

## **INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors of Wockhardt Holding Corp.**

### **Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of Wockhardt Holding Corp ("the Company") and its subsidiaries, hereinafter referred to as ("the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2017 and the Consolidated Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group in accordance with Group Accounting Policies based on Ind AS and generally accepted accounting principles in India ("GAAP") to the extent considered necessary for the purpose of preparation of consolidated financial statements of Wockhardt Limited. This responsibility also includes maintenance of adequate accounting records in accordance with the GAAP 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

4. In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India to the extent considered necessary for the purpose of preparation of consolidated financial statements of Wockhardt Limited, of the consolidated state of affairs of the Group as at March 31, 2017 and its consolidated profit for the year ended on that date.

## **Report on Other requirements**

5. We further report as under:

- i. 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 financial statements.
- ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
- iii. The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- iv. The consolidated financial statement has disclosed the impact of pending litigations, if any, on the consolidated financial position of the Group.
- v. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

## **Other Matter**

6. This report has been prepared only for the Board of Directors of the Company for the purpose of preparation of consolidated financial statements of Wockhardt Limited, the ultimate holding company. We do not accept or assume responsibility for any other purpose.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No.103523W/W100048

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Bhavik L. Shah

Partner

Membership No.122071

Place: Mumbai

Date : April 27, 2017

**Wockhardt Holding Corp**  
**Notes to Consolidated Accounts**  
**For The Year Ended March 31, 2017.**

**1) Background**

Wockhardt Holding Corp. (“the Company”) was incorporated on 17<sup>th</sup> October, 2007. The Company is a wholly owned subsidiary of Wockhardt Bio AG (formerly known as Wockhardt EU Operations (Swiss) AG).

The Company is the holding Company of Morton Grove Pharmaceuticals Inc., which is engaged in the manufacture of pharmaceutical products on behalf of Wockhardt Bio AG and MGP Inc. which conducts Research and Development activity for Wockhardt Bio AG.

Wockhardt USA LLC is the wholly owned subsidiary of Morton Grove Pharmaceuticals Inc. Wockhardt USA LLC was incorporated on 26<sup>th</sup> February, 2004. On 3<sup>rd</sup> October, 2008, the status of the Company has changed from Corporation to Limited Liability Company pursuant to section 266 of the General Corporation Law of the state of Delaware, as amended, and section 18-214 of the Delaware Limited Liability Company Act. The Company is primarily engaged in the business of marketing and distribution of pharmaceutical products in the U.S. markets.

Accordingly, the Company together with its subsidiaries Morton Grove Pharmaceuticals Inc., MGP Inc and Wockhardt USA LLC constitute the Group for the purpose of consolidation.

**2) Basis of Consolidation**

The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the financial statements of Wockhardt Holding Corp and its subsidiaries using uniform accounting policies for like transactions and other events in similar circumstances. All material inter-company balances and transactions are eliminated on consolidation.

**3) Summary of Group’s significant accounting policies:**

The consolidated financial statements are prepared in accordance with Group Accounting Policies based on Ind AS and generally accepted accounting principles in India (“GAAP”) to the extent considered necessary for the purpose of preparation of consolidated financial statements of Wockhardt Limited, India. The financial statements comply with recognition and measurement principles of IndAS. However, the format and content of these financial statements is as designed by management and has been prepared solely for the purpose of consolidation into financial statements of Wockhardt

Limited, the ultimate holding company and accordingly, contains only limited disclosures.

The significant accounting policies of the Group are as follows:

**a) Revenue Recognition**

Revenue is recognized at the time product is shipped by the Company, which is when title passes. Allowances for discounts, chargebacks, and rebates are recognized in the same period as the related sales. A significant portion of product is distributed by independent pharmaceutical wholesalers; when a sale is initially recorded to a wholesaler, the sale and resulting receivable are recorded at list price. However, experience indicates that most of these selling prices will eventually be reduced to a lower, end-user contract price.

Therefore, at the time of the sale, a contra asset is recorded for, and revenue is reduced by, the difference between the list price and the estimated average end-user contract price. When the wholesaler ultimately sells the product, the wholesaler charges the Company (chargeback) for the difference between the list price and the end-user contract price, and such chargeback is offset against the initial estimated contra asset.

