

To  
Board of Directors  
Wockhardt Limited  
Mumbai

AUDIT REPORT on Financial Statements of  
WOCKHARDT NIGERIA LIMITED, NIGERIA  
for the year ended March 31, 2019

Wockhardt Nigeria Limited is an indirect subsidiary company of Wockhardt Limited, India. Wockhardt Nigeria Limited is incorporated in Nigeria.

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 Nigeria Limited 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, 2019 and Profit & Loss Account for the year ended on that date.

Accordingly, we have audited the aforesaid financial statements of Wockhardt Nigeria Limited accompanying this report.

These financial statements are the responsibility of the management of Wockhardt Nigeria Limited and Wockhardt Limited. And these have been prepared on the basis of accounts maintained by Wockhardt Nigeria Limited at Nigeria. 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 Nigeria Limited at Nigeria (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 Nigeria Limited at Nigeria 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 Nigeria Limited as at March 31, 2019; 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 26, 2019

**WOCKHARDT NIGERIA LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2019**

(All amounts in United States Dollars)

	Schedule	As at 31.03.2019 USD	As at 31.03.2019 INR @69.2075	As at 31.03.2018 USD	As at 31.03.2018 INR @65.1800
<b>SOURCES OF FUNDS</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share capital					
Equity share capital	1	80,000.00	5,536,600.00	80,000.00	5,214,400.00
Translation Gain/(Loss)		(21,274.82)	(1,472,377.02)	(21,267.33)	(1,386,204.49)
Reserves and surplus	2	(72,184.64)	(4,995,718.45)	(57,416.97)	(3,742,438.10)
<b>TOTAL</b>		<b>(13,459.46)</b>	<b>(931,495.47)</b>	<b>1,315.70</b>	<b>85,757.41</b>
<b>APPLICATION OF FUNDS</b>					
<b>FIXED ASSETS</b>					
Gross block	3	4,493.60	310,990.82	4,493.60	292,892.85
Accumulated depreciation		(2,255.72)	(156,112.75)	(2,041.35)	(133,055.20)
Net block		<u>2,237.88</u>	<u>154,878.07</u>	<u>2,452.25</u>	<u>159,837.65</u>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>					
Cash and bank balances	4	11,676.17	808,078.38	11,683.66	761,541.04
Loans and advances	5	2,427.00	167,966.60	5,100.20	332,431.04
		<u>14,103.17</u>	<u>976,044.98</u>	<u>16,783.86</u>	<u>1,093,972.08</u>
<b>CURRENT LIABILITIES AND PROVISIONS</b>					
NET CURRENT ASSETS	6	<u>(29,800.51)</u>	<u>(2,062,418.52)</u>	<u>(17,920.41)</u>	<u>(1,168,052.32)</u>
<b>TOTAL</b>		<b>(13,459.46)</b>	<b>(931,495.47)</b>	<b>1,315.70</b>	<b>85,757.41</b>

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

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

Mumbai / April 26, 2019



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For and on behalf of the Board  
Wockhardt Nigeria Limited

**WOCKHARDT NIGERIA LIMITED**

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

(All amounts in United States Dollars)

		For the Year ended 31.03.2019 USD	For the Year ended 31.03.2019 INR @69.2075	For the Year ended 31.03.2018 USD	For the Year ended 31.03.2018 INR @65.1800
<b>INCOME</b>					
Other income	7	-	-	-	-
<b>EXPENDITURE</b>					
Operating and other expenses	8	14,553.30	1,007,197.57	22,148.54	1,443,641.91
Depreciation	3	214.37	14,836.01	214.37	13,972.64
		<u>14,767.67</u>	<u>1,022,033.58</u>	<u>22,362.91</u>	<u>1,457,614.55</u>
<b>NET PROFIT FOR THE YEAR</b>		(14,767.67)	(1,022,033.58)	(22,362.91)	(1,457,614.55)
PROFIT AND LOSS ACCOUNT, beginning of year		(57,416.97)	(3,973,684.87)	(35,054.06)	(2,284,823.55)
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>		<u>(72,184.64)</u>	<u>(4,995,718.45)</u>	<u>(57,416.97)</u>	<u>(3,742,438.10)</u>
<b>APPROPRIATIONS</b>					
PROFIT AND LOSS ACCOUNT, end of year		<u>(72,184.64)</u>	<u>(4,995,718.45)</u>	<u>(57,416.97)</u>	<u>(3,742,438.10)</u>
		<u>(72,184.64)</u>	<u>(4,995,718.45)</u>	<u>(57,416.97)</u>	<u>(3,742,438.10)</u>

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



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

Mumbai / April 26, 2019

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For and on behalf of the Board  
Wockhardt Nigeria Limited

A handwritten signature in blue ink, appearing to be "R. D. Singh", written over a blue horizontal line.

**WOCKHARDT NIGERIA LIMITED**

**NOTES TO ACCOUNTS**

**Significant Accounting Policies**

**Basis of preparation**

The financial statements have been prepared in accordance with the Indian Accounting Standards. The accounting policies have been consistently applied by the Company.

**a) Property, Plant and Equipment, Intangible Assets , depreciation/amortisation and impairment**

**Property, Plant and Equipment:**

The items of Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. The Company capitalises all costs relating to the acquisition and installation of fixed assets.

**Intangible assets:**

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

**b) Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. Current investments are carried at fair value determined on an individual investment basis. Long-term investments are stated at cost. Provision is made to recognise a diminution, other than temporary, in the value of investments.

**c) Inventories**

Inventories are valued at cost or net realizable value, whichever is lower. Cost also includes all charges incurred for bringing the inventories to their present location and condition. Inventories of stores and spare parts are valued at cost.

