

**Bremer Pharma Gmbh**  
**Balance Sheet as at March 31, 2017**

Particulars	Note No.	Euro- Thousands		INR- Thousands	
		As at March 31,			
		2017	2016	2017	2016
<b>ASSETS:</b>					
<b>Non-Current Assets:</b>					
Property, Plant and Equipment	1	844	898	58,337	67,746
Capital work-in-progress		250	251	17,280	18,935
Other Intangible Assets	1	67	70	4,631	5,281
Current tax assets [Net]	2	7	14	484	1,056
		<b>1,168</b>	1,233	<b>80,732</b>	93,018
<b>Current Assets:</b>					
Inventories	3	1,587	1,469	109,693	110,822
Financial Assets:					
Trade Receivables	4	1,400	1,235	96,768	93,169
Cash and Cash Equivalents	5	7	149	484	11,241
Loans	6	1	1	69	39
Other Current Financial Assets	7	27	10	1,866	754
Other Current Assets	8	19	44	1,313	3,319
		<b>3,041</b>	2,907	<b>210,193</b>	219,344
<b>Total</b>		<b>4,209</b>	4,140	<b>290,925</b>	312,362
<b>EQUITY AND LIABILITIES:</b>					
<b>Equity:</b>					
Equity Share Capital	9	480	480	33,178	36,211
Other Equity	10	1,965	2,141	135,821	161,558
		<b>2,445</b>	2,621	<b>168,999</b>	197,769
<b>Current Liabilities:</b>					
Financial Liabilities:					
Borrowings	11	879	553	60,756	41,718
Trade Payables	12	603	616	41,679	46,471
Other Financial Liabilities	13	37	39	2,557	2,942
Other Current Liabilities	14	10	102	691	7,695
Provisions	15	235	209	16,243	15,767
		<b>1,764</b>	1,519	<b>121,926</b>	114,593
<b>Total</b>		<b>4,209</b>	4,140	<b>290,925</b>	312,362
<b>Significant Accounting Policies</b>	II				
<b>Notes to the Financial Statements</b>	1 to 29				

**Statement of Profit and Loss for the year ended March 31, 2017**

Particulars	Note No.	Euro- Thousands		INR- Thousands	
		Year ended March 31			
		2017	2016	2017	2016
<b>REVENUE:</b>					
Revenue from Operations	16	7,359	6,350	541,107	458,787
Other Income	17	24	41	1,765	2,995
Total Revenue		<b>7,383</b>	6,391	<b>542,872</b>	461,782
<b>EXPENSES:</b>					
Cost of Materials Consumed	18	3,089	2,678	232,141	188,426
Purchases of Stock-in-Trade	19	408	186	30,000	13,439
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	20	93	(159)	10,360	(15,846)
Employee Benefits Expense	21	2,038	2,166	149,853	156,494
Finance Costs	22	49	53	3,603	3,830
Depreciation, Amortisation and Impairment expenses	1	226	246	16,618	17,775
Other Expenses	23	1,656	1,632	121,766	117,913
Total Expenses		<b>7,559</b>	6,802	<b>564,341</b>	482,031
<b>Loss for the year</b>		<b>(176)</b>	(410)	<b>(21,469)</b>	(20,249)
<b>OTHER COMPREHENSIVE INCOME:</b>					
Other Comprehensive Income for the year, net of tax		-	-	-	-
<b>Total Comprehensive Income for the year</b>		<b>(176)</b>	(410)	<b>(21,469)</b>	(20,249)
<b>Basic &amp; Diluted Earning per Equity Share [EPS] [in Euro / Rupees]</b>	24	<b>(8,000)</b>	(18,636)	<b>(975,864)</b>	(920,409)
<b>Significant Accounting Policies</b>	II				
<b>Notes to the Financial Statements</b>	1 to 29				

As per our report of even date  
For Mukesh M. Shah & Co.  
Chartered Accountants  
Firm Registration Number: 106625W

For and on behalf of the Board

Chandresh S. Shah  
Partner  
Membership Number: 042132  
Ahmedabad, Dated: May 25, 2017

Director



**Bremer Pharma Gmbh****Notes to the Financial Statements****I-Company overview:**

Bremer Pharma GmbH [the Company] is a limited liability company having its registered office in Warburg, Germany. The company is mainly into manufacturing, packing, promotion, acquisition, sale, marketing and the distribution of chemical-pharmaceutical products as well as activities in connection therewith, including finished formulation products relating to animal health and veterinary products in Germany and other countries.

