

To
Board of Directors
Wockhardt Limited
Mumbai

AUDIT REPORT on Financial Statements of
Wockhardt Farmaceutica Do Brasil Ltda, Brazil
for the year ended March 31, 2020

Wockhardt Farmaceutica Do Brasil Ltda is indirect subsidiary company of Wockhardt Limited, India. Wockhardt Farmaceutica Do Brasil Ltda is incorporated in Brazil.

This report is furnished, at the request of the management of Wockhardt Limited, solely for the purpose of meeting with the requirements of consolidation of the accompanying financial statements of Wockhardt Farmaceutica Do Brasil Ltda with the financial statements of Wockhardt Limited, the ultimate Holding Company. The financial statements dealt with by this report comprise the Balance Sheet as at March 31, 2020 and Statement of Profit & Loss for the year ended on that date.

Accordingly, as aforesaid, at the request of the management of Wockhardt Limited, we furnish this audit report on the accompanying financial statements of Wockhardt Farmaceutica Do Brasil Ltda.

These financial statements are the responsibility of the management of Wockhardt Farmaceutica Do Brasil Ltda and Wockhardt Limited. And these have been prepared on the basis of accounts maintained by Wockhardt Farmaceutica Do Brasil Ltda outside India. As an additional presentation, these audited financial statements (in USD), have also been translated by the management in Indian Rupees (INR) at the exchange rate on the date of the balance sheet.

Our responsibility is to express an opinion on these financial statements solely for the purpose of their consolidation as aforesaid with the financial statements of Wockhardt Limited.

We have conducted our audit of the financial statements on the basis of accounting returns received from the office of Wockhardt Farmaceutica Do Brasil Ltda (not visited by us) and information and explanations furnished and on the basis of such checks as were considered appropriate, and in the light of generally accepted accounting principles prevalent in India and in the light of materiality.

Based on our audit in the manner aforesaid and the fact that we have conducted our audit on the basis of accounting returns received from Wockhardt Farmaceutica Do Brasil Ltda whose office has not been visited by us, and to the best of our information and according to the explanations given to us, we are of the opinion that the financial statements give a true and fair view:

- (a) in the case of the balance sheet, of the state of affairs of Wockhardt Farmaceutica Do Brasil Ltda as at March 31, 2020; and
- (b) in the case of the statement of profit and loss account, of the loss for the year then ended.

For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants



J.L. Thakkar – M.No.032318
Proprietor



Mumbai / 27th April, 2020

WOCKHARDT FARMACEUTICA DO BRASIL LTDA**BALANCE SHEET AS AT MARCH 31, 2020**

	Schedule	As at 31 March 2020 USD	As at 31 March 2020 INR @ 75.58	As at 31 March 2019 USD	As at 31 March 2019 INR @ 69.2075
<u>SOURCES OF FUNDS</u>					
SHAREHOLDERS' FUNDS					
Share capital					
Equity share capital	1	3,67,962.45	2,78,10,601.97	3,67,962.45	2,54,65,761.26
Reserves and surplus	2	(5,21,828.61)	(3,94,39,806.86)	(4,66,361.24)	(3,22,75,695.27)
		<u>(1,53,866.16)</u>	<u>(1,16,29,204.89)</u>	<u>(98,398.79)</u>	<u>(68,09,934.01)</u>
LOAN FUNDS					
Secured loans				-	
Unsecured loans	3	1,80,000.00	1,36,04,400.00	82,919.46	57,38,648.53
		<u>1,80,000.00</u>	<u>1,36,04,400.00</u>	<u>82,919.46</u>	<u>57,38,648.53</u>
Total		<u>26,133.84</u>	<u>19,75,195.11</u>	<u>(15,479.33)</u>	<u>(10,71,285.48)</u>
<u>APPLICATION OF FUNDS</u>					
FIXED ASSETS					
Gross block	4	447.25	33,803.16	447.25	30,953.05
Accumulated depreciation		(447.25)	(33,803.16)	(447.25)	(30,953.05)
Net block		-	-	-	-
CURRENT ASSETS, LOANS AND ADVANCES					
Cash and bank balances	5	60,062.82	45,39,547.94	42,432.78	29,36,666.62
Loans and advances	6	9,446.55	7,13,970.24	1,489.87	1,03,110.18
		<u>69,509.37</u>	<u>52,53,518.18</u>	<u>43,922.65</u>	<u>30,39,776.80</u>
CURRENT LIABILITIES AND PROVISIONS	7	(43,375.53)	(32,78,322.56)	(59,401.99)	(41,11,062.97)
NET CURRENT ASSETS		<u>26,133.84</u>	<u>19,75,195.62</u>	<u>(15,479.34)</u>	<u>(10,71,286.17)</u>
Total		<u>26,133.84</u>	<u>19,75,195.62</u>	<u>(15,479.34)</u>	<u>(10,71,286.17)</u>

