

**Reliance Life Sciences B. V.**  
**Balance Sheet as at 31st March, 2017**

(Amount in Euro)

	Note	As at		As at
		31st March, 2017		31st March, 2016
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' Funds</b>				
Share Capital	1	2 81 88 819		2 81 88 819
Reserves and Surplus	2	<u>(4 14 97 572)</u>	<u>(1 33 08 753)</u>	<u>(4 14 82 711)</u> (1 32 93 892)
<b>Non-Current Liabilities</b>				
Long Term Borrowings	3		1 44 81 827	1 44 81 827
<b>Current Liabilities</b>				
Trade Payables			943	9 185
<b>TOTAL</b>			<u><u>11 74 017</u></u>	<u><u>11 97 120</u></u>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Non-current investments	4	1 11 456		1 11 456
Long-term loans and advances	5	<u>10 61 320</u>	<u>11 72 776</u>	<u>10 81 320</u> 11 92 776
<b>Current Assets</b>				
Cash and Bank Balances	6	927		2 232
Short-term loans and advances	7	<u>314</u>	<u>1 241</u>	<u>2 112</u> 4 344
<b>TOTAL</b>			<u><u>11 74 017</u></u>	<u><u>11 97 120</u></u>

Significant Accounting Policies

Notes on Financial Statements **1 to 14**

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No. – 101720W

**For and on behalf of the Board**

Sd/-

**Jignesh Mehta**  
Partner  
Membership No. --102749  
Place : Navi Mumbai  
Date: 1st September , 2017

Sd/-

**Vinay Ranade**  
Director

**Reliance Life Sciences B. V.**  
**Statement of Profit and Loss for the year ended 31st March, 2017**

(Amount in Euro)  
2015-16

	Note	2016-17	2015-16
<b>INCOME</b>			
Interest Income		-	-
<b>Total Revenue</b>		<u>-</u>	<u>-</u>
<b>Expenses</b>			
Other expenses	8	14 861	11 188
<b>Total Expenses</b>		<u>14 861</u>	<u>11 188</u>
Profit/ (Loss) Before Exceptional Items		<u>( 14 861)</u>	<u>( 11 188)</u>
Less :Exceptional Items	9	-	(4 06 50 000)
<b>Profit/ (Loss) before tax</b>		<u>( 14 861)</u>	<u>(4 06 61 188)</u>
<b>Tax Expense:</b>			
Current Tax		-	-
<b>Profit/ (Loss) for the year</b>		<u><u>( 14 861)</u></u>	<u><u>(4 06 61 188)</u></u>
<b>Earnings per ordinary share of face value of Euro 1</b>			
Basic	10	(0.41)	(1,129.48)
Diluted	11	(0.41)	(1,129.48)

Significant Accounting Policies  
Notes on Financial Statements  
As per our Report of even date

1 to 14

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No. – 101720W

**For and on behalf of the Board**

Sd/-

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**Jignesh Mehta**  
Partner  
Membership No. --102749  
Place : Navi Mumbai  
Date: 1st September , 2017

**Vinay Ranade**  
Director

**Reliance Life Sciences B. V.**  
**Cash Flow Statement for the year 2016-17**

(Amount in Euro)  
2015-16

2016-17

**A: CASH FLOW FROM OPERATING ACTIVITIES:**

**Net Profit/(Loss) before tax as per Statement of Profit and Loss** ( 14 861) (4 06 61 188)

Adjusted for:

Provision for Diminution in Value of Investment - 2 76 00 000

Provision for Doubtful recovery of Loan - 1 30 50 000

**Operating Profit/(loss) before Working Capital Changes** ( 14 861) ( 11 188)

Adjusted for:

Trade and Other Receivables 1 798 ( 440)

Trade and Other Payables ( 8 242) ( 20 673)

( 6 444) ( 21 113)