**II-Significant Accounting Policies:****1 Accounting Policies**

The Company's annual financial statement as of March 31, 2017 was drawn up in conformity with accounting principles generally accepted in Germany [section 242 et seqq. and section 264 et seqq. HGB]. According to section 264 subsection 1 vs. section 267 subsection 1 HGB regulations for small capital companies apply.

**2 Reporting Currency Translation**

The Local accounts are maintained in local and functional currency which is "EURO". These accounts have been translated in Indian Rupees [INR] considering the operation of the Company as "Non-integral operations" for holding company. The translation of Financial Statements to INR from "EURO" is performed for assets and liabilities using the exchange rate prevailing on the Balance sheet date and for revenue and expenses using the average exchange rate for the respective period. The gain or loss resulting from such translation is included in "Foreign Currency Translation Reserve" under "Other Equity".

**3 Property Plant & Equipment:**

Tangible Fixed assets are valued at cost and, as far as depreciable, reduced by scheduled depreciation amount in line with expected useful life. Depreciation is provided using straight line method.

<u>Nature of Asset</u>	<u>Useful Life</u>	<u>Nature of Asset</u>	<u>Useful Life</u>
Buildings	25 to 50 years	Furniture and Fixtures	13 years
Plant and Equipment	8 years to 12 years	Office / IT Equipment	3 Years

Currently there are no fixed assets with major components, which have significantly different patterns of consumption of economic benefits or which will have a significant residual value after expiration of estimated depreciation period. Land is not depreciated.

**4 Intangibles:**

Intangible asset required are valued at cost and, as far as depreciable, reduced by scheduled depreciation amounts.

<u>Nature of Asset</u>	<u>Useful Life</u>
Computer Software	3 years
Commercial Rights	2 years to 10 years

**5 Inventories:**

- A** Raw Material and supplies are valued at cost. All identifiable risk resulting from above average storage periods, reduced usability or lower replacement cost are taken into account by appropriate depreciations.
- B** Finished products are valued at cost. Production cost include direct material costs and material overhead costs as well as direct labour costs and manufacturing overheads.
- C** Raw Material, supplies and finished products, which can not be allocated to individual batches, are determined on FIFO method.

**6 Provision for Bad and Doubtful Debts/Advances:**

Receivables and other current assets are reported at nominal value. Appropriate specific provision for specific doubtful debts are made for all high risk item. Appropriate general provisions for doubtful debts are made with regard to general risk of debtor's default.

**7 Foreign Currency Transactions:**

Pursuant to section 256a phrase 2 HGB trade receivable denominated in foreign currency are valued at average spot exchange rate at reporting date.

**8 Revenue Recognition:**

Revenue from Sale of goods are recognised when significant risks and rewards of ownership of the goods have been passed on to the buyer. Deferred charges and accrued income refers to accrual accounting of other operational expenses.

**9 Provision:**

Other Provisions take into account all identifiable risk and contingent liabilities at their expected settlement amounts by taking expected future changes in prices and as would be deemed appropriate using reasonable commercial judgment.

**10 Valuation:**

Liabilities are reported at settlement value. Liquid funds are valued at nominal value.

