	-	-	-

There have been no transfers amount Level 1, Level 2 and Level 3 during the previous year.

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used

Financial Instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable
Current investments -in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors	Not applicable	Not applicable



Note-36 Financial Instruments (continued)
Financial risk management

Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

All current financial liabilities are repayable within one year. The contractual maturities of non-current liabilities are disclosed in note no. 17.

Liquidity risk table

The following table detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

	Less than 1 year	1-5 years	5+ years	Total	Carrying amount
As at 31 March 2019					
Borrowings including future interest payable	94.90	122.35	-	217.25	197.21
Trade payables	17,713.63	-	-	17,713.63	17,713.63
Other financial liabilities at amortised cost	3,181.33	-	-	3,181.33	3,181.33
	20,989.86	122.35	-	21,112.21	21,092.17
As at 31 March 2018					
Borrowings including future interest payable	183.11	217.26	-	400.37	341.94
Trade payables	16,084.98	-	-	16,084.98	16,084.98
Other financial liabilities at amortised cost	2,148.52	-	-	2,148.52	2,148.52
	18,416.61	217.26	-	18,633.87	18,575.44

Interest risk

There is no material interest risk relating to the Company's financial liabilities which are detailed in Note 16 and Note 17.

Foreign currency risk management

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

Credit risk management

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

The credit risk on investment in mutual funds is limited because the counter parties are reputed banks or funds sponsored by reputed bank.

The trade receivables consist of large number of customers spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. The credit risk related to the trade receivables is mitigated by taking security deposits as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

There is no substantial concentration of credit risk as the revenue and trade receivables from any of the single customer do not exceed 10% of Company revenue.

The following table provides information about the exposure to credit risk and the expected credit loss for trade receivables:

	As at 31 March 2019		As at 31 March 2018	
	Carrying amount	Provision amount	Carrying amount	Provision amount
Up to 180 days	1,921.36	-	2,838.02	-
More than 180 days	2,741.83	(1,244.98)	1,814.95	(1,000.94)

The gross carrying amount of trade receivables is Rs 3418.21 lacs as at 31 March 2019 (31 March 2018: Rs. 3651.43 lacs).



Metahelix Life Sciences Limited**Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)***All amounts are in Rs lacs unless otherwise stated***Note 37: Earnings per equity share**

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit for the year attributable to owners of the Company	2,386.39	2,357.18
Weighted average number of equity shares outstanding during the year	107,502	107,502
Basic and diluted earnings per share	2,219.85	2,192.68

Note 38: Corporate social responsibility

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility ('CSR') as per the provision of section 135 of the Companies Act, 2013 amounts to Rs. 52.15 lacs (Previous Year Rs. 38.78 lacs). Amount spent during the year on CSR activities is as under:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Expenses towards healthcare, education, etc.	28.40	24.28
Expenses yet to be incurred	20.25	8.10
	48.65	32.38
In cash	28.40	24.28
Yet to be paid in cash	-	-
	28.40	24.28



Metahelix Life Sciences Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 39: Research and development expenditure

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
On property, plant and equipment	31.54	25.87
Other expenses which have been expensed during the year		
- Materials	30.30	25.43
- Employee benefits expense	713.74	736.57
- Breeding Expenses	231.26	188.78
- Consumables	104.06	98.40
- Travelling expenses	41.26	38.10
- Depreciation	56.64	50.12
- Others	194.45	168.29
	1,403.25	1,331.56

During the year, the Company has also incurred following expenses towards capital development expenditure which is included under Intangible assets under development. The total amount included in Intangible assets under development as at 31 March 2019 is Rs. 2,598.39 lacs (Previous year: Rs. 2,235.94 lacs)

The research and development expenses capitalised towards intangible asset under development is as follows:

	For the year ended 31 March 2019	For the year ended 31 March 2018
- Materials	18.14	23.90
- Employee benefits expense	384.77	318.25
- Breeding Expenses	488.08	394.14
- Consumables	10.35	12.55
- Travelling expenses	128.04	107.18
- Others	102.05	109.55
	1,131.43	965.57

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

Note 40(a): Statement of net assets and profit and loss attributable to owners and non-controlling interest

Name of the entity	Net assets as at 31 March 2019 (i.e. total assets minus total liabilities)		Share of profit or (loss) for the year 2018-19		Net assets as at 31 March 2018 (i.e. total assets minus total liabilities)		Share of profit or (loss) for the year 2017-18	
	Rs lac	As % of consolidated net assets	Rs lac	As % of consolidated profit or loss	Rs lac	As % of consolidated net assets	Rs lac	As % of consolidated profit or loss
Parent								
Metahelix Life Sciences Limited	13,173.50	98.6%	2,386.39	102.6%	10,847.22	99.0%	2,357.18	102.6%
Foreign Subsidiary								
PT Metahelix Lifesciences Limited	184.18	1.4%	(60.06)	(2.6%)	110.63	1.0%	(59.53)	(2.6%)
	13,357.68	100%	2,326.33	100%	10,957.85	100%	2,297.65	100%

Note 40(b): Non-controlling interest

	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Balance at the beginning of the year	110.63	43.06
Add: Additional Investment	133.61	127.10
Add: Share of loss	(60.06)	(59.53)
Balance at the end of the year	184.18	110.63

Note 41(a): The MCA wide notification dated 11 October, 2018 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the consolidated financial statements.

Note 41(b): Consequent to the Issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013", certain items of financial results have been regrouped/reclassified.

	Amount
Reclassification of deposits with others (Non current) to statutory dues receivable from government authorities - VAT-Other current assets	184.80
Reclassification of MAT credit entitlement-Non-current tax assets to deferred tax assets(Non current)	2,059.73
Reclassification of Trade and other receivable-Other receivable(Current) assets to Other receivable- Other financial assets (Current)	154.95
Reclassification of Cash and cash equivalents-Other bank balances(Current) assets to Other bank balance (Current)	149.99
Reclassification of Deposits with others-Other financial assets(Current) to financial assets(Loan) (Current)	111.61
Reclassification of Advances to employees-Other financial assets(Current) to Advances to employees-Other current assets (Current)	92.72
Reclassification of Deposits received-Other financial liabilities (Non Current) to Customer deposit- Other financial liabilities (Current)	606.56
Reclassification of Sales return provision-Other current liabilities (Current) to Sales return provision-Other financial liabilities (Current)	334.90
Reclassification of Trade payables (for goods and services)-Financial liabilities (Current) to Other payables (includes accrued expenses and amount due to employees-Other financial liabilities (Current)	452.95
Reclassification of Trade payables-Other payables (Includes accrued expenses and amount due to employees)-Financial liabilities (Current) to Other liabilities-Other current liabilities (Current)	2.83
Reclassification of Others- Other current liabilities (Current) to Other provision(Provisions)Other financial liabilities (Current)	50.00



Metahelix Life Sciences Limited
Notes to the Consolidated Financial Statements for the year ended 31 March 2019 (continued)

42. The Board of Directors of the Company at their meeting held on 17 January 2019 approved the scheme of amalgamation under Section 230 and other provisions of the Companies Act, 2013 for the merger with Rallis India Limited, the Holding Company. Subsequent to the year end, the Holding Company has filed the scheme of merger with NCLT.

Significant accounting policies

1, 2, 3

The accompanying notes are an Integral part of the consolidated financial statements

As per our report of even date
for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/ W - 100022

Aniruddha Godbole
Partner
Membership No: 105149

for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited

H Mukundan
Chairman
DIN:00778253

K R Venkatar
Director
DIN:03409857

Ashish Mehta
Director
DIN:03619474

S Nagarajan
Director
DIN:07493850

Suresh Kannan
Manager & CFO
M:083306

H V Chidananda
Sr. GM-Finance &
Company Secretary
M:AS7499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited

Standalone Ind AS Financial Statements
together with the
Independent Auditors' Report
for the year ended 31 March 2019

Independent Auditors' Report
To the Members of
Metahelix Life Sciences Limited

Report on the Audit of the standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of Metahelix Life Sciences Limited ("the Company"), which comprise the standalone Balance Sheet as at 31 March 2019, and the standalone Statement of Profit and Loss (including other comprehensive income), standalone Statement of Changes in Equity and standalone Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS Financial Statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as standalone Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and Profit and other comprehensive income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's director's report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.



Independent Auditors' Report (Continued)

Metahelix Life Sciences Limited

Other Information

In connection with our audit of the standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the standalone Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent Auditors' Report (*Continued*)

Metahelix Life Sciences Limited

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements (*Continued*)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS Financial Statements, including the disclosures, and whether the standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) 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 standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.



