

To  
Board of Directors  
Wockhardt Limited  
Mumbai

AUDIT REPORT on Financial Statements of  
WOCKHARDT FARMACEUTICA DO BRAZIL LTDA, BRAZIL  
for the year ended March 31, 2016

Wockhardt Farmaceutica Do Brazil is a an indirect subsidiary company of Wockhardt Limited, India. Wockhardt Farmaceutica Do Brazil 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 attached financial statements of Wockhardt Farmaceutica Do Brazil 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, 2016 and Profit & Loss Account for the year ended on that date.

Accordingly, we have audited the aforesaid financial statements of Wockhardt Farmaceutica Do Brazil accompanying this report.

These financial statements are the responsibility of the management of Wockhardt Farmaceutica Do Brazil and Wockhardt Limited. And these have been prepared on the basis of accounts maintained by Wockhardt Farmaceutica Do Brazil at Brazil. 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 based on our audit.

We have conducted our audit on the basis of accounting returns received from the office of Wockhardt Farmaceutica Do Brazil at Brazil (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. We believe that our audit provides a reasonable basis for our opinion.

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 Brazil at Brazil 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 Brazil as at March 31, 2016; and
- (b) in the case of the 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.32318  
Proprietor

Mumbai: April 20, 2016

**WOCKHARDT FARMACEUTICA DO BRAZIL LTDA****BALANCE SHEET AS AT MARCH 31, 2016**

	Schedule	As at 31 March 2016 USD	As at 31 March 2016 INR @ 66.26	As at 31 March 2015 USD	As at 31 March 2015 INR @ 62.5
<b><u>SOURCES OF FUNDS</u></b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share capital					
Equity share capital	1	367,962.45	24,381,191.94	360,762.45	22,547,653.13
Reserves and surplus	2	(366,119.11)	(24,259,052.23)	(360,538.88)	(22,533,680.00)
<b>Total</b>		<b>1,843.34</b>	<b>122,139.71</b>	<b>223.57</b>	<b>13,973.13</b>
<b><u>APPLICATION OF FUNDS</u></b>					
<b>FIXED ASSETS</b>					
Gross block	3	447.25	29,634.79	447.25	27,953.13
Accumulated depreciation		(447.25)	(29,634.79)	(447.25)	(27,953.13)
Net block		-	-	-	-
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>					
Cash and bank balances	4	1,399.49	92,730.21	177.23	11,076.88
Loans and advances	5	1,606.94	106,475.84	1,929.42	120,588.75
		3,006.43	199,206.05	2,106.65	131,665.63
<b>CURRENT LIABILITIES AND PROVISIONS</b>					
	6	(1,163.09)	(77,066.34)	(1,883.08)	(117,692.50)
<b>NET CURRENT ASSETS</b>		<b>1,843.34</b>	<b>122,139.71</b>	<b>223.57</b>	<b>13,973.13</b>
<b>Total</b>		<b>1,843.34</b>	<b>122,139.71</b>	<b>223.57</b>	<b>13,973.13</b>
Notes on accounts / Significant accounting policies	9				

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

For and on behalf of the Board  
Wockhardt Farmaceutica Do Brazil Ltda

J.L. Thakkar - M.No.32318  
Proprietor

Mumbai / April 20, 2016

**WOCKHARDT FARMACEUTICA DO BRAZIL LTDA**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016**

(All amounts in United States Dollars)

		For the year ended 31 March 2016 USD	For the year ended 31 March 2016 INR @ 66.26	For the year ended 31 March 2015 USD	For the year ended 31 March 2015 INR @ 62.5
<b>INCOME</b>					
Other income		-	-	-	-
		-	-	-	-
<b>EXPENDITURE</b>					
Operating and other expenses	7	5,797.35	384,132.44	6,254.72	390,920.37
Depreciation	3	-	-	-	-
Finance costs (net)	8	51.58	3,417.59	99.43	6,214.38
		5,848.93	387,550.03	6,354.15	397,134.75
<b>NET LOSS FOR THE YEAR</b>		(5,848.93)	(387,550.03)	(6,354.15)	(397,134.75)
PROFIT AND LOSS ACCOUNT, beginning of year		(330,588.50)	(21,904,794.01)	(324,234.35)	(20,264,646.95)
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		(336,437.43)	(22,292,344.04)	(330,588.50)	(20,661,781.70)
<b>APPROPRIATIONS</b>					
<b>PROFIT AND LOSS ACCOUNT, end of year</b>		(336,437.43)	(22,292,344.04)	(330,588.50)	(20,661,781.70)
		(336,437.43)	(22,292,344.04)	(330,588.50)	(20,661,781.70)
Notes on accounts / Significant accounting policies	9				