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

**d) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**e) 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.



**WOCKHARDT NIGERIA LIMITED**

**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2019**

(All amounts in United States Dollars)

PARTICULARS	As at	As at	As at	As at
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	USD	INR @69.2075	USD	INR @65.1800
<b>SOURCES OF FUNDS:</b>				
<b>1. SHARE CAPITAL</b>				
ISSUED, SUBSCRIBED AND PAID UP				
1,500,000 Ordinary shares of Naira 10 each fully paid-up	80,000.00	5,536,600.00	80,000.00	5,214,400.00
Of these 1,500,000 Ordinary shares, 1,499,999 shares are held by Wockhardt Europe Limited and 1 Ordinary share is held by Dr. Murtuza H.Khorakiwala. Wockhardt Europe Limited is wholly-owned subsidiary of Wockhardt Limited, India				
<b>TOTAL OF SHARE CAPITAL</b>	<b>80,000.00</b>	<b>5,536,600.00</b>	<b>80,000.00</b>	<b>5,214,400.00</b>
<b>2. RESERVES AND SURPLUS</b>				
Profit and loss account	(72,184.64)	(4,995,718.45)	(57,416.97)	(3,742,438.10)
<b>TOTAL OF RESERVES AND SURPLUS</b>	<b>(72,184.64)</b>	<b>(4,995,718.45)</b>	<b>(57,416.97)</b>	<b>(3,742,438.10)</b>



**WOCKHARDT NIGERIA LIMITED**  
**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2019**  
 (All amounts in United States Dollars)

**3. FIXED ASSETS (At cost)**

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at	Additions	Deductions	As at	For the	Deductions /	As at	As at	
	01.04.2018			31.03.2019	year	Adjustments	31.03.2019	31.03.2018	
<b>Tangibles</b>									
Plant and Machinery	2,268.50	-	-	2,268.50	107.75	-	862.00	1,406.50	
Furniture and fittings	1,684.34	-	-	1,684.34	106.62	-	852.96	831.38	
Office Equipments	286.78	-	-	286.78	0.00	-	286.78	-	
Information Technology Equipments	253.98	-	-	253.98	0.00	-	253.98	-	
<b>Total</b>	<b>4,493.60</b>	-	-	<b>4,493.60</b>	<b>214.37</b>	-	<b>2,255.72</b>	<b>2,237.88</b>	
Previous Year	4,493.60	-	-	4,493.60	214.37	-	2,041.35	2,452.25	

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at	Additions	Deductions	As at	For the	Deductions /	As at	As at	
	01.04.2018*			31.03.2019	year	Adjustments	31.03.2019	31.03.2018	
<b>Tangibles</b>									
Plant and Machinery	156,997.21	-	-	156,997.21	7,457.11	-	59,656.87	97,340.34	
Furniture and fittings	116,568.96	-	-	116,568.96	7,378.90	-	59,031.23	64,916.63	
Office Equipments	19,847.33	-	-	19,847.33	-	-	19,847.33	-	
Information Technology Equipments	17,577.32	-	-	17,577.32	-	-	17,577.32	-	
<b>Total</b>	<b>310,990.82</b>	-	-	<b>310,990.82</b>	<b>14,836.01</b>	-	<b>156,112.75</b>	<b>169,714.08</b>	
Previous Year	292,892.85	-	-	292,892.85	13,972.64	-	133,055.20	159,837.65	

In INR@69.2075

\* converted using the closing exchange rate



**WOCKHARDT NIGERIA LIMITED**

**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2019**  
(All amounts in United States Dollars)

PARTICULARS	As at	As at	As at	As at
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
	USD	INR @69,2075	USD	INR @65,1800
<b>4. CASH AND BANK BALANCES</b>				
- in current accounts	11,676.17	808,078.38	11,683.66	761,541.04
<b>TOTAL OF CASH AND BANK ACCOUNTS</b>	11,676.17	808,078.38	11,683.66	761,541.04
<b>5. LOANS AND ADVANCES (Unsecured, considered good)</b>				
Advances recoverable in cash or in kind or for value to be received	2,427.00	167,966.60	5,100.20	332,431.04
Other deposits	-	-	-	-
<b>TOTAL OF LOANS AND ADVANCES</b>	2,427.00	167,966.60	5,100.20	332,431.04
<b>6. CURRENT LIABILITIES AND PROVISIONS</b>				
Other liabilities	29,800.51	2,062,418.52	17,920.41	1,168,052.32
<b>TOTAL OF CURRENT LIABILITIES</b>	29,800.51	2,062,418.52	17,920.41	1,168,052.32





**WOCKHARDT NIGERIA LIMITED**

**SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**  
(All amounts in United States Dollars)

PARTICULARS	For the	For the	For the	For the
	Year ended 31.03.2019 USD	Year ended 31.03.2019 INR @69.2075	Year ended 31.03.2018 USD	Year ended 31.03.2018 INR @65.1800
<b>7. OTHER INCOME</b>				
Miscellaneous income	-	-	-	-
Liability no more payable	-	-	-	-
<b>TOTAL OF OTHER INCOME</b>	-	-	-	-
<b>8. OPERATING AND OTHER EXPENSES</b>				
Salaries, wages and bonus	5,179.81	358,481.83	5,838.00	380,520.84
Rent, Rates and taxes	2,673.20	185,005.49	4,952.80	322,823.50
Legal and professional charges	-	-	5,282.00	344,280.76
Licence fee	-	-	3,554.09	231,655.65
General expenses	6,700.29	463,710.25	2,521.65	164,361.16
<b>TOTAL OF OPERATING AND OTHER EXP</b>	<b>14,553.30</b>	<b>1,007,197.57</b>	<b>22,148.54</b>	<b>1,443,641.91</b>