**Cash Generated/(used) from Operations** ( 21 305) ( 32 301)

Taxes Paid - -

**Net Cash from/ (used in) Operating Activities** ( 21 305) ( 32 301)

**B: CASH FLOW FROM INVESTING ACTIVITIES:**

Proceeds from Long Term Loan Given 20 000 27 000

**Net Cash from/ (used in) Investing Activities** 20 000 27 000

**C: CASH FLOW FROM FINANCING ACTIVITIES:**

- -

**Net Increase/ (Decrease) in Cash and Cash Equivalents** ( 1 305) ( 5 301)

**Opening Balance of Cash and Cash Equivalents** 2 232 7 533

**Closing Balance of Cash and Cash Equivalents** 927 2 232

(Refer Note No. 6)

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Regn No. – 101720W

**For and on behalf of the Board**

Sd/-

Sd/-

**Jignesh Mehta**  
Partner  
Membership No. --102749  
Place : Navi Mumbai  
Date: 1st September , 2017

**Vinay Ranade**  
Director

## **Reliance Life Sciences B. V.**

### **SIGNIFICANT ACCOUNTING POLICIES**

Reliance Life Sciences B.V. incorporated in Netherlands is having its registered office at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands. These Financial Statements are prepared in Euro being reporting currency in the country of incorporation.

#### **A Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India.

#### **B Use of Estimates**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

#### **C Foreign Currency Transactions**

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they are related to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

#### **D Investments**

Current Investments are stated at lower of cost and quoted /fair value, computed category wise. Long Term investments are stated at cost. Provision for diminution in value of long-term investment is made only if such a decline is other than temporary.

#### **E Revenue Recognition**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

#### **F Provision for Tax**

Provision for tax is made after taking into consideration benefits admissible under provisions of the taxation laws of Netherlands.

#### **G Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Reliance Life Sciences B. V.  
Notes on Financial Statements for the year ended 31st March, 2017

The previous year figures have been regrouped/ reclassified, wherever necessary to the current year presentation.

**1 SHARE CAPITAL**

		As at 31st March, 2017	(Amount in Euro) As at 31st March, 2016
<b>Authorised Share Capital:</b>			
<b>10,000,000</b> (10,000,000)	Ordinary Shares of Euro 1 each	<b>1 00 00 000</b>	1 00 00 000
<b>40,000,000</b> (40,000,000)	Preference Shares of Euro 1 each	<b>4 00 00 000</b>	4 00 00 000
		<u><b>5 00 00 000</b></u>	<u><b>5 00 00 000</b></u>
<b>Issued, Subscribed and Paid-up:</b>			
<b>Fully Paid-up</b>			
<b>36,000</b> (36,000)	Ordinary Shares of Euro 1 each	<b>36 000</b>	36 000
<b>28,152,819</b> (28,152,819)	5% Non-Cumulative Compulsorily Convertible Preference Shares of Euro 1 each	<b>2 81 52 819</b>	2 81 52 819
<b>TOTAL</b>		<u><b>2 81 88 819</b></u>	<u><b>2 81 88 819</b></u>

**1.1 Reconciliation of Ordinary shares Outstanding at the beginning and at the end of the year**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Ordinary Shares at the beginning	36 000	36 000
Add : Shares issued during the year	-	-
Less : Shares cancelled during the year	-	-
<b>Ordinary Shares at the end of the year</b>	<b>36 000</b>	<b>36 000</b>

**1.2 Reconciliation of 5% Non-Cumulative Compulsorily Convertible Preference Shares Outstanding at the beginning and at the end of the year**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Preference Shares at the beginning	2 81 52 819	2 81 52 819
Add : Shares issued during the year	-	-
Less : Shares cancelled during the year	-	-
<b>Preference Shares at the end of the year</b>	<b>2 81 52 819</b>	<b>2 81 52 819</b>

Reliance Life Sciences B. V.  
Notes on Financial Statements for the year ended 31st March, 2017

1.3 The details of Ordinary Shareholders holding more than 5% shares:

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	No of Shares	%held	No of Shares	%held
<b>Ordinary Share of Euro 1 each</b>				
Reliance Life Sciences Private Limited	36 000	100%	36 000	100%

1.4 The details of Preference Shareholder holding more than 5% shares:

<b>Preference Share of Euro 1 each</b>				
Reliance Life Sciences Private Limited	2 81 52 819	100%	2 81 52 819	100%

- 1.5 The 5% Non-cumulative compulsorily convertible preference shares will have to be converted into ordinary shares, at any time during the first 5 years at fair value of the ordinary shares and at any time after 5 years till 10 years at a discount of 10% to the fair value of the ordinary shares.