Additionally, the Company also issues rebates to its customers based on the amount of purchases a customer has made or the amount of product that has been sold by its customer. Estimated rebates are accrued as a contra asset and reduce revenues at the time of the initial sale, and are generally paid on a monthly basis. Accounts receivable are presented net of such allowances. The Company also issues rebates to various states after the Company's products are sold to Medicaid patients. These rebates are classified in accrued liabilities.

To control credit exposure, the Company routinely monitors the creditworthiness of its customers, reviews outstanding customer balances on a regular basis, and records allowances for bad debts as necessary. Additionally, the Company evaluates the collectibility of its accounts receivable based on the length of time the receivable is past due and the anticipated future uncollectible amounts based on historical experience. Accounts receivable are charged off against the allowance account when they are deemed uncollectible. The Company does not require customers to maintain collateral.

**b) Inventories**

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on moving average basis. Cost also includes all charges incurred for bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

### **c) Fixed Assets and Depreciation / Amortisation**

#### *Tangible Assets:*

Fixed assets are stated at cost, less accumulated depreciation. The Company capitalizes all costs relating to the acquisition and installation of fixed assets.

#### *Depreciation / Amortisation:*

Depreciation is determined on the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	20 to 33 years
Machinery and equipment	4 to 23 years
Office equipment and furniture	4 to 20 years
Vehicle	5 to 7 years
IT Equipments	3 to 10 years

#### *Intangible Assets:*

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

The cost relating to intangibles assets which are acquired, are capitalized and amortised on a straight line basis upto the period of ten years, which is based on their estimated useful life.

Goodwill is on account of acquisition of Morton Grove Pharmaceuticals Inc and its subsidiaries. Goodwill is tested for impairment at each balance sheet date.

### **d) Research and Development (R&D)**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortized over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

#### **e) Operating Lease**

Operating lease payments are recognized as an expense in the Statement of Profit and Loss over the lease term.

#### **f) Employee Benefits**

The Company has a defined contributions savings and retirement 401(k) plan, which covers substantially all employees. The 401(k) retirement savings plan gives employees the opportunity to fund their retirement with “pre tax” dollars. MGP matches employees’ contribution with 75 cents for each dollar the employee contributes and Wockhardt USA matches employees’ contribution with 1 dollar for each dollar the employee contributes. The maximum match is 6 percent of employees’ pay. The assets of the plan are held separately from those of the Company in an independently administered fund.

#### **g) Foreign Currency transactions**

Foreign Currency transactions during the year are recorded at rates of exchange prevailing on the date of the transaction. Foreign Currency denominated assets and liabilities are translated into United States Dollars at the rates of exchange prevailing on the date of the balance sheet. All the exchange differences are dealt with in the Statement of Profit and Loss.

#### **h) Provisions**

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

#### **i) Taxes**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of local Income Tax rules as applicable to the financial year. The Company uses liability method to account for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between tax on accounting profit and tax as per income tax law in force when the differences are anticipated to reverse.