**Bremer Pharma GmbH**  
**Notes to the Financial Statements**

**Note: 1:**

**A Property, Plant and Equipment:**

	Leasehold <u>Land</u>	Buildings	Plant and <u>Equipment</u>	Furniture and <u>Fixtures</u>	Vehicles	Office / IT <u>Equipment</u>	<u>Total</u>
<b>Euro- Thousands</b>							
Gross Block:							
As at March 31, 2015	88	1,587	3,498	68	8	428	<b>5,677</b>
Additions	-	-	229	11	-	19	<b>259</b>
Disposals	-	-	(119)	-	-	(7)	<b>(126)</b>
Other adjustments	-	-	-	-	-	-	<b>-</b>
As at March 31, 2016	88	1,587	3,608	79	8	440	<b>5,810</b>
Additions	-	-	117	7	-	-	<b>124</b>
Disposals	-	-	-	-	-	-	<b>-</b>
Other adjustments	-	-	9	-	-	-	<b>9</b>
As at March 31, 2017	88	1,587	3,734	86	8	440	<b>5,943</b>
Depreciation and Impairment:							
As at March 31, 2015	-	1,276	3,091	51	3	404	<b>4,825</b>
Charge for the year	-	43	145	10	1	14	<b>213</b>
Impairment for the year	-	-	-	-	-	-	<b>-</b>
Disposals	-	-	(120)	-	-	(6)	<b>(126)</b>
Other adjustments	-	-	-	-	-	-	<b>-</b>
As at March 31, 2016	-	1,319	3,116	61	4	412	<b>4,912</b>
Charge for the year	-	43	121	9	1	13	<b>187</b>
Impairment for the year	-	-	-	-	-	-	<b>-</b>
Disposals	-	-	-	-	-	-	<b>-</b>
Other adjustments	-	-	-	-	-	-	<b>-</b>
As at March 31, 2017	-	1,362	3,237	70	5	425	<b>5,099</b>
Net Block:							
As at March 31, 2016	88	268	492	18	4	28	<b>898</b>
As at March 31, 2017	88	225	497	16	3	15	<b>844</b>

**INR- Thousands**

	Leasehold <u>Land</u>	Buildings	Plant and <u>Equipment</u>	Furniture and <u>Fixtures</u>	Vehicles	Office <u>Equipment</u>	<u>Total</u>
Gross Block:							
As at March 31, 2015	5,905	106,488	234,716	4,563	537	28,719	<b>380,928</b>
Additions	-	-	16,546	795	-	1,373	<b>18,714</b>
Disposals	-	-	(8,597)	-	-	(505)	<b>(9,102)</b>
Other adjustments	734	13,235	29,523	602	67	3,607	<b>47,767</b>
As at March 31, 2016	6,639	119,723	272,188	5,960	604	33,194	<b>438,307</b>
Additions	-	-	8,603	515	-	-	<b>9,118</b>
Disposals	-	-	-	-	-	-	<b>-</b>
Other adjustments	(556)	(10,030)	(22,697)	(531)	(51)	(2,781)	<b>(36,645)</b>
As at March 31, 2017	6,083	109,693	258,094	5,944	553	30,413	<b>410,780</b>
Depreciation and Impairment:							
As at March 31, 2015	-	85,620	207,406	3,422	201	27,108	<b>323,757</b>
Charge for the year	-	3,107	10,476	723	72	1,012	<b>15,390</b>
Impairment for the year	-	-	-	-	-	-	<b>-</b>
Disposals	-	-	(8,670)	-	-	(433)	<b>(9,103)</b>
Other adjustments	-	10,778	25,859	457	29	3,394	<b>40,517</b>
As at March 31, 2016	-	99,505	235,071	4,602	302	31,081	<b>370,561</b>
Charge for the year	-	3,162	8,897	662	74	956	<b>13,751</b>
Impairment for the year	-	-	-	-	-	-	<b>-</b>
Disposals	-	-	-	-	-	-	<b>-</b>
Other adjustments	-	(8,526)	(20,227)	(426)	(30)	(2,661)	<b>(31,869)</b>
As at March 31, 2017	-	94,141	223,741	4,838	346	29,376	<b>352,443</b>
Net Block:							
As at March 31, 2016	6,639	20,218	37,117	1,358	302	2,113	<b>67,746</b>
As at March 31, 2017	6,083	15,552	34,353	1,106	207	1,037	<b>58,337</b>

