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Date: September 10, 2014

To

The Board Of Directors
Wockhardt Limited
Wockhardt Towers,
Bandra-Kurla Complex,
Bandra (East)
Mumbai - 400051**The Board Of Directors**
Wockhardt Biopharm Limited
Wockhardt Towers,
Bandra-Kurla Complex,
Bandra (East)
Mumbai - 400051**The Board Of Directors**
Vinton Healthcare Limited
26 - D, Khizrabad,
New Friends Colony,
Near Lions Hospital,
New Delhi- 110065**Re: Amalgamation of Wockhardt Biopharm Limited and Vinton Healthcare Limited with Wockhardt Limited**

Dear Sir,

1. PURPOSE OF REPORT


1.1. As per the discussion with the Management of Wockhardt Limited (hereinafter referred to as "WL"), we understand that WL is proposing to amalgamate its 2 wholly owned subsidiaries viz. Wockhardt Biopharm Limited (hereinafter referred to as "WBL") and Vinton Healthcare Limited (hereinafter referred to as "VHL") with itself. Herein after all the three companies' viz. WL, WBL and VHL are collectively referred as "Companies". We have been requested by the management of the companies to issue this report in connection with said amalgamation of WBL & VHL with WL.

2. BACKGROUND

- 2.1. Wockhardt was found by Habil Khorakiwala in the early 1960s. It was incorporated as Wockhardt Pvt. Ltd. in 1973 and eventually converted to WL on July 8, 1999. The headquarters of the company are situated at Mumbai.
- 2.2. WL is a global pharmaceutical and biotechnology organisation, providing affordable, high-quality medicines. It is India's leading research-based global healthcare enterprise with a chain of advanced Super Specialty Hospitals.

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For WOCKHARDT LIMITED



Nimesh S. Shah
Company Secretary

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- 2.3. The company's output includes sterile (injectables), biopharmaceuticals, orals (tablets and liquids) and topicals (creams and ointments). The company has twelve manufacturing locations and there are five locations where research and development activities are carried out. They have full-fledged operations in USA, UK, Ireland and France. They also have their marketing presence in emerging markets of Russia, Brazil, Vietnam, Myanmar, Sri Lanka, and the African countries of Kenya, Ghana, Nigeria and Tanzania.
- 2.4. Shares of WL are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).
- 2.5. WBL was incorporated in the year 1996. The Registered Office of WBL is located at Mumbai. WBL is a wholly owned subsidiary of WL.
- 2.6. VHL is a Public Limited company incorporated in the year 1995 having its registered office at New Delhi. VHL is a wholly owned subsidiary of WL.

3. SOURCES OF INFORMATION

For the purpose of valuation, we have relied upon the following sources of information:

- a) Draft Scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956.
- b) Audited Financials Statements of WL for the FY 2013-14.
- c) Audited Financials Statements of WBL for the FY 2013-14.
- d) Audited Financials Statements of VHL for the FY 2013-14.
- e) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, future plans and prospects, other relevant information and data included in public domain.
- f) Such other information and explanation as we required and which have been provided by the management of WL, WBL and VHL.

4. LIMITATIONS AND EXCLUSIONS

Our report is subject to the scope limitations detailed hereinafter

- 4.1. Our recommendation is dependent upon the information furnished to us being complete in all material aspects. The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 4.2. The company and its representatives warranted to us that the historical information supplied to us is complete and accurate to the best of their knowledge and that the financial information is in accordance with generally accepted accounting principles. We have neither audited nor



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carried out due diligence of the financial information provided to us and, accordingly, we express no audit opinion or any other form of assurance on this information. Information supplied to us has been accepted as correct without any further verification. We assume no responsibility for any errors in the above information furnished by the Companies and consequential impact on the present exercise.

- 4.3. Our report is not, nor should it be construed as our opinion or certifying the compliance of the proposed amalgamation with provisions of any law including companies, taxation and capital market laws or as regards any legal implications or issues arising from such proposed amalgamation.
- 4.4. This report and the conclusion of value arrived at herein are for the exclusive use of WL, WBL and VHL for the sole and specific purposes as noted herein. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it (except for the statutory requirement under Securities Laws) nor may it be used for any purpose by anyone other than those enumerated in this report without the written consent of the KPB & Associates.
- 4.5. KPB & Associates, nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.
- 4.6. We have made no investigation of title to property, and assume that the owner's claim to the property is valid. We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances or that the entity has good title to all assets. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Accordingly, no due diligence into any right, title or interest in property or assets was undertaken and no responsibility is assumed in this respect or in relation to legal validity of any such claims.
5. **CONCLUSION**
- 5.1. As per Audited Financial Statements of WBL, its Net Asset Value as on March 31, 2014 is ₹1,014.51 lakhs. (For details refer Annexure -I)
- 5.2. As per Audited Financial Statements of VHL, its Net Asset Value as on March 31, 2014 is ₹1,269.49 lakhs. (For details refer Annexure -II)



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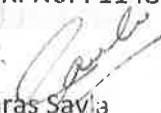
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- 5.3. With reference to above and based on information provided by the management of the Companies forming part of the amalgamation and after analysing the draft scheme of amalgamation, we understand that under the present scheme WBL and VHL is intended to be amalgamated with WL wherein, no shares are proposed to be issued to the equity shareholders of WBL and VHL in consideration on amalgamation of WBL and VHL with WL, as WBL and VHL are wholly owned subsidiaries of WL as on date.
- 5.4. In our opinion, the above is fair since shareholders of WL will continue to remain beneficial owners of WL, WBL and VHL in the same proportion as they held it prior to the amalgamation.

Yours truly,

For KPB & Associates
Chartered Accountants

F. R. No. : 114841W


Paras Savia
Partner
M. No. 105175



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Annexure - I

Detailed working of Net Asset Value of WBL based on the Audited Financial Statement for FY 2013-14

(₹ in Lakhs)

Particulars	Amount in ₹	Amount in ₹
Non-current Assets		
Net block of fixed assets	-	
Long Term Loans and advances	18.71	
Other non-current assets	25.47	
Total Non-current Assets		44.18
Current Assets		
Trade Receivables	888.09	
Cash and bank balances	36.97	
Other current assets	51.87	
Total Current Assets		976.93
Current Liabilities & Provisions		
Other current liabilities	(6.60)	
Total Current Liabilities and Provisions		(6.60)
Net Asset Value of WBL		1,014.51



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Annexure II

Detailed working of Net Asset Value of VHL based on the Audited Financial Statement for FY 2013-14

(₹ in Lakhs)

Particulars	Amount in ₹	Amount in ₹
Non-current assets		
Net block of Fixed Assets	2.10	-
Long Term Loans and advances	2,221.07	
Other Non-current Assets	20.53	
Total Non-current Assets		2,243.70
Current assets		
Cash and Bank balances	59.04	
Short Term Loans and Advances	1.16	
Total Current Assets		60.20
Current liabilities & provisions		
Trade Payables	(3.23)	
Other Current Liabilities	(0.03)	
Short Term Provisions	(48.34)	
Total Current Liabilities and Provisions		(51.60)
7% Non-convertible non-cumulative Redeemable Preference Shares		(982.81)
Net Asset Value of VHL		1,269.49