**WOCKHARDT HOLDING CORP.**

**Consolidated Balance Sheet as at March 31, 2017**  
**(All amounts in United States Dollars)**

	Notes	As at 31.3.2017	As at 31.3.2016
<b><u>SOURCES OF FUNDS</u></b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	4	1,100	1,100
Reserves and Surplus	5	68,050,896	62,449,737
<b>SECURED LOANS</b>			
	6	65,782	323,835
<b>UNSECURED LOANS</b>			
	6	-	-
		<b><u>68,117,778</u></b>	<b><u>62,774,672</u></b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>FIXED ASSETS</b>			
	7		
Gross Block		61,657,370	61,555,928
Less : Accumulated Depreciation		(27,647,340)	(25,760,406)
Net Block		<u>34,010,030</u>	<u>35,795,522</u>
Capital Work in Progress, including capital advances		21,243,910	20,131,775
		<u>55,253,940</u>	<u>55,927,297</u>
<b>DEFERRED TAX ASSET</b>			
	8	11,040,416	12,881,622
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	9	35,660,370	29,731,699
Sundry Debtors	10	91,093,478	95,431,742
Cash and Bank balances	11	2,440,899	1,862,980
Loans and Advances	12	5,059,335	5,071,027
	[A]	<u>134,254,082</u>	<u>132,097,448</u>
<b>LESS : CURRENT LIABILITIES AND PROVISIONS</b>			
	13		
Current Liabilities		132,430,660	138,131,695
Provisions		-	-
	[B]	<u>132,430,660</u>	<u>138,131,695</u>
<b>NET CURRENT ASSETS</b>	[A] - [B]	1,823,422	(6,034,247)
<b>Total</b>		<b><u>68,117,778</u></b>	<b><u>62,774,672</u></b>

Significant Accounting Policies  
The Notes 1 to 26 form an integral part of the Balance Sheet  
As per our attached report of even date

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No. 103523W/W100048**

**For and on behalf of Board of Directors**

**Bhavik L. Shah**  
**Partner**

**Director**

Place: Mumbai  
Date: April 27, 2017

**WOCKHARDT HOLDING CORP.**

**Consolidated Statement of Profit and Loss for the year ended March 31, 2017**  
**(All amounts in United States Dollars)**

	Notes	For the year ended 31.3.2017	For the year ended 31.3.2016
<b>INCOME</b>			
Sales		170,019,474	212,642,123
Service Income - Research & Development		5,096,177	8,568,165
Other income	14	158,910	500,021
		<b>175,274,561</b>	<b>221,710,309</b>
<b>EXPENDITURE</b>			
Materials consumed and purchase of goods	15	119,590,634	149,600,409
(Increase) / decrease in Finished goods and Work-in-progress	16	(4,202,409)	4,508,400
Operating and other expenses	17	50,908,726	57,335,306
Depreciation / Amortisation	7	1,886,935	1,824,707
Financial Expenses	18	25,163	28,609
		<b>168,209,049</b>	<b>213,297,431</b>
<b>NET PROFIT BEFORE TAX</b>		<b>7,065,512</b>	<b>8,412,878</b>
Provision for tax			
- Current		174,206	92,349
- Deferred tax charge/(credit)		1,841,205	3,467,159
-Tax for earlier years		(551,058)	-
<b>NET PROFIT AFTER TAX FOR THE YEAR</b>		<b>5,601,159</b>	<b>4,853,370</b>
<b>Balance brought forward from prior year</b>		36,447,337	31,593,967
<b>Surplus / (Deficit) carried to Balance sheet</b>		<b>42,048,496</b>	<b>36,447,337</b>

Significant Accounting Policies 3  
The Notes 1 to 26 form an integral part of the Statement of Profit and Loss

As per our attached report of even date

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No. 103523W/W100048**

**For and on behalf of Board of Director**

**Bhavik L. Shah**  
**Partner**

**Director**

Place: Mumbai  
Date: April 27, 2017



**Wockhardt Holding Corp.****Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

	AS AT 31.3.2017 USD	AS AT 31.3.2016 USD
<b>4 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
3,000 (Previous year - 3,000) shares of common stock of par value USD 1 per share.	3,000	3,000
<b>ISSUED,SUBSCRIBED AND PAID UP</b>		
1,100 (Previous year - 1,100) shares of common stock of par value USD 1 per share.	1,100	1,100
	<b>1,100</b>	<b>1,100</b>
All the above shares are held by Wockhardt Bio AG, the holding company. Wockhardt Bio AG is a subsidiary of Wockhardt Limited, India.		
<b>5 RESERVES AND SURPLUS</b>		
Securities premium		
Balance as per last account	26,002,400	26,002,400
Additions during the year	-	-
	<b>26,002,400</b>	<b>26,002,400</b>
Profit and loss account		
Balance as per last account	36,447,337	31,593,967
Additions during the year	5,601,159	4,853,370
	<b>42,048,496</b>	<b>36,447,337</b>
	<b>68,050,896</b>	<b>62,449,737</b>
<b>6 SECURED/UNSECURED LOANS</b>		
Equipment Loan (Secured)	65,782	323,835
Loan from Wockhardt Limited	-	-
	<b>65,782</b>	<b>323,835</b>