As per our report of even date
For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants



[Handwritten Signature]
For and on behalf of
Wockhardt Farmaceutica Do Brazil Ltda

[Handwritten Signature]
J.L. Thakkar - M.No.032318
Proprietor
Place: Mumbai
Date: April 27, 2019

WOCKHARDT FARMACEUTICA DO BRASIL LTDA

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

		For the year ended 31 March 2020 USD	For the year ended 31 March 2020 INR @ 75.58	For the year ended 31 March 2019 USD	For the year ended 31 March 2019 INR @ 69.2075
INCOME					
Other income		-	-	-	-
EXPENDITURE					
Operating and other expenses	8	42,160.17	31,86,466.03	69,396.79	48,02,778.24
Depreciation	4	-	-	-	-
Finance costs (net)	9	59.26	4,479.01	99.45	6,882.54
		<u>42,219.43</u>	<u>31,90,945.04</u>	<u>69,496.24</u>	<u>48,09,660.78</u>
PROFIT BEFORE TAX		(42,219.43)	(31,90,945.04)	(69,496.24)	(48,09,660.78)
Add : Actuarial gain on pension scheme		-	-	-	-
PROFIT BEFORE TAX		(42,219.43)	(31,90,945.04)	(69,496.24)	(48,09,660.78)
Provision for tax					
- Current				-	-
- Deferred				-	-
NET LOSS FOR THE YEAR		(42,219.43)	(31,90,945.04)	(69,496.24)	(48,09,660.78)
PROFIT AND LOSS ACCOUNT, beginning of year		(4,55,550.61)	(3,44,30,515.10)	(3,86,054.37)	(2,67,17,857.81)
Adjustment on sale of Investment of Wallis to Wockhardt UK Ltd		-	-	-	-
PROFIT AVAILABLE FOR APPROPRIATION		<u>(4,97,770.04)</u>	<u>(3,76,21,460.14)</u>	<u>(4,55,550.61)</u>	<u>(3,15,27,518.59)</u>
PROFIT AND LOSS ACCOUNT, end of year		<u>(4,97,770.04)</u>	<u>(3,76,21,460.14)</u>	<u>(4,55,550.61)</u>	<u>(3,15,27,518.59)</u>

As per our report of even date
For J.L. Thakkar & Co.
Firm Regn No. 110898W
Chartered Accountants