Independent Auditors' Report (Continued)

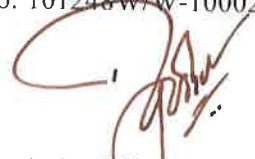
Metahelix Life Sciences Limited

Report on Other Legal and Regulatory Requirements (Continued)

- d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2019 on its financial position in its standalone Ind AS financial statements - Refer Note 30 to the standalone Ind AS financial statements;
- 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.
- iv. The disclosures in the standalone Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone Ind AS financial statements since they do not pertain to the financial year ended 31 March 2019.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
18 April 2019

Metahelix Life Sciences Limited

Annexure A to the Independent Auditors' Report on the Standalone Ind AS Financial Statements of Metahelix Life Sciences Limited for the year ended 31 March 2019

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of Metahelix Life Sciences Limited ("the Company") on the Standalone Ind AS Financial Statements for the year ended 31 March 2019, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a programme designed to cover all the items over one year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified all its property, plant and equipment during the year and no material discrepancies were noticed on such verification and have been dealt with in books of accounts.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 4 to the Standalone Ind AS Financial Statements, are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section 148(1) of the act for any of the products sold and services rendered by the Company. According paragraph 3(vi) of the Order is not applicable.



Metahelix Life Sciences Limited

Annexure A to the Independent Auditors' Report on the Standalone Ind AS Financial Statements of Metahelix Life Sciences Limited for the year ended 31 March 2019 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Provident fund, Profession tax, Employee's state insurance, Duty of customs, Goods and Service tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities. As explained to us, the Company did not have any dues on account of wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Income-tax, Duty of customs, Goods and Service tax, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Sales tax, Service tax, Duty of customs and Goods and Service tax as at 31 March 2019, which have not been deposited with the appropriate authorities on account of any dispute, *except as stated below:*

Name of Act	Nature of Dues	Amou (Rs. In lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,609.90	2012-13	CIT(A)
Income Tax Act, 1961	Income Tax	1,074.94 (21.59)	2013-14	CIT(A)
Income Tax Act, 1961	Income Tax	2,676.35 (53.58)	2014-15	CIT(A)
Income tax Act, 1961	Income Tax	1,215.61 (24.50)	2016-17	CIT (A)

Note: The amount in parenthesis represents payments made under protest.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to banks and government. The Company did not have any outstanding dues to any financial institutions and debenture holders during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised.

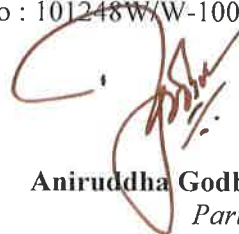
Metahelix Life Sciences Limited

Annexure A to the Independent Auditors' Report on the Standalone Ind AS Financial Statements of Metahelix Life Sciences Limited for the year ended 31 March 2019 (Continued)

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by applicable Ind AS.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No : 101248W/W-100022



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
18 April 2019

Metahelix Life Sciences Limited

Annexure B to the Independent Auditors' Report on the Standalone Ind AS financial statements of Metahelix Life Sciences Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid Standalone Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Metahelix Life Sciences Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such 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 "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 Standalone Ind AS Financial Statements, whether due to fraud or error.



Metahelix Life Sciences Limited

Annexure B to the Independent Auditors' Report on the Standalone Ind AS Financial Statements of Metahelix Life Sciences Limited for the year ended 31 March 2019 (Continued)

Auditors' Responsibility (Continued)

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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

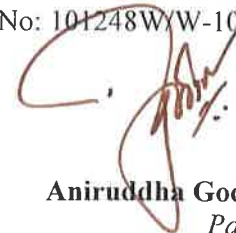
A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Aniruddha Godbole
Partner

Membership No: 105149

Mumbai
18 April 2019

Metahelix Life Sciences Limited

Standalone Balance Sheet as at 31 March 2019

All amounts are in Rs lacs unless otherwise stated

	Notes	As at 31 March 2019	As at 31 March 2018
I. ASSETS			
1. Non-current assets			
a) Property, plant and equipment	4	2,034.68	2,105.80
b) Capital work-in-progress	4	9.20	27.94
c) Other intangible assets	4(a)	674.98	569.78
d) Intangible assets under development	4(b)	2,598.39	2,235.94
e) Financial assets			
i) Investment	5	-	204.23
ii) Loans	6	189.48	260.04
iii) Other financial assets	7	20.97	-
f) Deferred tax assets (net)	8	2,280.93	2,078.14
g) Income-tax assets (net)	9	1,279.75	906.06
Total non-current assets		9,088.38	8,387.93
2. Current assets			
a) Inventories	11	24,419.87	19,854.84
b) Financial assets			
i) Investments	12	3,077.12	-
ii) Trade receivables	13	3,332.20	3,603.26
iii) Cash and cash equivalents	14	491.74	2,425.42
iv) Bank balances other than (iii) above	14	132.42	149.99
v) Loans	6	93.33	111.61
vi) Other financial assets	7	234.63	165.51
c) Other current assets	10	1,435.46	1,810.65
Total current assets		33,216.77	28,121.28
TOTAL ASSETS		42,305.15	36,509.21
II. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	10.75	10.75
b) Other equity	16	13,153.55	10,946.49
Total equity		13,164.30	10,957.24
Liabilities			
1. Non-current liabilities			
a) Financial liabilities			
i) Borrowings	17	113.66	197.22
b) Provisions	20	160.39	156.87
c) Other non-current liabilities	21	9.81	11.32
Total non-current liabilities		283.86	365.41
2. Current liabilities			
a) Financial liabilities			
i) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	19	13.24	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	19	17,691.15	16,077.45
ii) Other financial liabilities	18	3,276.23	2,331.63
b) Provisions	20	25.97	21.01
c) Income-tax liabilities (net)	9	65.70	92.24
d) Other current liabilities	21	7,784.70	6,664.23
Total current liabilities		28,856.99	25,186.56
Total liabilities		29,140.85	25,551.97
TOTAL EQUITY AND LIABILITIES		42,305.15	36,509.21


Significant accounting policies

1, 2, 3

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



As per our report of even date
for B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W - 100022


Anruddha Godbole
Partner
Membership No: 105149

for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited


K Mukundan
Chairman
DIN:00778253


K R Venkatadri
Director
DIN:03409857


Ashish Mehta
Director
DIN:03619474


S Nagarajan
Director
DIN:07493850


Suresh Kannan
Manager & CFO
M:083306


H M Chidananda
Sr. GM-Finance & Company Secretary
M:A57499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited

Standalone Statement of Profit and Loss for the year ended 31 March 2019

All amounts are in Rs lacs except for earning per equity share information

	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
I Revenue from operations	22	33,621.49	31,894.70
II Other income	23	429.40	385.08
III Total income (I+II)		34,050.89	32,279.78
IV Expenses			
Cost of materials consumed	24	24,963.30	19,377.65
Changes in inventories of finished goods and work-in-progress	25	(6,727.07)	(2,810.16)
Employee benefits expense	26	4,049.05	3,761.93
Finance costs	27	38.39	101.06
Depreciation and amortization expense	28	669.78	555.72
Impairment in value of investment in subsidiary	5	336.74	-
Other expenses	29	7,918.92	7,874.63
Total expense (IV)		31,249.11	28,860.83
V Profit before tax (III - IV)		2,801.78	3,418.95
VI Tax expense	9		
(1) Current tax		740.10	736.52
(2) Deferred tax		(202.79)	286.84
Total tax expense		537.31	1,023.36
VII Profit for the year (V - VI)		2,264.47	2,395.59
VIII Other comprehensive Income			
Items that will not be reclassified to profit and loss:			
Remeasurements of the employee defined benefit plans		(57.41)	(6.63)
Total other comprehensive Income (net of taxes)		(57.41)	(6.63)
IX Total comprehensive Income for the year		2,207.06	2,388.96
Earning per equity share (of Rs. 10 each)	38		
(1) Basic (in Rs.)		2,106.44	2,228.42
(2) Diluted (in Rs.)		2,106.44	2,228.42

Significant accounting policies

1, 2, 3

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



As per our report of even date
for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W - 100022



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Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited