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

**For and on behalf of the Board  
Wockhardt Farmaceutica Do Brazil Ltda**

J.L. Thakkar - M.No.32318  
Proprietor

Mumbai / April 20, 2016

**WOCKHARDT FARMACEUTICA DO BRAZIL LTDA**

**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2016**

PARTICULARS	As at	As at	As at	As at
	31 March 2016	31 March 2016	31 March 2015	31 March 2015
	USD	INR @ 66.26	USD	INR @ 62.5
<b>SOURCES OF FUNDS:</b>				
<b>1. SHARE CAPITAL</b>				
ISSUED, SUBSCRIBED AND PAID UP	<b>367,962.45</b>	<b>24,381,191.94</b>	360,762.45	22,547,653.13
Subscribed: 1,000,000 quotas of Brazilian Ria 1 each (Paid-in as below)				
Paid-in: 878,790 quotas of Brazilian Ria 1 each held as under				
(a) 60,000 (PY - 60,000) quotas are held by Wockhardt Europe Ltd and				
(b) 818,790 (PY - 791,790) quotas are held by The Wallis Labs UK				
Both these companies are wholly-owned subsidiaries of Wockhardt Limited, India.				
<b>TOTAL OF SHARE CAPITAL</b>	<b>367,962.45</b>	<b>24,381,191.94</b>	360,762.45	22,547,653.13
<b>2. RESERVES AND SURPLUS</b>				
Profit and loss account	<b>(336,437.43)</b>	<b>(22,292,344.04)</b>	(330,588.50)	(20,661,781.70)
Translation Gain/(Loss)	<b>(29,681.68)</b>	<b>(1,966,708.19)</b>	(29,950.38)	(1,871,898.30)
<b>TOTAL OF RESERVES AND SURPLUS</b>	<b>(366,119.11)</b>	<b>(24,259,052.23)</b>	(360,538.88)	(22,533,680.00)

WOCKHARDT FARMACEUTICA DO BRAZIL LTDA

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	As at	As at	As at	As at
	31 March 2016	31 March 2016	31 March 2015	31 March 2015
	USD	INR @ 66.26	USD	INR @ 62.5
<b>4. CASH AND BANK BALANCES</b>				
- in current accounts	1,399.49	92,730.21	177.23	11,076.88
<b>TOTAL OF CASH AND BANK ACCOUNTS</b>	<b>1,399.49</b>	<b>92,730.21</b>	<b>177.23</b>	<b>11,076.88</b>
<b>5. LOANS AND ADVANCES (Unsecured, considered good)</b>				
Advances recoverable in cash or in kind or for value to be received	-	-	-	-
Tax credits	1,606.94	106,475.84	1,929.42	120,588.75
<b>TOTAL OF LOANS AND ADVANCES</b>	<b>1,606.94</b>	<b>106,475.84</b>	<b>1,929.42</b>	<b>120,588.75</b>
<b>6. CURRENT LIABILITIES AND PROVISIONS</b>				
Sundry creditors	1,163.09	77,066.34	1,883.08	117,692.50
Other liabilities	-	-	-	-
<b>TOTAL OF CURRENT LIABILITIES</b>	<b>1,163.09</b>	<b>77,066.34</b>	<b>1,883.08</b>	<b>117,692.50</b>

**WOCKHARDT FARMACEUTICA DO BRAZIL LTDA**

**SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016**

(All amounts in United States Dollars)

PARTICULARS	For the year ended	As at	For the year ended	As at
	31 March 2016	31 March 2016	31 March 2015	31 March 2015
	USD	INR @ 66.26	USD	INR @ 62.5
<b>7. OPERATING AND OTHER EXPENSES</b>				
Rent, Rates and taxes	1,492.37	98,884.53	1,482.65	92,666.00
Legal & Professional Charges	4,304.98	285,247.91	4,772.07	298,254.37
<b>TOTAL OF OPERATING AND OTHER EXP</b>	<b>5,797.35</b>	<b>384,132.44</b>	6,254.72	390,920.37
<b>8. FINANCE COSTS</b>				
Interest paid	149.06	9,876.88	193.93	12,120.63
Less: Interest received	(97.48)	(6,459.29)	(94.50)	(5,906.25)
<b>TOTAL OF FINANCE COSTS</b>	<b>51.58</b>	<b>3,417.59</b>	99.43	6,214.38

<b>WOCKHARDT PHARMACEUTICA DO BRAZIL LTDA</b>				
<b>SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2016</b>				
<b>3. FIXED ASSETS</b>				
<b>PARTICULARS</b>	<b>As at March 31, 2016 USD</b>	<b>As at March 31, 2016 INR @ 66.26</b>	<b>As at March 31, 2015 USD</b>	<b>As at March 31, 2015 INR @ 62.5</b>
<b>A. COST</b>				
Gross Block	<b>447.25</b>	<b>29,634.79</b>	447.25	27,953.13
Add: Additions	-	-	-	-
Less: Deductions	-	-	-	-
<b>Total</b>	<b>447.25</b>	<b>29,634.79</b>	447.25	27,953.13
<b>B. DEPRECIATION</b>				
Opening Balance	<b>447.25</b>	<b>29,634.79</b>	447.25	27,953.13
Add: Charge for the year	-	-	-	-
Less: Deductions/Adjustments	-	-	-	-
<b>Total</b>	<b>447.25</b>	<b>29,634.79</b>	447.25	27,953.13
<b>C. NET BLOCK</b>				
Net Block	-	-	-	-