**Wockhardt Holding Corp.**

**Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

	AS AT 31.3.2017 USD	AS AT 31.3.2016 USD
<b>8 DEFERRED TAX ASSET</b>		
<b><u>Deferred Tax Liabilities</u></b>		
Difference between depreciation on block of assets	1,577,027	1,662,184
<b>Total (A)</b>	<b>1,577,027</b>	<b>1,662,184</b>
<b><u>Deferred Tax Assets</u></b>		
Carry over losses	1,701,090	2,860,576
Deferred expenses	10,916,353	11,683,230
<b>Total (B)</b>	<b>12,617,443</b>	<b>14,543,806</b>
<b><u>Net Deferred Tax Assets</u></b>	<b>11,040,416</b>	<b>12,881,622</b>
<b>9 INVENTORIES</b>		
Raw materials	9,732,148	
Packing materials	5,186,822	9,145,795
Finished goods	20,578,580	16,326,315
Work-in-progress	162,820	212,677
	<b>35,660,370</b>	<b>29,731,699</b>
<b>10 SUNDRY DEBTORS, Net of Allowances</b>		
<b>Debts outstanding for a period exceeding six months</b>		
Unsecured, Considered good	-	-
Unsecured, Considered doubtful	<b>7,102,476</b>	<b>7,102,476</b>
Less : Provision for doubtful debts	<b>7,102,476</b>	<b>7,102,476</b>
Sundry Debtors, net of provisions	-	-
<b>Other Debts</b>		
Unsecured, Considered good		
Intercompany Receivables	35,970,318	31,981,590
Others	55,123,160	63,450,152
	<b>91,093,478</b>	<b>95,431,742</b>

**Wockhardt Holding Corp.**

**Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

	<b>AS AT 31.3.2017 USD</b>	<b>AS AT 31.3.2016 USD</b>
<b>11 CASH AND BANK BALANCES</b>		
Cash on hand	500	500
Balances with Scheduled banks	-	-
- on Current account & Fixed Deposit	2,440,399	1,862,480
	<b>2,440,899</b>	<b>1,862,980</b>
<b>12 LOANS AND ADVANCES (Unsecured , considered good)</b>		
Loan to Wockpharma Ireland	3,544,213	3,387,434
Advances recoverable in cash or in kind or for value to be received	154,356	318,916
Security Deposit	340,331	340,161
Advance tax ( net of provision for tax)	632,461	638,445
Prepaid expenses	387,973	386,071
	<b>5,059,335</b>	<b>5,071,027</b>
<b>13 CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors	9,623,965	12,092,287
Intercompany payables	110,010,366	99,270,018
Advance Received from customer - Wockhardt Bio AG	-	5,527,090
Other liabilities	12,796,329	21,242,300
	<b>132,430,660</b>	<b>138,131,695</b>
<b>PROVISIONS</b>		
Provision for tax, net of advance tax paid	-	-
Other provisions	-	-
	<b>-</b>	<b>-</b>

**Wockhardt Holding Corp.****Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

	<b>For the year ended 31.3.2017 USD</b>	<b>For the year ended 31.3.2016 USD</b>
<b>14 OTHER INCOME</b>		
Interest income on loan	158,910	137,434
Interest income on deposits	-	53,369
Lease Rental income	-	308,744
Miscellaneous income	-	474
	<b>158,910</b>	<b>500,021</b>
<b>15 MATERIALS CONSUMED AND PURCHASE OF GOODS</b>		
Opening Stock of materials		
Raw material	9,145,795	9,015,464
Packing material	4,046,912	2,043,185
	<b>13,192,707</b>	<b>11,058,649</b>
Add : Purchase of Raw and Packing materials	30,411,793	37,164,344
	<b>43,604,500</b>	<b>48,222,993</b>
Less : Closing stock of materials		
Raw material	9,732,148	9,145,795
Packing material	5,186,822	4,046,912
<b>Materials Consumed</b>	<b>28,685,530</b>	<b>35,030,286</b>
<b>Purchase of Traded Goods</b>	<b>90,905,103</b>	<b>114,570,123</b>
<b>Total</b>	<b>119,590,634</b>	<b>149,600,409</b>
<b>16 (INCREASE) / DECREASE IN INVENTORIES</b>		
Inventories as at March 31, 2016		
Finished goods	16,326,315	20,562,099
Work-in-progress	212,677	485,293
	<b>16,538,992</b>	<b>21,047,392</b>
Inventories as at March 31, 2017		
Finished goods	20,578,580	16,326,315
Work-in-progress	162,820	212,677
	<b>20,741,401</b>	<b>16,538,992</b>
	<b>(4,202,409)</b>	<b>4,508,400</b>