Standalone Statement of Cash Flows for the year ended 31 March 2019

All amounts are in Rs lacs unless otherwise stated

	For the year ended 31 March 2019	For the year ended 31 March 2018
A Cash flows from operating activities		
Profit before tax	2,801.78	3,418.95
Adjustments for:		
Depreciation and amortisation	669.78	555.72
Other non-operating income	(222.84)	(147.83)
(Gain)/loss on sale of property, plant and equipment	(0.41)	2.94
Finance costs	38.39	101.06
Interest income	(74.75)	(80.51)
Impairment of intangible asset	169.96	233.63
Allowance for slow moving inventory	342.85	248.63
Profit on redemption of investment in liquid funds	(66.97)	-
Net gain on financial assets designated at fair value through profit and loss	(17.39)	-
Provision for impairment of investment in subsidiary	336.74	-
Bad debts written off	29.82	302.11
Deferred revenue	(1.51)	(1.51)
Provision for bad debts no longer required written back	(29.82)	(302.11)
Allowance for doubtful debts on trade receivables	273.86	340.86
Liability no longer required written back	(31.67)	-
Net unrealised foreign exchange (loss)	(2.97)	-
Operating cash flows before movements in working capital	4,214.85	4,671.94
Movements in working capital:		
(Increase) in inventories	(4,907.88)	(5,050.94)
Decrease/ (Increase) in trade and other receivable	0.17	(66.63)
Decrease/ (Increase) in other financial assets	89.06	(2.78)
Decrease in other current assets	370.46	131.62
Increase in trade payables	1,626.94	6,033.22
Increase in financial liabilities	1,006.55	515.49
Increase/ (Decrease) in provisions	(48.93)	(37.57)
Increase/ (Decrease) in other current liabilities	1,152.14	(391.33)
Cash generated from operations	3,503.36	5,803.02
Income taxes paid (net of refund)	(1,140.33)	(827.62)
Net cash generated from operating activities	2,363.03	4,975.40
B Cash flows from investing activities		
Purchases of property, plant and equipment (including capital work-in-progress, capital advances and capital creditors)	(115.05)	(137.38)
Proceeds on disposal of property, plant and equipment	0.43	4.32
Payments towards intangible assets	(1,097.70)	(977.97)
Investment in subsidiary	(132.51)	(121.74)
Interest received on bank deposit	83.62	72.05
Proceeds of redemption of investment in liquid funds	6,257.24	-
Investment in fixed deposits having maturity more than 12 months	(20.97)	-
Investment in liquid funds	(9,250.06)	-
Net cash used in Investing activities	(4,275.00)	(1,160.72)
C Cash flows from financing activities		
Repayment of borrowings	(144.73)	(1,401.91)
Interest paid	(39.18)	(101.39)
Finance income on facilitation of loans	144.63	87.83
Net cash used in financing activities	(39.28)	(1,415.47)
D Net (decrease)/Increase in cash and cash equivalents (A + B + C)	(1,951.25)	2,399.21
E Cash and cash equivalents at the beginning of the year	2,575.41	176.20
F Cash and cash equivalents at the end of the year (D + E)	624.16	2,575.41



Metahelix Life Sciences Limited

Standalone Statement of Cash Flows for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Notes to cash flow statement

1. Components of cash and cash equivalents:

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- In current accounts	490.15	619.55
- In Deposits accounts with original maturity of less than 3 months	0.10	1,804.58
Cash on hand (include foreign currency of amounting to Rs.0.53 Lac)	1.49	1.29
Other Bank balances:		
Bank deposit with original maturity more than 3 months	132.42	149.99
	624.16	2,575.41

Significant accounting policies

1, 2, 3

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

As per our report of even date

for **B S R & Co. LLP**


Chartered Accountants

Firm registration number: 101248W/ W - 100022


Anrudha Godbole
Partner
Membership No. 105149

for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited


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DIN:00778253


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H V Chidananda
Sr. GM-Finance & Company
Secretary
M:A57499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited

Standalone Statement of changes in equity for the year ended 31 March 2019

All amounts are in Rs lacs unless otherwise stated

	Equity share capital	Other equity			Total	Total Equity
		Securities premium	Retained earnings	Other comprehensive Income		
Balance as at 1 April 2017	10.75	6,704.32	1,857.53	(4.32)	8,557.53	8,568.28
Profit for the year - 2017-18	-	-	2,395.59	-	2,395.59	2,395.59
Premeasurement of the net defined benefit liability / asset	-	-	-	(6.63)	(6.63)	(6.63)
Balance as at 31 March 2018	10.75	6,704.32	4,253.12	(10.95)	10,946.49	10,957.24
Profit for the year - 2018-19	-	-	2,264.47	-	2,264.47	2,264.47
Premeasurement of the net defined benefit liability / asset	-	-	-	(57.41)	(57.41)	(57.41)
Balance as at 31 March 2019	10.75	6,704.32	6,517.59	(68.36)	13,153.55	13,164.30

Significant accounting policies

1, 2, 3

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

As per our report of even date

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/ W - 100022



Aniruddha Godbole

Partner

Membership No: 105149

for and on behalf of the Board of Directors of
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M:083306



H V Chidananda
Sr. GM-Finance &
Company Secretary

M:A57499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements

1. Corporate Information

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

During the year, the Company has changed its business model from Purchase model to Own Production model for three crops namely Paddy, Maize and Millet in Andhra Pradesh and Telangana.

As of 31 March 2019, Rallis India Limited own 100% of the Company's equity share capital and is the holding company.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is plot no 3, KIADB 4th phase, Bommasandra, Bangalore, Karnataka- 56009.

2. Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019:

Ind AS – 116

The new standard on leases sets out the principles for the recognition, measurement, presentation and disclosure of the leases. The core objective of this standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represent those transactions.

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its standalone financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the standalone financial statements in the period of initial application is not reasonably estimable as at present.

- the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straight-line basis whilst the lease liability reduces by the principal amount of repayments;

- Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease's life, due to the higher principal value, causing profit variability over the term of lease. This effect may be partially mitigated due to the number of leases held by Cochlear at various stages of their terms;

- operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of all lease liabilities will be classified as financing activities



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements (continued)

2. Recent accounting pronouncement (continued)

Ind AS – 116 (continued)

The Company is currently evaluating the effect of this standard.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the Company's standalone financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.
- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular pre-payable financial assets
- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits – i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.
- Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions – i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).
- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

3. Significant accounting policies

3.1 Statement of compliance

These Standalone financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

3.2 Basis of preparation

The Standalone financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

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



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements (continued)

3.2 Basis of preparation (continued)

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

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

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

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

3.3 Functional and presentation currency

The Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest ` lakhs, unless otherwise indicated.

3.4 Foreign currency translation

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognized in the Statement of Profit and Loss.

3.5 Revenue Recognition

Effective 1 April, 2018, the Company has adopted Ind AS 115 'Revenue from contracts with customers'. Revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is adjusted for estimated customer returns, rebates and other similar allowances. Revenue from sale of goods is recognized as per below 5 step model:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, revenue is recognized when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer, i.e. at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risk & rewards of the ownership of the goods;



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements (continued)

3.5 Revenue Recognition (continued)

- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

Rendering of service

Income recognition for services takes place as and when the services are performed in accordance with IND AS 115

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Insurance Claim

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

Facilitation Income

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

Lease Income

Lease income is accounted on accrual basis.

3.6 Property Plant and Equipment

• **Recognition and measurement**

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

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



3.6 Property Plant and Equipment (continued)

• **Recognition and measurement (continued)**

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.

• **Depreciation**

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

The estimated useful lives are as mentioned below:

<u>Type of asset</u>	<u>Useful lives</u>
Buildings	
- Factory Building	25 years
- R&D Buildings	30 years
- Greenhouse	5 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Plant and Equipment	
- Computer Equipment	3 years
- Plant and Machinery – R&D	5 years
- Lab equipment	10 years
- Electrical equipment	10 years
- General plant and machinery	15 years
- Motor Vehicles	4 years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

• **Gain or Loss on Disposal**

Any gain or loss on disposal of property, plant and equipment is recognized in the Standalone Statement of Profit and Loss.



Metahelix Life Sciences Limited

Notes to the Standalone Ind AS Financial Statements (continued)

3.7 Intangible Assets

a) Intangible assets acquired separately

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

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

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

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

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

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

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

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

The Company amortizes intangible assets with a finite useful using the straight line method over the following range of useful lives:

Type of asset	Useful lives
Seed development technology	3 years
Computer Software	3 years

The estimated useful life is reviewed annually by the management.

3.8 Inventories

Inventories are valued at the lower of cost (determined on weighted average basis) and net realizable value after providing for obsolescence and other loss where considered necessary. Cost of Inventories includes cost of purchase, cost of processing and other costs incurred in bringing it to their present location and condition. Remnant/substandard stocks are not valued and are accounted as revenue in the year of sale of such stock. Work-in-progress and finished goods include material cost and appropriate share of production overheads. Cost associated with hybrid seed production in leased land for which produce is yet to be received will be accounted as work-in-progress. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements (continued)

3.9 Government Grants

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

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

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

3.10 Employee Benefits

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

a) Defined contribution plans

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

b) Defined benefit plans

The Company operates defined benefit plans in the form of gratuity fund. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

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

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognized in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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



Metahelix Life Sciences Limited

Notes to the Standalone Ind AS Financial Statements (continued)

3.10 Employee Benefits (continued)

b) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

c) Compensated Absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

3.11 Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

3.12 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



3.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

3.14 Impairment of assets

a) Non-financial assets

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

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

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

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

b) Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12- month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

3.15 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalized until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements (continued)

3.16 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director & CEO.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.17 Leases

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

• **Operating Lease:**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognized in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis

• **Finance Lease:**

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

3.18 Cash flow statement

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



Metahelix Life Sciences Limited

Notes to the Standalone Ind AS Financial Statements (continued)

3.19 Earnings per share

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

3.20 Financial Instruments

a) Initial Recognition

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

b) Subsequent Measurement

i) Financial assets carried at amortized cost

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

ii) Financial assets at fair value through other comprehensive income

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



Metahelix Life Sciences Limited

Notes to the Standalone Ind AS Financial Statements (continued)

3.20 Financial Instruments (continued)

b) Subsequent Measurement (continued)

iii) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized 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 recognized in profit or loss.

iv) Financial liabilities

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

v) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vi) De-recognition of financial instruments

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

vii) Fair value of financial instruments

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

3.21 Investment in Subsidiary

A subsidiary is an entity that is controlled by the Company.