At the end of 10 years, the preference shares shall be mandatorily converted into ordinary shares at a discount of 10% to the fair value of ordinary shares.

2 RESERVES AND SURPLUS

	As at 31st March, 2017		<i>(Amount in Euro)</i> As at 31st March, 2016	
<b>Surplus/ (Deficit) in Statement of Profit and Loss</b>				
As per last Balance Sheet	(4 14 82 711)		( 8 21 523)	
Add: Profit/ (Loss) for the year	( 14 861)	(4 14 97 572)	(4 06 61 188)	(4 14 82 711)
<b>TOTAL</b>		<b>(4 14 97 572)</b>		<b>(4 14 82 711)</b>

3 LONG TERM BORROWINGS

	As at 31st March, 2017		<i>(Amount in Euro)</i> As at 31st March, 2016	
<b>Other Loans-Unsecured</b>				
Loan from Holding Company (Refer Note No. 12)	1 44 81 827		1 44 81 827	
<b>TOTAL</b>		<b>1 44 81 827</b>		<b>1 44 81 827</b>

- 3.1 Loans from Holding Company is repayable in three equal annual installments after March 31, 2020.

Reliance Life Sciences B. V.

Notes on Financial Statements for the year ended 31st March, 2017

**4 NON-CURRENT INVESTMENTS**

(Long Term Investments)

(Valued at cost less other than temporary diminution in value, if any)

(Amount in Euro)

	As at 31st March, 2017	As at 31st March, 2016
<b>Trade Investments</b>		
<b>In Equity Shares of Subsidiary Company</b>		
<b>Unquoted, fully paid up</b>		
151,602,489 Reliance GeneMedix Limited of Pound 0.10 per (151,602,489) share	2 77 11 456	2 77 11 456
Less: Provision for Diminution in Value of Investment	(2 76 00 000)	(2 76 00 000)
<b>TOTAL</b>	<u><u>1 11 456</u></u>	<u><u>1 11 456</u></u>

Aggregate amount of unquoted investments	2 77 11 456	2 77 11 456
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**5 LONG TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

(Amount in Euro)

	As at 31st March, 2017	As at 31st March, 2016
Loans and Advances to Related Party (Refer Note No. 12)	1 41 11 320	1 41 31 320
Less: Provision for Doubtful recovery of Loan	(1 30 50 000)	(1 30 50 000)
<b>TOTAL</b>	<u><u>10 61 320</u></u>	<u><u>10 81 320</u></u>

**6 CASH AND BANK BALANCES**

**Cash and Cash Equivalents**

(Amount in Euro)

	As at 31st March, 2017	As at 31st March, 2016
Balance with Bank	927	2 232
<b>TOTAL</b>	<u><u>927</u></u>	<u><u>2 232</u></u>

**7 SHORT TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

(Amount in Euro)

	As at 31st March, 2017	As at 31st March, 2016
Balance with Revenue Authorities	314	987
Others	-	1 125
<b>TOTAL</b>	<u><u>314</u></u>	<u><u>2 112</u></u>

**8 OTHER EXPENSES**

	<b>2016-17</b>	<i>(Amount in Euro)</i> 2015-16
<b>General and Administration expenses</b>		
Professional and Consultancy Fees	<b>11 753</b>	9 176
Other Miscellaneous	<b>3 108</b>	2 012
<b>TOTAL</b>	<b><u>14 861</u></b>	<u>11 188</u>

**9 EXCEPTIONAL ITEMS**

	<b>2016-17</b>	2015-16
Provision for Diminution in Value of Investment	-	2 76 00 000
Provision for Doubtful recovery of Loan	-	1 30 50 000
<b>TOTAL</b>	<b><u>-</u></b>	<u>4 06 50 000</u>