**Wockhardt Holding Corp.****Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

	<b>For the year ended 31.3.2017 USD</b>	<b>For the year ended 31.3.2016 USD</b>
<b>17 OPERATING AND OTHER EXPENSES</b>		
Salaries, wages and bonus , staff pension	20,684,855	23,836,172
Company's contribution to funds	4,040,475	4,694,806
Staff Training	15,736	140,898
Manufacturing Expenses	2,842,545	3,304,101
Licences fees	199,190	332,588
Rent, Rates and taxes	1,130,070	1,105,833
Machinery Repairs	673,518	530,748
Building Repairs	267,301	342,538
Repairs other	774,092	722,999
Advertising & Promotions	1,021,098	684,178
Travelling expenses	897,713	976,884
Freight and forwarding	3,546,315	3,989,089
Management Charges	35,200	42,780
Bad Debt Expense	-	46,715
Printing Postage & Stationary	49,730	141,652
Telephone & Telex	281,887	337,538
Insurance	1,022,093	1,106,122
Consultancy Charges	9,124,885	3,280,179
General expenses	4,120,641	5,569,411
Selling and Distribution expense	131,025	6,098,108
Vehicle Expenses	50,356	51,967
	<b>50,908,726</b>	<b>57,335,306</b>
<b>18 FINANCIAL EXPENSES</b>		
Interest on loan	25,163	28,609
	<b>25,163</b>	<b>28,609</b>

**Wockhardt Holding Corp.**

**Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

	<b>For the year ended 31.3.2017 USD</b>	<b>For the year ended 31.3.2016 USD</b>
<b>19 EXPENDITURE ON RESEARCH AND DEVELOPMENT</b>		
Capital	79,956	577,940
Revenue	4,718,621	7,898,033
	<b>4,798,577</b>	<b>8,475,973</b>

**20 LEASE OBLIGATIONS**

**Annual commitments under non-cancellable operating leases are**

Less than 1 year	274,885	274,885
More than 1 year but less than 5 years	778,676	1,053,561
More than 5 years		
	<b>1,053,561</b>	<b>1,328,446</b>

**Annual commitments for property given under non-cancellable operating leases are**

Less than 1 year	-	-
More than 1 year but less than 5 years	-	-
More than 5 years	-	-
	<b>-</b>	<b>-</b>

**21 SEGMENT INFORMATION**

**a. Information about Primary Segments**

The Group is primarily engaged in pharmaceutical business which is considered as the only reportable business segment as per Indian Accounting Standard (IndAS) – 108 'Operating Segments'.

**b. Information about Secondary Segments**

The sales of the Group are confined only to US markets and accordingly, there is no separate reportable geographical segment

**22** Estimated amount of contracts remaining to be executed on capital account and not provided at March 2017 is USD 756,136 (Previous Year - USD 1,030,204)

**23** The Group is involved in other disputes, lawsuits, claims, inquiries and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The group believes that there are no such pending matters that are expected to have any material adverse effect on its financial statements in any given accounting period.