The Company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27- Separate Financial Statements.

3.22 Critical judgments in applying accounting policies

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



3.22 Critical judgments in applying accounting policies (continued)

a) Critical judgments in applying accounting policies

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Discount rate used to determine the carrying amount of the Company's defined benefit obligation

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Contingences and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Useful lives of Property, Plant and Equipment

As described at note 3.6 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return. Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns



Metahelix Life Sciences Limited
Notes to the Standalone Ind AS Financial Statements (continued)

3.23 Critical judgments in applying accounting policies (continued)

b) Key sources of estimation uncertainty (continued)

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs lacs unless otherwise stated

Note 4: Property, plant and equipment and capital work in progress ('CWIP')
Cost or deemed cost (Gross carrying amount)

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Total	CWIP
Balance as at 31 March 2017	187.01	912.56	1,410.74	18.32	40.10	2,568.73	2.88
Additions	-	8.54	86.53	6.25	7.27	108.59	25.06
Disposals	-	-	9.97	-	-	9.97	-
Balance as at 31 March 2018	187.01	921.10	1,487.30	24.57	47.37	2,667.35	27.94
Additions	-	19.66	100.57	3.70	14.79	138.72	9.20
Disposals	-	0.67	16.22	-	0.12	17.01	27.94
Balance as at 31 March 2019	187.01	940.09	1,571.65	28.27	62.04	2,789.06	9.20

Accumulated depreciation

	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Total	CWIP
Balance as at 31 March 2017	-	91.60	245.16	7.07	18.21	362.04	-
Disposals	-	-	2.71	-	-	2.71	-
Depreciation charge for the year	-	47.49	143.75	1.45	9.53	202.22	-
Balance as at 31 March 2018	-	139.09	386.20	8.52	27.74	561.55	-
Disposals	-	0.67	16.20	-	-	16.87	-
Depreciation charge for the year	-	51.04	149.18	2.04	7.44	209.70	-
Balance as at 31 March 2019	-	189.46	519.18	10.56	35.18	754.38	-

Carrying amount (net)

Balance as at 31 March 2019	187.01	750.63	1,052.47	17.71	26.86	2,034.68	9.20
Balance as at 31 March 2018	187.01	782.01	1,101.10	16.05	19.63	2,105.80	27.94

Note 4(a): Intangible assets

Cost or deemed cost (Gross carrying amount)

	Seed development technology	Computer Software	Total
Balance as at 31 March 2017	1,134.32	62.41	1,196.73
Additions	398.63	12.39	411.02
Balance as at 31 March 2018	1,532.95	74.80	1,607.75
Additions	553.13	12.15	565.28
Balance as at 31 March 2019	2,086.08	86.95	2,173.03

Accumulated amortization

Balance as at 31 March 2017	629.29	55.18	684.47
Amortization for the year	349.45	4.05	353.50
Balance as at 31 March 2018	978.74	59.23	1,037.97
Amortization for the year	447.30	12.78	460.08
Balance as at 31 March 2019	1,426.04	72.01	1,498.05

Carrying amount (net)

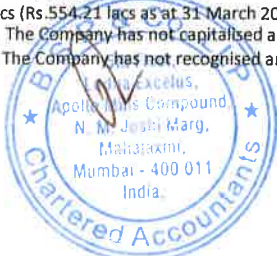
Balance as at 31 March 2019	660.04	14.94	674.98
Balance as at 31 March 2018	554.21	15.57	569.78

Note 4(b): Intangible assets under development

Balance as at 31 March 2017	1,902.62
Add : Additions	965.57
Less : Commercialised	398.62
Less : Write off	233.63
Balance as at 31 March 2018	2,235.94
Add : Additions	1,131.43
Less : Commercialised	553.12
Less : Write off	215.86
Balance as at 31 March 2019	2,598.39

Notes:

- Plant and equipment includes plant and machinery, electrical equipment's and installations, laboratory equipment's, computers and data processing units.
- Plant and Equipment's of Unit 4 of cob drying unit at carrying cost of Rs. 706.71 lacs (As at 31 March 2018; Rs. 756.46 lacs) are subject to a first bank and other corporate body.
- Land and buildings with a carrying amount of Rs.804.75 Lac (31 March 2018: Rs.834.66 lacs) are subject to a first charge to secure the loan from Company's bank.
- The Company has internally developed Seed development technology for producing hybrid seeds. The Carrying amount of Seed development technology of Rs.660.04 lacs (Rs.554.21 lacs as at 31 March 2018) will be fully amortized in next 3 years.
- The Company has not capitalised any borrowing cost during the current year (31 March 2018-Nil)
- The Company has not recognised any impairment loss during the current year (31 March 2018-Nil)



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs lacs unless otherwise stated

Note 5: Non-current Investments

	As at 31 March 2019	As at 31 March 2018
Investment in subsidiary at cost:		
Unquoted equity Instruments - (fully paid up)		
PT Metahelix Lifesciences Indonesia - No. of shares 490,000 (Previous year 306,250 shares) of nominal value Indonesia Rupiah 12,653 each	336.74	204.23
	336.74	204.23
Less: Impairment loss	(336.74)	-
Total non-current investment	-	204.23

Aggregate carrying value of unquoted investments	336.74	204.23
Aggregate amount of Impairment in the value of investment	(336.74)	-

Details of investment in subsidiary at the end of the reporting period is as follows:

Name of the party:	PT Metahelix Lifesciences Indonesia
Principal activity:	Manufacture and sale of hybrid seeds
Place of incorporation and principal place of business:	Indonesia
Proportion of ownership interest/voting rights held by the Company	65.77%

Note 6: Financial assets - Loans

	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
-Deposit with others - Non-current	189.48	260.04
-Deposit with others - Current	93.33	111.61
	282.81	371.65
Current	93.33	111.61
Non-Current	189.48	260.04

Note: There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

Note 7: Other financial assets (at amortised cost)

	As at 31 March 2019	As at 31 March 2018
Loans and receivables (Unsecured, considered good)		
Deposit accounts- original maturity more than 12 months	20.75	-
Interest accrued on fixed deposits with banks		
-Fixed deposits - less than 12 months	1.47	10.56
-Fixed deposits - more than 12 months	0.22	-
Other receivable	233.16	154.95
	255.60	165.51
Current	234.63	165.51
Non-current	20.97	-

Note: There is no amount due from directors, other officers of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.



Metahelix Life Sciences Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs lacs unless otherwise stated

Note 8: Deferred tax assets

Deferred tax relates to the following:

	As at 31 March 2019	As at 31 March 2018
Opening balances		
Deferred tax assets		
Provision for bad debts	349.76	332.99
Employee and other related costs	62.16	54.96
Unused tax losses	771.66	1,667.88
MAT credit entitlement	2,059.73	1,323.21
Deferred tax Liabilities		
Property, plant and equipment	(190.18)	(180.82)
Intangible assets	(974.99)	(833.24)
Total	2,078.14	2,364.98
Recognised in statement of profit and loss		
Provision for bad debts	85.28	16.77
Employee and other related costs	2.70	7.20
Unused tax losses	(562.39)	(896.22)
Impairment of subsidiary	109.23	
MAT credit entitlement	740.10	736.52
Property, plant and equipment	(8.51)	(9.36)
Intangible assets	(163.62)	(141.75)
Total	202.79	(286.84)
Closing balances:		
Deferred tax assets		
Provision for bad debts	435.04	349.76
Employee and other related costs	64.86	62.16
Unused tax losses	209.28	771.66
Impairment of subsidiary	109.23	-
MAT credit entitlement	2,799.83	2,059.73
Deferred tax liabilities		
Property, plant and equipment	(198.69)	(190.18)
Intangible assets	(1,138.62)	(974.99)
Deferred tax assets (net)	2,280.93	2,078.14

Notes:

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



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs lacs unless otherwise stated

Note 9: Income taxes

	For the year ended 31 March 2019	For the year ended 31 March 2018
Income tax recognised in Statement of Profit and Loss		
Current income tax:		
Current income tax charge	740.10	736.52
Deferred tax:		
Relating to origination and reversal of temporary differences	(202.79)	286.84
Income tax expense reported in the Statement of Profit and Loss	537.31	1,023.36

Income tax assets and liabilities

	As at 31 March 2019	As at 31 March 2018
Income tax liabilities		
Provision for current tax [net of advance tax Rs. 1,338.96 lacs (31 March 2018 - Rs. 1,312.42 lacs)]	65.70	92.24
Income tax assets		
Advance income tax [net of provision for tax Rs. 1,371.56 lacs (31 March 2018 - Rs.631.46 lacs)]	1,201.92	885.35
Tax deducted at source	77.83	20.71
	1,279.75	906.06

Reconciliation of the tax expense and the accounting profit for the year is as follows:-