For and on behalf of
Wockhardt Farmaceutica Do Brazil Ltda

J.L. Thakkar - M.No.032318
Proprietor
Place: Mumbai
Date: April 27, 2019

WOCKHARDT FARMACEUTICA DO BRASIL LTDA

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2020

PARTICULARS	As at	As at	As at	As at
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	USD	INR @ 75.58	USD	INR @ 69.2075
SOURCES OF FUNDS:				
1. SHARE CAPITAL				
ISSUED, SUBSCRIBED AND PAID UP	3,67,962.45	2,78,10,601.97	3,67,962.45	2,54,65,761.26
Subscribed: 1,000,000 quotas of Brazilian Ria 1 each (Paid-in as below)				
Paid-in: 1,000,000 quotas of Brazilian Ria 1 each held as under				
(a) 90,000 (PY - 90,000) quotas are held by Wockhardt Europe Ltd and				
(b) 910,000 (PY - 910,000) quotas are held by The Wallis Labs UK				
Both these companies are wholly-owned subsidiaries of Wockhardt Limited, India.				
TOTAL OF SHARE CAPITAL	3,67,962.45	2,78,10,601.97	3,67,962.45	2,54,65,761.26
2. RESERVES AND SURPLUS				
Profit and loss account	(4,97,770.04)	(3,76,21,460.14)	(4,55,550.61)	(3,15,27,518.59)
Translation Gain/(Loss)	(24,058.57)	(18,18,346.72)	(10,810.63)	(7,48,176.68)
TOTAL OF RESERVES AND SURPLUS	(5,21,828.61)	(3,94,39,806.86)	(4,66,361.24)	(3,22,75,695.27)
3. UNSECURED LOANS				
Long term				
Loan from Holding Company	1,80,000.00	1,36,04,400.00	82,919.46	57,38,648.53
TOTAL OF UNSECURED LOANS	1,80,000.00	1,36,04,400.00	82,919.46	57,38,648.53



WOCKHARDT FARMACEUTICA DO BRASIL LTDA

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2020

PARTICULARS	As at	As at	As at	As at
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	USD	INR @ 75.58	USD	INR @ 69.2075
5. CASH AND BANK BALANCES				
Cash on hand				
Balances with banks				
- in current accounts	60,062.82	45,39,547.94	42,432.78	29,36,666.62
TOTAL OF CASH AND BANK ACCOUNTS	60,062.82	45,39,547.94	42,432.78	29,36,666.62
6. LOANS AND ADVANCES (Unsecured, considered good)				
Loans to employees				
Loans to companies				
Loans to Subsidiaries				
Loans to others				
Share application money				
Advances recoverable in cash or in kind or for value to be received	5,233.30	3,95,532.81	-	-
Accrued income				-
Balance with customs and excise authorities				-
Tax credits	58.71	4,437.30	1,489.87	1,03,110.18
Other Assets	4,154.54	3,14,000.13		
TOTAL OF LOANS AND ADVANCES	9,446.55	7,13,970.24	1,489.87	1,03,110.18
7. CURRENT LIABILITIES AND PROVISIONS				
Sundry creditors	43,375.53	32,78,322.56	59,401.99	41,11,062.97
Other liabilities			-	-
TOTAL OF CURRENT LIABILITIES	43,375.53	32,78,322.56	59,401.99	41,11,062.97



WOCKHARDT PHARMACEUTICA DO BRASIL LTDA
SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2020

4. FIXED ASSETS

PARTICULARS	As at March 31, 2020 USD	As at March 31, 2020 INR @	As at March 31, 2019 USD	As at March 31, 2018 INR @ 69.2075
A. COST				
Gross Block	447.25	33,803.16	447.25	30,953.05
Add: Additions	-	-	-	-
Less: Deductions	-	-	-	-
Total	447.25	33,803.16	447.25	30,953.05
B. DEPRECIATION				
Opening Balance	447.25	33,803.16	447.25	29,151.76
Add: Charge for the year	-	-	-	-
Less: Deductions/Adjustments	-	-	-	-
Total	447.25	33,803.16	447.25	29,151.76
C. NET BLOCK				
Net Block	-	-	-	-



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WOCKHARDT FARMACEUTICA DO BRASIL LTDA

SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

PARTICULARS	For the year ended	As at	For the year ended	As at
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	USD	INR @ 75.58	USD	INR @ 69.2075
8. OPERATING AND OTHER EXPENSES				
Rent, Rates and taxes	1,221.52	92,322.54	21,064.77	14,57,840.19
Legal & Professional Charges	27,344.91	20,66,728.02	36,369.77	25,17,060.74
Miscellaneous expenses	13,593.75	10,27,415.47	11,962.25	8,27,877.31
TOTAL OF OPERATING AND OTHER EXP	42,160.17	31,86,466.03	69,396.79	48,02,778.24
9. FINANCE COSTS				
Interest paid	278.13	21,021.07	234.69	16,242.19
Less: Interest received	(218.87)	(16,542.06)	(135.24)	(9,359.65)
TOTAL OF FINANCE COSTS	59.26	4,479.01	99.45	6,882.54