**Bremer Pharma GmbH**  
**Notes to the Financial Statements**

**Note: 1 - Continued:**

**B Intangible Assets:**

**Other Intangible Assets**

	Euro- Thousands			INR- Thousands		
	Computer Software	Commercial Rights	Total	Commercial Rights	Technical Know-how	Total
Gross Block:						
As at March 31, 2015	74	306	<b>380</b>	4,965	20,533	<b>25,498</b>
Additions	21	-	<b>21</b>	1,517	-	<b>1,517</b>
Disposals	(9)	-	<b>(9)</b>	(650)	-	<b>(650)</b>
Other adjustments	-	15	<b>15</b>	656	3,683	<b>4,339</b>
As at March 31, 2016	86	321	<b>407</b>	6,488	24,216	<b>30,704</b>
Additions	4	-	<b>4</b>	294	-	<b>294</b>
Disposals	-	-	<b>-</b>	-	-	<b>-</b>
Other adjustments	-	32	<b>32</b>	(561)	183	<b>(378)</b>
As at March 31, 2017	90	353	<b>443</b>	6,221	24,399	<b>30,620</b>
Amortisation and Impairment:						
As at March 31, 2015	74	240	<b>314</b>	4,965	16,104	<b>21,069</b>
Amortisation for the year	7	26	<b>33</b>	506	1,879	<b>2,385</b>
Impairment for the year	-	-	<b>-</b>	-	-	<b>-</b>
Disposals	(10)	-	<b>(10)</b>	(723)	-	<b>(723)</b>
Other adjustments	-	-	<b>-</b>	608	2,084	<b>2,692</b>
As at March 31, 2016	71	266	<b>337</b>	5,356	20,067	<b>25,423</b>
Amortisation for the year	8	31	<b>39</b>	588	2,279	<b>2,867</b>
Impairment for the year	-	-	<b>-</b>	-	-	<b>-</b>
Disposals	-	-	<b>-</b>	-	-	<b>-</b>
Other adjustments	-	-	<b>-</b>	(484)	(1,817)	<b>(2,301)</b>
As at March 31, 2017	79	297	<b>376</b>	5,460	20,529	<b>25,989</b>
Net Block:						
As at March 31, 2016	15	55	<b>70</b>	1,132	4,149	<b>5,281</b>
As at March 31, 2017	11	56	<b>67</b>	761	3,870	<b>4,631</b>

Note: Other adjustments include adjustments on account of exchange rate translation differences.