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	2,801.78	3,418.95
Income tax expense calculated at domestic tax rate	979.05	1,183.23
Effect of expenses that are not deductible in determining taxable profit	17.00	11.21
Effect of concessions (research & developments and others allowances)	(432.97)	(388.79)
Effect of unabsorbed tax losses lapsed/expired	-	220.66
Effect of different tax rates in deferred tax for impairment of investments	8.44	(0.18)
Effect on impairment in value of investments in subsidiary	-	-
Others	(34.21)	(2.77)
Income tax expense recognised in the Statement of Profit and Loss	537.31	1,023.36

Note 10: Other current assets

	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Capital advances	13.36	18.09
Statutory dues receivable from government authorities - VAT (Refer note 31)	184.80	184.80
Inventory recoverable	142.71	106.41
Advance to suppliers	941.64	1,356.88
Advances to employees	94.51	92.72
Prepaid expenses	57.69	51.75
Others	0.75	-
	1,435.46	1,810.65

Note 11: Inventories (At lower of cost and net realizable value)

	As at 31 March 2019	As at 31 March 2018
Raw materials	3,795.76	6,056.22
Work-in-progress	1,506.57	121.38
Finished goods	18,342.61	13,037.03
Packing materials	774.93	640.21
	24,419.87	19,854.84

Note: The cost of inventories recognised as an expense (provision for obsolete / slow moving inventory) as at 31 March 2019 amounts to Rs 342.85 lacs (Rs 248.63 lacs as at 31 March 2018)



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs lacs unless otherwise stated

Note 12: Current investments

	As at 31 March 2019	As at 31 March 2018
Investment in mutual funds - unquoted		
Investments carried at fair value through profit and loss (FVTPL)		
Kotak Liquid Direct Plan Growth (No. Of Units - 81,312.162, Previous Year: Nil)	3,077.12	-
Aggregate carrying value of unquoted investments	3,077.12	-

Cost of investment	3,059.73	-
Aggregate carrying value of unquoted investments	3,077.12	-
Aggregate amount of impairment in the value of investment	-	-

Note 13: Trade receivables

	As at 31 March 2019	As at 31 March 2018
Current		
Secured, considered good	267.19	254.42
Unsecured, considered good	3,065.01	3,348.84
Considered doubtful	1,244.98	1,000.94
Less: Allowance for doubtful debts (expected credit loss allowance)	(1,244.98)	(1,000.94)
	3,332.20	3,603.26

Notes:

- i. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- ii. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- iii. Above balance of trade receivable includes balance with related party (Refer note 36).
- iv. Movement in the expected credit loss allowance

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	1,000.94	962.19
Less: Written off during the year	(29.82)	(302.11)
Add: Provision made during the year	273.86	340.86
Balance at the end of the year	1,244.98	1,000.94

Note 14: Cash and cash equivalents

	As at 31 March 2019	As at 31 March 2018
Balances with banks:		
- In current accounts	490.15	619.55
- In deposits accounts with original maturity of less than 3 months	0.10	1,804.58
Cash on hand (include foreign currency of amounting to Rs. 0.53 lacs, Previous year: Rs.0.53 lacs)	1.49	1.29
	491.74	2,425.42
Other bank balances:		
Bank - deposit with original maturity more than 3 months and less than 12 months	132.42	149.99
	132.42	149.99



Metahelix Life Sciences Limited
 Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
 All amounts are in Rs Lacs unless otherwise stated

Note 15: Share capital

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Rs. lacs	Number of shares	Rs. lacs
Authorised share capital:				
Equity shares of Rs.10 each with voting rights	28,812,800	2,881.28	28,812,800	2,881.28
Issued, subscribed and fully paid up:				
Equity shares of Rs.10 each	107,502	10.75	107,502	10.75

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

b) Shares issued for consideration other than cash - Nil (Previous year - Nil), share allotted by way of bonus share and shares bought back during the last 5 years - Nil (Previous year - Nil).

c) Details of shares held by holding company

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Rs. lacs	Number of shares	Rs. lacs
Rallis India Limited, the holding company and its nominees	107,502	10.75	107,502	10.75

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

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% Holding	Number of shares	% Holding
Rallis India Limited and its nominees	107,502	100.00%	107,502	100.00%



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs Lacs unless otherwise stated

Note 16: Other equity

	As at 31 March 2019	As at 31 March 2018
Securities premium	6,704.32	6,704.32
Retained earnings	6,517.59	4,253.12
Other comprehensive Income	(68.36)	(10.95)
Total	13,153.55	10,946.49

Securities premium

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	6,704.32	6,704.32
Balance at the end of year	6,704.32	6,704.32

Retained earnings

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	4,253.12	1,857.53
Profit for the year	2,264.47	2,395.59
Balance at the end of the year	6,517.59	4,253.12

Other comprehensive income

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	(10.95)	(4.32)
Add: Actuarial adjustment for the year	(57.41)	(6.63)
Balance at the end of the year	(68.36)	(10.95)



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs Lacs unless otherwise stated

Note 17: Borrowings

	As at 31 March 2019	As at 31 March 2018
Non-current Interest-bearing loans and borrowings		
Secured loan from banks (refer note (a) below)	50.00	100.00
Secured loan from other corporate body (refer note (b) below)	47.01	72.24
Loan from other corporate body ((Unsecured) (refer note (c) below)	16.65	24.98
	113.66	197.22
Aggregate Secured loans	97.01	172.24
Aggregate Unsecured loans	16.65	24.98

* Current portion of long term debts are disclosed under current financial liabilities

Notes:

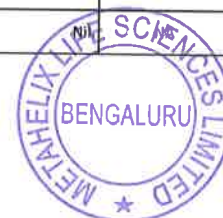
The terms of repayment of term loan and other loans are stated below

As at 31 March 2019

Particulars	Terms of security and repayment	Amount outstanding	Rate of Interest
a. Secured loan from Banks Owed by Metahelix Life Sciences Limited	Term loan from ICICI Bank - is secured by hypothecation of movable assets, both present and future including its movable plant and equipment, machinery spares, tools and accessories and other movables, both present and future All piece and parcel of the Immoveable Agricultural property situated at Kokkanda Village, Mulugu Mandal, Medak District. The balance outstanding as at 31 March 2019 is Rs. 100 lacs which is repayable in 8 equated quarterly installments of Rs. 12.50 lacs each (of which Rs.50.00 lacs has been classified under note 18 other current financial liabilities).	100.00	7.50%
b. Secured loans from other corporate body Owed by Metahelix Life Sciences Limited	Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of the Company, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The Balance outstanding as at 31 March 2019 is Rs. 72.23 lacs (of which Rs. 25.22 lacs has been classified under note 18 other current financial liabilities) which is repayable along with interest in 8 equal half yearly installments from December 2015 (Rice) and June 2017 (Maize).	72.23	2.00%
c. Loan from Council of Scientific and Industrial Research Owed by Metahelix Life Sciences Limited	Term loan from Council of Scientific and Industrial Research. The balance payable as on 31 March 2019 is Rs. 24.98 lacs (of which Rs. 8.33 lacs has been classified under note 18 other current financial liabilities). The same is repayable along with interest in 6 annual installments.	24.98	3.00%

As at 31 March 2018

Particulars	Terms of security and repayment	Amount	Rate of Interest
a. Secured loan from Banks Owed by Metahelix Life Sciences Limited	Term loan from Kotak Mahindra Bank - First and exclusive charge on plant and equipment of Unit 4 of the cob drying unit purchased out of the Bank's term loan. The balance outstanding as at 31 March 2018 is Rs.61.17 lacs (which is classified under note 18 other current financial liabilities), repayable in balance 6 monthly installments. Term loan from ICICI Bank - is secured by hypothecation of movable assets, both present and future including its movable plant and equipment, machinery spares, tools and accessories and other movables, both present and future All piece and parcel of the Immoveable Agricultural property situated at Kokkanda Village, Mulugu Mandal, Medak District. The balance outstanding as at 31 March 2018 is Rs.150 lacs which is repayable in 12 equated quarterly installments of Rs. 12.50 lacs each (of which Rs.50.00 lacs has been classified under note 18 other current financial liabilities).	61.17 150.00	10.50% 7.50%
b. Secured loans from other corporate body Owed by Metahelix Life Sciences Limited	Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of the Company, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The balance outstanding as at 31 March 2018 is Rs.97.46 lacs (of which Rs.25.22 lacs has been classified under note 18 other current financial liabilities) which is repayable along with interest in 10 equal half yearly installments from December 2015 (Rice) and June 2017 (Maize).	97.46	2.00%
c. Loan from Council of Scientific and Industrial Research Owed by Metahelix Life Sciences Limited	Term loan from Council of Scientific and Industrial Research. The balance payable as on 31 March 2018 is Rs.33.31 lacs (of which Rs.8.33 lacs has been classified under note 18 other current financial liabilities). The same is repayable along with interest in 7 annual installments.	33.31	3.00%
d. Unsecured loan from Banks Owed by Metahelix Life Sciences Limited	Short term loan of Rs.1,000 lacs as at 31 March 2018 repaid on 14th May, 2017		



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs Lacs unless otherwise stated