**10 BASIC EARNING PER SHARE**

	<b>2016-17</b>	<i>(Amount in Euro)</i> 2015-16
a) Net profit / (loss) for the year available for Ordinary shareholders. (Numerator used for calculation)	<b>( 14 861)</b>	(4 06 61 188)
b) Weighted average number of Ordinary shares (Denominator used for calculation)	<b>36 000</b>	36 000
c) Basic Earning per share (Euro)	<b>(0.41)</b>	<b>(1,129.48)</b>
d) Face Value per Ordinary Share (Euro)	<b>1.00</b>	<b>1.00</b>

**Reliance Life Sciences B. V.****Notes on Financial Statements for the year ended 31st March, 2017****11 DILUTED EARNING PER SHARE**

	<b>2016-17</b>	<i>(Amount in Euro)</i> 2015-16
a) Net profit / (loss) for the year available for Ordinary shareholders. (Numerator used for calculation)	<b>( 14 861)</b>	(4 06 61 188)
b) Weighted average number of Ordinary shares	<b>36 000</b>	36 000
Add: Weighted average potential number of Ordinary shares *	-	-
Weighted average number of diluted Ordinary shares (Denominator used for calculation)	<b>36 000</b>	36 000
c) Diluted Earning per share (Euro)	<b>(0.41)</b>	<b>(1,129.48)</b>
d) Face Value per Ordinary Share (Euro)	<b>1.00</b>	<b>1.00</b>

\* The Company carries dilutive capital in the form of 5% Non Cumulative Compulsorily Convertible Preference Shares. However Preference Shares are convertible at fair value of Ordinary shares at the time of conversion; hence the number of Ordinary shares to be issued is presently not ascertainable; therefore these are not considered for calculation of dilutive earning per share.

**12 RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

**(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**

Sr. No.	Name of the Related Party	Relationship
1	Reliance Life Sciences Private Limited	<b>Holding Company</b>
2	Reliance GeneMedix Limited, U.K.	<b>Subsidiary Company</b>

**Reliance Life Sciences B. V.****Notes on Financial Statements for the year ended 31st March, 2017****(ii) Transactions during the year with related parties (excluding reimbursements):**

<b>Sr. No.</b>	<b>Nature of Transaction</b>	<i>(Amount in Euro)</i>	
		<b>2016-17</b>	<b>2015-16</b>
		<b>Subsidiary</b>	
1	Repayment of Loan Given	<b>20 000</b>	27 000
		<b>Holding Company</b>	
		<b>Balances as at 31st March, 2017</b>	<b>Balances as at 31st March, 2016</b>
2	Unsecured Loans	<b>1 44 81 827</b>	1 44 81 827
		<b>Subsidiary</b>	
3	Investments	<b>2 77 11 456</b>	2 77 11 456
4	Loans & Advances given	<b>1 41 11 320</b>	1 41 31 320

**Disclosure in Respect of Material Related Party Transactions during the year:**

- 1 Repayment of Loan Given include repayment by Reliance Genemedix Limited Euro 20,000 (Previous Year Euro 27,000).
- 2 Unsecured Loans balances include Reliance Life Sciences Private Limited Euro 1,44,81,827 (Previous Year Euro 1,44,81,827 ).
- 3 Loans & Advances given include Reliance Genemedix Limited Euro 1,41,11,320 (Previous Year Euro 1,41,31,320).

**Reliance Life Sciences B. V.**

**Notes on Financial Statements for the year ended 31st March, 2017**

- 13** The Accounts have been prepared for the limited purpose of their consolidation with its Holding Company, namely, Reliance Life Sciences Private Limited in terms of Accounting Standard - 21 on Consolidated Financial Statements and filling of Annual Performance Report (APR) with RBI.
- 14** The Activities of the company mainly comprise of Investment and all other activities revolve around its main business. As such there are no separate reportable segments and hence information as required by Accounting Standard - 17 on Segment Reporting is not given.

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As per our Report of even date

**For Chaturvedi & Shah**

Chartered Accountants  
Firm Regn No. – 101720W

Sd/-

**Jignesh Mehta**

Partner  
Membership No. --102749  
Place : Navi Mumbai  
Date: 1st September , 2017

**For and on behalf of the Board**

Sd/-

**Vinay Ranade**

Director