**Bremer Pharma Gmbh**  
**Notes to the Financial Statements**

	Euro- Thousands		INR- Thousands	
	As at March 31,			
	2017	2016	2017	2016
<b>Note: 2-Current tax assets [Net]:</b>				
Advance payment of Tax [Net of provision for taxation]	7	14	484	1,056
<b>Total</b>	<b>7</b>	<b>14</b>	<b>484</b>	<b>1,056</b>
<b>Note: 3-Inventories:</b>				
[The Inventory is valued at lower of cost and net realisable value]				
Classification of Inventories:				
Raw Materials	844	672	58,337	50,696
Finished Goods	529	622	36,564	46,924
Others:				
Packing Materials	214	175	14,792	13,202
<b>Total</b>	<b>1,587</b>	<b>1,469</b>	<b>109,693</b>	<b>110,822</b>
<b>Note: 4-Trade Receivables:</b>				
Outstanding for a period exceeding six months from the date they are due for payment:				
Unsecured - Considered good	5	104	346	7,846
Considered doubtful	19	63	1,313	4,753
	<b>24</b>	<b>167</b>	<b>1,659</b>	<b>12,599</b>
Less: Provision for doubtful debts	19	63	1,313	4,753
	<b>5</b>	<b>104</b>	<b>346</b>	<b>7,846</b>
Others- Considered good:				
Unsecured	1,395	1,131	96,422	85,323
<b>Total</b>	<b>1,400</b>	<b>1,235</b>	<b>96,768</b>	<b>93,169</b>
<b>Note: 5-Cash and Cash Equivalents:</b>				
Balances with Banks	5	147	346	11,090
Cash on Hand	2	2	138	151
<b>Total</b>	<b>7</b>	<b>149</b>	<b>484</b>	<b>11,241</b>
<b>Note: 6-Loans:</b>				
[Unsecured, Considered Good]				
Others	1	1	69	39
<b>Total</b>	<b>1</b>	<b>1</b>	<b>69</b>	<b>39</b>
<b>Note: 7-Other Current Financial Assets:</b>				
[Unsecured, Considered Good]				
Balances with Statutory Authorities	27	10	1,866	754
<b>Total</b>	<b>27</b>	<b>10</b>	<b>1,866</b>	<b>754</b>
<b>Note: 8-Other Current Assets:</b>				
[Unsecured, Considered Good]				
Advances to Suppliers	-	22	-	1,660
Income Receivables	-	1	-	75
Prepaid Expenses	19	21	1,313	1,584
<b>Total</b>	<b>19</b>	<b>44</b>	<b>1,313</b>	<b>3,319</b>
<b>Note: 9-Equity Share Capital:</b>				
<b>Authorised:</b>				
1 [as at 31-03-16 : 1] Share of Eur 50,000/-	50	50	3,456	3,772
1 [as at 31-03-16 : 1] Share of Eur 30,000/-	30	30	2,074	2,263
1 [as at 31-03-16 : 1] Share of Eur 4,00,000/-	400	400	27,648	30,176
	<b>480</b>	<b>480</b>	<b>33,178</b>	<b>36,211</b>
<b>Issued, Subscribed and Fully Paid-up Equity Shares:</b>				
1 [as at 31-03-16 : 1] Share of Eur 50,000/-	50	50	3,456	3,772
1 [as at 31-03-16 : 1] Share of Eur 30,000/-	30	30	2,074	2,263
1 [as at 31-03-16 : 1] Share of Eur 4,00,000/-	400	400	27,648	30,176
	<b>480</b>	<b>480</b>	<b>33,178</b>	<b>36,211</b>
A Reconciliation of the number of Shares outstanding as at March 31, 2017 and 2016:				
Number of shares at the beginning	3	3		
Add: Shares issued during the year	-	-		
Less: Shares redeemed during the year	-	-		
Number of shares at the end	<b>3</b>	<b>3</b>		
B Ordinary shares held by Holding Company [Refer Note-28]-				
Cadila Healthcare Limited, a company incorporated in India:				
Number of Shares	3	-		
% to total share holding	<b>100%</b>	-		
ZAHL Europe B.V., a company incorporated in Netherlands:				
Number of Shares	-	3		
% to total share holding	-	100%		