Note 18: Other current financial liabilities

	As at 31 March 2019	As at 31 March 2018
Creditors for capital goods	26.18	26.17
Current maturities of long term borrowings		
Secured loans from banks (refer note 17 (a))	50.00	111.17
Secured loans from other corporate body (refer note 17 (b))	25.22	25.22
Unsecured loans from other corporate body (refer note 17 (c))	8.33	8.33
Others (interest accrued)	7.51	8.30
Customer deposit	640.50	606.56
Sales return provision	497.04	334.90
Amount due to customers	1,277.06	758.03
Other payables (includes accrued expenses and amount due to employees)	744.39	452.95
	3,276.23	2,331.63

Note 19 : Trade payables

	As at 31 March 2019	As at 31 March 2018
i) Total outstanding dues of micro enterprises and small enterprises (refer note-32)	13.24	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	17,691.15	16,077.45
	17,704.39	16,077.45

Note 20: Provisions

	As at 31 March 2019	As at 31 March 2018
Non-current		
Compensated absences	160.39	144.15
Gratuity	-	12.72
	160.39	156.87
Current		
Compensated absences	25.97	21.01
	186.36	177.88

Current	25.97	21.01
Non current	160.39	156.87

Note 21 : Other liabilities

	As at 31 March 2019	As at 31 March 2018
Advance received from customers	7,628.69	6,518.12
Provident fund	29.90	27.62
Tax deducted at source	60.63	60.78
Goods and services tax payable	11.72	2.14
Other taxes	1.04	1.23
Deferred revenue	11.32	12.83
Other liabilities	51.21	52.83
	7,794.51	6,675.55

Current	7,784.70	6,664.23
Non-current	9.81	11.32

Note:

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



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs Lacs unless otherwise stated

Note 22: Revenue from operations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Sales		
Sales- manufactured goods	43,626.28	41,469.05
Discounts	(10,111.98)	(9,696.59)
	33,514.30	31,772.46
Other operating Income		
Farm Income	32.63	29.98
Liabilities written back	31.67	-
Revalidation charges	42.89	92.26
	107.19	122.24
	33,621.49	31,894.70

Disclosure under Ind AS 115 - Revenue from contracts with customers

The Company is engaged into manufacturing of seeds. There is no impact on the Company's revenue on applying Ind AS 115 from the contract with customers.

Disaggregation of revenue from contracts with customers

	For the year ended 31 March 2019	For the year ended 31 March 2018
1) Revenue from contracts with customers:		
Sale of products (Transferred at point in time)		
Manufacturing		
India	33,426.80	31,752.76
Asia (Indonesia)	87.50	19.70
Total	33,514.30	31,772.46
2) Other operating revenue		
Farm Income	32.63	29.98
Liabilities written back	31.67	-
Revalidation charges	42.89	92.26
	107.19	122.24
Total revenue	33,621.49	31,894.70

Major product lines

	For the year ended 31 March 2019	For the year ended 31 March 2018
Seeds	33,514.30	31,772.46

Sales by performance obligations

	For the year ended 31 March 2019	For the year ended 31 March 2018
Upon shipment	-	-
Upon delivery	33,514.30	31,772.46
	33,514.30	31,772.46

Reconciliation of revenue from contract with customer

	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from contract with customer as per the contract price	64,786.19	58,830.46
Adjustments made to contract price on account of :-		
a) Discounts / rebates / incentives	10,111.98	9,696.59
b) Sales returns / credits / reversals	21,159.91	17,361.41
Revenue from contract with customer as per the Statement of Profit and Loss	33,514.30	31,772.46

Note 23: Other income

	For the year ended 31 March 2019	For the year ended 31 March 2018
Gain on redemption of current Investments	66.97	-
Net gain on financial assets designated at fair value through profit and loss	17.39	-
Interest income on bank deposits	74.75	80.51
Profit on sale of property, plant and equipment	0.41	-
Foreign exchange gain	2.97	-
Subsidy from NABARD	1.51	1.51
Miscellaneous income	265.40	303.06
	429.40	385.08



Metahelix Life Sciences Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs Lacs unless otherwise stated

Note 24: Cost of materials consumed

	For the year ended 31 March 2019	For the year ended 31 March 2018
Inventory at the beginning of the year	6,696.43	4,736.91
Add: Purchases and processing charges	21,704.70	20,319.69
Less: Inventory at the end of the year	4,570.69	6,696.43
Cost of materials consumed	23,830.44	18,360.17
Packing material consumed	1,132.86	1,017.48
	24,963.30	19,377.65

Note 25: Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock		
Finished goods	13,143.44	10,352.63
Work-in-progress	121.38	102.03
	13,264.82	10,454.66
Closing stock		
Finished goods	18,485.32	13,143.44
Work-in-progress	1,506.57	121.38
	19,991.89	13,264.82
Net increase	(6,727.07)	(2,810.16)

Note 26: Employee benefits expenses

	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	3685.84	3,411.48
Contribution to provident and other funds (Refer note 34)	242.54	212.15
Staff welfare expenses	120.67	138.30
	4,049.05	3,761.93

Note 27: Finance costs

	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest on borrowings	38.39	101.06
	38.39	101.06

Note 28: Depreciation and amortization expense

	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of property, plant and equipment (Refer note 4)	209.70	202.22
Amortization of intangible assets (Refer note 4(a))	460.08	353.50
	669.78	555.72



Metahelix Life Sciences Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)

All amounts are in Rs Lacs unless otherwise stated

Note 29: Other expenses

	For the year ended 31 March 2019	For the year ended 31 March 2018
Electricity	209.12	236.39
Freight		1,451.98
Rent	1,366.81	392.75
License fees	12.10	7.13
Rates and taxes	48.35	53.56
Insurance	22.70	18.16
Intangible asset written off	169.96	233.63
Repairs and maintenance		
- Plant and machinery	59.48	25.99
- Buildings	2.98	2.40
- Others	115.27	122.70
Corporate social responsibility (refer note 39)	48.65	32.38
Advertisement and business promotion	2,709.50	2,794.91
Loss on sale of property, plant and equipment (net)	-	2.94
Directors' fees	18.41	12.20
Provision for doubtful debts	273.86	340.86
Bad debts written off	29.82	302.11
Less: Provision for bad debts written back	(29.82)	(302.11)
Foreign exchange loss	-	4.66
Breeding and lab expenses	513.49	357.23
Legal and professional	562.60	545.34
Travelling cost	981.87	948.49
Telephone expenses	84.79	81.69
Bank charges	2.04	3.71
Other expenses	211.29	190.87
Auditors' remuneration		
For services as auditor	15.93	14.16
Reimbursement of out of pocket expenses	3.80	0.50
	7,918.92	7,874.63



Metahelix Life Sciences Limited
Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)
All amounts are in Rs Lacs unless otherwise stated

Note 30 - Commitments

- i) Estimated amount of contract with minimum commitment for plant activity Rs 2,317.50 lacs (As at March 31 2018: 3,399.00 lacs)
 ii) Estimated amount of contract remaining to be executed on capital account and not provided for Rs.59.47 lacs (As at March 31 2018: Rs.42.48 lacs)
 iii) Capital commitments towards investment in subsidiary (PT Metahelix Lifesciences Indonesia) in Indonesia; USD Nil (As at March 31 2018: USD 183,750)

Note 31 - Contingent Liability

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

a. Tax contingencies

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

Nature of Tax	As at 31 March 2019	As at 31 March 2018
Income tax liability in respect of matters preferred by the Company *	5,580.92	3,112.04

* Excludes Rs. 995.88 lacs, Previous Year Rs.709.88 lacs (deposits paid under protest)

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

ii) Telangana Value Added Tax ('AP VAT'), Department had conducted the audit for the period from April 2012 till March 2016. On 22 December 2017, the Company received an assessment order from the Commercial Tax Department demanding an amount of Rs 1,466 lacs towards VAT dues for the Assessment period 2012-2016. As per the order, the Company has claimed exemption on the entire sales turnover, without specifying the products sold. The department has taken into consideration sales of different types of seeds and levied VAT @5% on turnover for the above mentioned period. The Company has filed an appeal against the order on 2 February 2018. In process of the appeal, the Company has paid Rs 183.25 lacs (12.5% of the demand amount) as a pre-deposit (under protest) under the AP VAT Act 2005. The order remanded back to the assessing authority by appellate vide its order dated 9 April 2018. During the year Company has received revised assessment order dated 28 February 2019 from the assessing authority with Nil liability.

b. Amount in respect of other claims

Nature of Tax	As at 31 March 2019	As at 31 March 2018
Others (claims related to contractual disputes)	431.46	435.29

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

The customers of the Company have filed criminal cases against the sales employees of the Company for the lack of germination quality of the seeds sold by them in regular course of business. These cases are presently in different stages of legal proceedings in the Courts of respective jurisdictions and the probability of a loss, if any, being sustained and an estimate of the amount of any loss are difficult to ascertain. Consequently, for a majority of these cases, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of these disputes. The Company is contesting these cases and the Company's management believes that presently provision against these potential claims is not required as the ultimate outcome of these disputes would not have a material impact on the Company's financial position.

c. Guarantees

Guarantees issued by bank on behalf of the Company as on 31st March, 2019 is Rs. 161.09 lacs (As at 31st March, 2018 Rs.273.40 lacs) these are covered by the charge created in favour of the Company's bankers by way of hypothecation of stock and debtors.