**Wockhardt Holding Corp.**

**Notes to the Consolidated financial statements  
for the year ended March 31, 2017**

- 24** Status of USFDA import alert on facilities of Wockhardt Limited (WL), India.  
During the year, in August, 2016, WL India received Import Alert 66-40 on it's API facility (Active Pharmaceuticals Ingredients) located at Ankleshwar, Gujarat. However, subsequently, US FDA excluded product 'Ceftriazone Sodium' from import alert from the same plant enabling WL India to continue to manufacture and sell the same (both API and formulation) in the US market. WL India's on-going efforts towards remediation and compliance measures continues to be in place with appointment of world class consultants.
- 25** The format and content of these financial statements is as designed by the Management and has been prepared solely for the purpose of consolidation into financial statements of Wockhardt Limited, the ultimate holding company and accordingly, contains only limited disclosures.
- 26** Previous years figures have been regrouped/rearranged wherever necessary to conform to current year's

**For Haribhakti & Co. LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No. 103523W/W100048**

**For and on behalf of Board of Directors**

**Bhavik L. Shah**  
**Partner**  
**Membership No. 122071**

**Director**

Place: Mumbai  
Date: April 27, 2017

**WOCKHARDT HOLDING CORP.****Notes to Consolidated Financial Statements**

for the year ended March 31, 2017

Note 7: Fixed Asset

Amounts in USD

Particulars	Gross Block				Depreciation				Net Block	
	As At 3.31.2016	Additions	Deductions & Transfers	Ending Balance 3.31.17	As At 3.31.2016	Additions	Deductions / Adjustments & transfers	Ending Balance 3.31.17	Ending Balance 3.31.17	As At 3.31.2016
<b>Intangibles</b>										
Goodwill on Consolidation	10,656,941	-	-	10,656,941	-	-	-	-	10,656,941	10,656,941
Software	7,367,934	-	-	7,367,934	(6,025,852)	(274,198)	-	(6,300,050)	1,067,883	1,342,081
<b>Intangible Assets (A)</b>	<b>18,024,875</b>	<b>-</b>	<b>-</b>	<b>18,024,875</b>	<b>(6,025,852)</b>	<b>(274,198)</b>	<b>-</b>	<b>(6,300,050)</b>	<b>11,724,824</b>	<b>11,999,021</b>
<b>Tangibles</b>										
Freehold land	7,573,384	-	-	7,573,384	-	-	-	-	7,573,384	7,573,384
Buildings	12,451,095	101,442	-	12,552,537	(3,971,732)	(391,696)	-	(4,363,427)	8,189,110	8,479,363
Plant and Machinery	20,698,308	-	-	20,698,308	(13,440,003)	(892,767)	-	(14,332,770)	6,365,538	7,258,305
Furniture and Fixtures	1,512,844	-	-	1,512,844	(1,324,637)	(55,963)	-	(1,380,599)	132,245	188,207
Office Equipments	843,446	-	-	843,446	(843,375)	-	-	(843,375)	71	71
IT Equipments	431,637	-	-	431,637	(134,469)	(272,312)	-	(406,781)	24,856	297,168
Vehicles	20,338	-	-	20,338	(20,338)	-	-	(20,338)	0	0
<b>Tangible Assets (B)</b>	<b>43,531,053</b>	<b>101,442</b>	<b>-</b>	<b>43,632,495</b>	<b>(19,734,554)</b>	<b>(1,612,737)</b>	<b>-</b>	<b>(21,347,290)</b>	<b>22,285,206</b>	<b>23,796,499</b>
<b>Total (A+B)</b>	<b>61,555,928</b>	<b>101,442</b>	<b>-</b>	<b>61,657,370</b>	<b>(25,760,406)</b>	<b>(1,886,935)</b>	<b>-</b>	<b>(27,647,340)</b>	<b>34,010,030</b>	<b>35,795,522</b>
Capital Work in Progress	20,131,775	1,213,577	(101,442)	21,243,910	-	-	-	-	21,243,910	20,131,775
<b>Total</b>	<b>81,687,703</b>	<b>1,315,018</b>	<b>(101,442)</b>	<b>82,901,279</b>	<b>(25,760,406)</b>	<b>(1,886,935)</b>	<b>-</b>	<b>(27,647,340)</b>	<b>55,253,940</b>	<b>55,927,297</b>