Note 32 - Trade Payable Includes amount payable to Micro, Small and Medium Enterprises as follows:

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financials statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act as at the balance sheet date.

	As at 31 March 2019	As at 31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principle	13.24	-
- Interest	-	-
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

Note 33: Lease Arrangements- Operating lease

The Company has taken certain premises on operating lease which is cancellable at the option of both the lessor or the lessee. The total rental expense for the cancellable lease for the current year amounts to Rs. 485.92 lacs (31 March 2018 Rs. 392.75 lacs)



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Note 34- Employee benefit plans

a) Defined Contribution plans:

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 158.14 lac (Previous Year Rs. 149.27 lac) for Provident Fund contributions and Rs. 0.84 lac (Previous year Rs. 2.87 lac) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plans

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method.

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

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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

	31 March 2019	31 March 2018
Actuarial Assumptions for Gratuity		
Discount rates	7.00%	7.40%
Expected rate of salary increase	10.00%	8.00%
Expected Return on plan assets	7.40%	7.00%
Mortality	IALM 2012-14 (Ultimate)	IALM 2006-08 (Ultimate)
Withdrawal rate	14%	12%
Expected average remaining working life	5 Years	6 Years
Estimate of amount of contribution in the immediate next year	70	60

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

	31 March 2019	31 March 2018
Service cost:		
Current service cost	66.54	55.61
Past service cost	-	3.54
Net interest expense	3.22	0.86
Components of defined benefit costs recognised in Statement of Profit or Loss	69.76	60.01
Remeasurement on DBO/Plan Assets:		
Return on plan assets (excluding amounts included in net interest expense)	-	(10.55)
Actuarial (gain)/Losses arising from changes in demographic assumptions	10.38	-
Actuarial (gain)/loss arising from changes in financial assumptions	(77.27)	7.50
Actuarial (gain)/loss arising from experience adjustments	(1.47)	(7.90)
Components of defined benefit costs recognised in other comprehensive income	(68.36)	(10.95)
	138.12	70.96

The current service cost and the net interest expenses for the year are included in the employee benefit expenses line item in the Statement of Profit and Loss.

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

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

	31 March 2019	31 March 2018
Present Value of funded defined benefit obligations	481.80	399.42
Fair Value of plan assets	482.55	386.70
Funded status	(0.75)	12.72
Net (asset)/ liability arising from defined benefit obligation	(0.75)	12.72



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Movements in the present value of the defined benefit obligation ('DBO') are as follows

	31 March 2019	31 March 2018
Opening defined benefit obligation	399.43	358.19
Current service cost	66.54	55.61
Past service cost	-	3.54
Interest cost	29.56	25.07
Remeasurement (gain)/losses:		
Actuarial (gain)/Losses arising from changes in demographic assumptions	(10.38)	-
Actuarial losses/(gain) arising from changes in financial assumptions	64.81	(9.74)
Actuarial losses/(gain) arising from experience adjustments	1.47	7.90
Benefits paid	(69.62)	(41.14)
Closing defined benefit obligation	481.81	399.43

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

	31 March 2019	31 March 2018
Opening fair value of the plan assets	386.70	362.10
Interest Income	26.34	24.21
Remeasurement (gain)/loss:		
Return on plan assets (excluding amounts included in net interest expense)	(64.81)	(10.55)
Actuarial gain	63.30	2.08
Contributions from the employer	140.64	50.00
Benefits paid	(69.62)	(41.14)
Closing fair value of plan assets	482.55	386.70

The management of funds is entrusted with Kotak Life Insurance.

Particulars	31 March 2019	31 March 2018
Investment Funds with Insurance Company		
Unit Linked	482.55	386.70
Total asset	482.55	386.70

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

1. If the discounting rate is 100 basis point higher (lower), the defined benefit obligation would decrease by Rs. 24.09 lacs (increase by Rs. 36.14 lac) [as at 31 March 2018: decrease by Rs.23.97 lacs (increase by Rs.26.76 lac)]
2. If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by Rs. 34.69 lac (decrease by Rs. 23.13 lac). [as at 31 March 2018: increase Rs.26.36 lacs (decrease by Rs.23.96 lacs)]
3. If the life expectancy increases/(decreases) by 1 year for both men and women, the defined benefit obligation would increase by Rs. 0.14 lac (decrease by Rs 0.14 lac) (as at 31 March 2018: increase by Rs.0.04 (lacs) (decrease by Rs.0.04 lac)
4. If the withdrawal increases (decreases) by 1% the defined benefit obligation would decrease by Rs.0.96 lac (increase by Rs.10.12 lac) [As at 31 March 2018 decrease by Rs.1.99 lac (increase by Rs.1.99 lac)]

The sensitivity analysis presented above may not representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using "Projected Unit Credit" method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in Balance Sheet.

There were no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to make a contribution of 70 lacs (as at 31 March 2018: 60 lacs) to the defined benefit plans during the next financial year.

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

Assumptions	31 March 2019	31 March 2018
Discount rates	7.00%	7.40%
Salary escalation rate	10.00%	8.00%
Mortality	IALM 2012-14 (Ultimate)	IALM 2006-08 (Ultimate)
Withdrawal rate	14%	12%

Compensatory absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation. Amount of Rs. 48.22 lacs (Previous year: Rs. 27.15 lacs) has been recognised in the Statement of Profit and Loss towards compensated absences.



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Note 35 Segment Information

The Company is principally engaged in the production and marketing of seeds. The seed related activities are considered as primary segment and secondary segment is reported based on the geographical location of the customer. Information reported to the chief operating decision maker ("CODM") for the purpose of resources allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Company. The Company has determined its business segment as "seed related activity" comprising of seeds, revalidation charges and farm income.

Information about major customers

No single customer contributed 10% or more to the Company's revenue for both 2018-19 and 2017-18.

Note 36: Related party disclosure

Ultimate Holding Company	Tata Chemicals Ltd
Holding Company	Rallis India Limited
Subsidiary Company	PT Metahelix Lifesciences Indonesia
Key Managerial Personnel	Mr S.Nagarajan - Managing Director & CEO (Director w.e.f 1 April 2019) Suresh Kannan - Chief Financial Officer

a. Trading transactions

Particulars	Sale of Goods and services		Purchase of Goods		Cash Discount		Processing Charges, Freight Reimbursement and Consultancy	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Ultimate Holding Company; Tata Chemicals Limited	-	(409.72)	-	-	-	-	-	74.19
Holding Company; Rallis India Limited	2,225.74	2,354.58	164.12	320.95	-	19.24	191.30	125.54
Subsidiary Company; PT Metahelix Lifesciences Indonesia	87.50	1.08	-	-	-	-	-	-

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

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

Particulars	Amounts owed by related parties as at		Amounts owed to related parties as at	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Holding Company; Rallis India Limited	101.44	94.78	106.78	121.57
Subsidiary Company; PT Metahelix Lifesciences Indonesia	20.58	-	-	-

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

c. Compensation to key managerial personnel

Particulars	Year Ended	Year Ended
	31 March 2019	31 March 2018
Short term benefits	162.59	146.11
Post-employment benefits	6.60	5.81

The remuneration of key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends. It is exclusive of gratuity and compensated absence.



Note 37: Financial Instruments

Capital management

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

The capital structure of the Company consists of net debt (borrowings as detailed in Note 17 and Note 18 offset by cash and bank balances) and total equity of the Company. The Company is not subject to any externally imposed capital requirements.

Gearing Ratio

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

	As at 31 March 2019	As at 31 March 2018
Debt (Refer note (i))	197.21	341.94
Cash and bank balances	(624.16)	(2,575.41)
Net debt	(426.95)	(2,233.47)
Total equity	13,164.30	10,957.24
Net debt to equity ratio	-3%	-20%

(i) Debt is defined as long-term borrowings and current maturities of long term borrowings as described in notes 17 and 18.

Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial assets that are measured at fair value or where fair value disclosure is required as at 31 March 2019:

Particulars	Carrying amount				Fair value measurement using			
	Total	FVTPL	FVTOCI	Amortised cost	Total	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets								
Cash and cash equivalents	491.74	-	-	491.74	-	-	-	-
Other bank balances	132.42	-	-	132.42	-	-	-	-
Trade receivables	3,332.20	-	-	3,332.20	-	-	-	-
Loans	282.81	-	-	282.81	-	-	-	-
Other non current financial assets	20.97	-	-	20.97	20.97	-	-	20.97
Other current financial assets	234.63	-	-	234.63	-	-	-	-
Current investments	3,077.12	3,077.12	-	-	3,077.12	-	3,077.12	-
Investments in equity instruments of subsidiaries	-	-	-	-	-	-	-	-
Financial liabilities								
Non-current borrowings (excluding current portion)	113.66	-	-	113.66	113.66	-	-	113.66
Current borrowings	83.55	-	-	83.55	-	-	-	-
Trade payable	17,704.39	-	-	17,704.39	-	-	-	-
Other financial liabilities	3,192.68	-	-	3,192.68	-	-	-	-

There have been no transfers amount Level 1, Level 2 and Level 3 during the year.

The following table provides the fair value measurement hierarchy of the Company's financial assets that are measured at fair value or where fair value disclosure is required as at 31 March 2018:

Particulars	Carrying amount				Fair value measurement using			
	Total	FVTPL	FVTOCI	Amortised cost	Total	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets								
Cash and cash equivalents	2,425.42	-	-	2,425.42	-	-	-	-
Other bank balances	149.99	-	-	149.99	-	-	-	-
Trade receivables	3,603.26	-	-	3,603.26	-	-	-	-
Loans	371.65	-	-	371.65	-	-	-	-
Other non current financial assets	-	-	-	-	-	-	-	-
Other current financial assets	165.51	-	-	165.51	-	-	-	-
Current investments	-	-	-	-	-	-	-	-
Financial liabilities								
Non-current borrowings (excluding current portion)	197.22	-	-	197.22	197.22	-	-	197.22
Current borrowings	144.72	-	-	144.72	-	-	-	-
Trade payable	16,077.45	-	-	16,077.45	-	-	-	-
Other financial liabilities	2,186.91	-	-	2,186.91	-	-	-	-

There have been no transfers amount Level 1, Level 2 and Level 3 during the previous year.

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable
Current investments in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.	Not applicable	Not applicable



Note-37 Financial Instruments (continued)
Financial risk management

Financial risk management objectives

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

All current financial liabilities are repayable within one year. The contractual maturities of non-current liabilities are disclosed in note no. 18.

Liquidity risk table

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

	Less than 1 year	1-5 years	5+ years	Total	Carrying amount
As at 31 March 2019					
Borrowings including future interest payable	94.90	122.35	-	217.25	197.21
Trade payables	17,704.39	-	-	17,704.39	17,704.39
Other financial liabilities at amortised cost	3,226.23	-	-	3,226.23	3,226.23
	21,025.52	122.35	-	21,147.87	21,127.83
As at 31 March 2018					
Borrowings including future interest payable	183.11	217.26	-	400.37	341.94
Trade payables	16,077.45	-	-	16,077.45	16,077.45
Other financial liabilities at amortised cost	2,186.91	-	-	2,186.91	2,186.91
	18,447.47	217.26	-	18,664.73	18,606.30

Interest risk

There is no material interest risk relating to the Company's financial liabilities which are detailed in Note 17 and Note 18.

Foreign currency risk management

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

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

	Liabilities		Assets	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
In US Dollars (USD)	-	-	29,701	-

Foreign currency sensitivity analysis

The Company is mainly exposed to the currency : USD.

Details of unhedged foreign currency exposure

The year end foreign currency exposure that have not been hedged by derivative instruments or otherwise are Rs. 20,58 Lac (Previous year- Rs. Nil) on account of export receivable.

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

Currency	As at 31 March 2019		As at 31 March 2018	
	Increase in exchange rate by 5%	Decrease in exchange rate by 5%	Increase in exchange rate by 5%	Decrease in exchange rate by 5%
USD	1.03	1.03	-	-

Note-37 Financial Instruments (continued)

Equity Risk

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

Credit risk management

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

The credit risk on Investment in mutual funds is limited because the counter parties are reputed banks or funds sponsored by reputed bank. The trade receivables consist of large number of customers spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits by customer. The credit risk related to the trade receivables is mitigated by taking security deposits as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers. There is no substantial concentration of credit risk as the revenue and trade receivables from any of the single customer do not exceed 10% of Company revenue.

The following table provides information about the exposure to credit risk and the expected credit loss for trade receivables:

	As at 31 March 2019		As at 31 March 2018	
	Carrying amount	Provision amount	Carrying amount	Provision amount
Up to 180 days	1,814.77	-	2,789.85	-
More than 180 days	2,762.41	(1,244.98)	1,814.35	(1,000.94)

The gross carrying amount of trade receivables is Rs. 3,332.20 lacs as at 31 March 2019 (31 March 2018: Rs. 3,603.26 lacs).



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Note 38: Earnings per equity share

	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit for the year attributable to owners of the Company	2,264.47	2,395.59
Weighted average number of equity shares outstanding during the year	107,502	107,502
Basic and diluted earnings per share	2,106.44	2,228.42

Note 39: Corporate social responsibility:

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility ('CSR') as per the provision of section 135 of the Companies Act, 2013 amounts to Rs. 52.15 lacs (Previous Year Rs. 38.78 lacs). Amount spent during the year on CSR activities is as under:

	For the year ended 31 March 2019	For the year ended 31 March 2018
Expenses towards healthcare, education, etc.	28.40	24.28
Expenses yet to be incurred	20.25	8.10
	48.65	32.38
In cash	28.40	24.28
Yet to be paid in cash	-	-
	28.40	24.28



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Note 40 - Research and development expenditure
The Company has incurred the following expenses on research and development activity during the year:

	For the year ended 31 March 2019	For the year ended 31 March 2018
On property, plant and equipment	31.54	25.87
Other expenses which have been expensed during the year		
- Materials	30.30	25.43
- Employee benefits expense	713.74	736.57
- Breeding expenses	231.26	188.78
- Consumables	104.06	98.40
- Travelling expenses	41.26	38.10
- Depreciation	56.64	50.12
- Others	194.45	168.29
	1,403.25	1,331.56

During the year, the Company has also incurred following expenses towards capital development expenditure which is included under intangible assets under development. The total amount included in intangible assets under development as at 31 March 2019 is Rs. 2,598.39 lacs (Previous year: Rs. 2,235.94 lacs)

Note 41: Research and development expenditure
The research and development expenses capitalised towards intangible asset under development is as follows:

	For the year ended 31 March 2019	For the year ended 31 March 2018
- Materials	18.14	23.90
- Employee benefits expense	384.77	318.25
- Breeding Expenses	488.08	394.14
- Consumables	10.35	12.55
- Travelling expenses	128.04	107.18
- Others	102.05	109.55
	1,131.43	965.57

The amounts mentioned in note 40 and 41 based on separate accounts for the Research and Developments ("R&D") Centres recognised by the Department of Scientific & Industrial Research ("DSIR"), Ministry of Science and Technology for in-house research (consonance with the DSIR guidelines for In-house R & D Centre will be evaluated at the time of filing the return with DSIR).

Note 42: The MCA wide notification dated 11 October, 2018 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. The Company has incorporated appropriate changes in the standalone financial statements.

Note 43. Consequent to the issuance of "Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013", certain items of financial results have been regrouped/reclassified.

	Amount
Reclassification of deposits with others (Non current) to statutory dues receivable from government authorities - VAT- Other current assets	184.80
Reclassification of MAT credit entitlement-Non-current tax assets to deferred tax assets(Non current)	2,059.73
Reclassification of Trade and other receivable-Other receivable(Current) assets to Other receivable- Other financial assets (Current)	154.95
Reclassification of Cash and cash equivalents-Other bank balances(Current) assets to Other bank balance (Current)	149.99
Reclassification of Deposits with others-Other financial assets(Current) to financial assets(Loan) (Current)	111.61
Reclassification of Advances to employees-Other financial assets(Current) to Advances to employees-Other current assets (Current)	92.72
Reclassification of Deposits received-Other financial liabilities (Non Current) to Customer deposit- Other financial liabilities (Current)	606.56
Reclassification of Sales return provision-Other current liabilities (Current) to Sales return provision-Other financial liabilities (Current)	334.90
Reclassification of Trade payables (for goods and services)-Financial liabilities (Current) to Other payables (includes accrued expenses and amount due to employees-Other financial liabilities (Current)	452.95
Reclassification of Trade payables-Other payables (includes accrued expenses and amount due to employees)-Financial liabilities (Current) to Other liabilities-Other current liabilities (Current)	2.83
Reclassification of Others- Other current liabilities (Current) to Other provision(Provisions)Other financial liabilities (Current)	50.00



Metahelix Life Sciences Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2019 (continued)

44. The Board of Directors of the Company at their meeting held on 17 January 2019 approved the scheme of amalgamation under Section 230 and other provisions of the Companies Act, 2013 for the merger with Rallis India Limited, the Holding Company. Subsequent to the year end, the Holding Company has filed the scheme of merger with NCLT.

Significant accounting policies

1, 2, 3

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

As per our report of even date

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W - 100022




Aniruddha Godbole
Partner
Membership No. 105149

for and on behalf of the Board of Directors of
Metahelix Life Sciences Limited



R Mukundan
Chairman
DIN:00778253



K R Venkatadri
Director
DIN:03409857



Ashish Mehta
Director
DIN:03619474



S Nagarajan
Director
DIN:07493850



Suresh Kannan
Manager & CFO
M:083306



H V Chidananda
Sr. GM-Finance &
Company Secretary
M:A57499

Mumbai, 18 April, 2019

Mumbai, 18 April, 2019