**Bremer Pharma Gmbh**  
**Notes to the Financial Statements**

	Euro- Thousands		INR- Thousands	
	As at March 31,			
	2017	2016	2017	2016
<b>Note: 10-Other Equity:</b>				
<b>Other Reserves:</b>				
<b>Securities Premium Reserve:</b>				
Balance as per last Balance Sheet	4,105	4,105	283,738	309,687
<b>Foreign Currency Translation Reserve:</b>				
Balance as per last Balance Sheet	-	-	16,418	40,017
Add: Exchange Rate differences on translation to INR	-	-	21,681	(23,599)
	-	-	38,099	16,418
<b>Retained Earnings:</b>				
Balance as per last Balance Sheet	(1,964)	(1,554)	(164,547)	(144,298)
Add: Loss for the year	(176)	(410)	(21,469)	(20,249)
	(2,140)	(1,964)	(186,016)	(164,547)
<b>Total</b>	1,965	2,141	135,821	161,558
<b>Note: 11-Borrowings:</b>				
Loans repayable on Demand:				
Working Capital Loans from Banks [Secured]	328	-	22,671	-
Loans and advances from Related Parties [Unsecured]	551	553	38,085	41,718
<b>Total</b>	879	553	60,756	41,718
Working Capital loan is, repayable on demand, for which securities provided are inventories and receivables of the Company. The rate of interest on the utilised part of the loan is 3.35% p.a. and on the unutilised part it is 0.5% p.a., whereas the Company is required to pay interest on loans from related parties at 6 monthly Euro Libor rate plus margin of 75 to 250 bps.				
<b>Note: 12-Trade Payables:</b>				
Others	603	616	41,679	46,471
<b>Total</b>	603	616	41,679	46,471
<b>Note: 13-Other Financial Liabilities:</b>				
Provision for Expenses	19	19	1,313	1,433
Payable to Statutory Authorities	18	20	1,244	1,509
<b>Total</b>	37	39	2,557	2,942
<b>Note: 14-Other Current Liabilities:</b>				
Advances from customers	10	102	691	7,695
<b>Total</b>	10	102	691	7,695
<b>Note: 15-Provisions:</b>				
Provision for Employee Benefits	99	93	6,843	7,016
Provision for claims for product expiry and return of goods	20	12	1,382	905
Others	116	104	8,018	7,846
<b>Total</b>	235	209	16,243	15,767
	Euro- Thousands		INR- Thousands	
	Year ended March 31			
	2017	2016	2017	2016
<b>Note: 16-Revenue from Operations:</b>				
Sale of Products [Gross]	7,275	6,293	534,931	454,669
Other Operating Revenues:				
Net Gain on foreign currency transactions and translation	21	40	1,544	2,890
Miscellaneous Income	63	17	4,632	1,228
<b>Total</b>	7,359	6,350	541,107	458,787
<b>Note: 17-Other Income:</b>				
Interest Income [Gross]:				
From Others [Other than current investments]	1	1	74	105
Other Non-operating Income	23	40	1,691	2,890
<b>Total</b>	24	41	1,765	2,995
<b>Note: 18-Cost of Materials Consumed:</b>				
Raw Materials [Pharmaceutical Ingredients]:				
Stock at commencement	672	560	50,696	37,545
Add: Purchases	2,767	2,345	203,458	169,426
	3,439	2,905	254,154	206,971
Less: Stock at close	844	672	58,337	50,696
	2,595	2,233	195,817	156,275
Packing Materials consumed	494	445	36,324	32,151
<b>Total</b>	3,089	2,678	232,141	188,426

**Bremer Pharma GmbH**  
**Notes to the Financial Statements**

	Euro- Thousands		INR- Thousands	
	Year ended March 31			
	2017	2016	2017	2016
<b>Note: 19-Purchases of Stock-in-Trade:</b>				
Purchases of Stock-in-Trade	408	186	30,000	13,439
<b>Total</b>	<b>408</b>	<b>186</b>	<b>30,000</b>	<b>13,439</b>
<b>Note: 20-Changes in Inventories:</b>				
Stock at commencement:				
Finished Goods	622	463	46,924	31,078
	622	463	46,924	31,078
Less: Stock at close:				
Finished Goods	529	622	36,564	46,924
	529	622	36,564	46,924
<b>Total</b>	<b>93</b>	<b>(159)</b>	<b>10,360</b>	<b>(15,846)</b>
<b>Note: 21-Employee Benefits Expense:</b>				
Salaries and wages	1,680	1,793	123,530	129,544
Contribution to provident and other funds	333	355	24,485	25,649
Staff welfare expenses	25	18	1,838	1,301
<b>Total</b>	<b>2,038</b>	<b>2,166</b>	<b>149,853</b>	<b>156,494</b>
<b>Note: 22-Finance Cost:</b>				
Interest expense [*]	8	10	588	723
Bank commission & charges	41	43	3,015	3,107
<b>Total</b>	<b>49</b>	<b>53</b>	<b>3,603</b>	<b>3,830</b>
[*] The break up of interest expense into major heads is given below:				
On working capital loans	5	7	368	506
Others	3	3	221	217
<b>Total</b>	<b>8</b>	<b>10</b>	<b>589</b>	<b>723</b>
<b>Note: 23-Other Expenses:</b>				
Consumption of Stores and spare parts	5	4	368	289
Power & fuel	271	274	19,927	19,797
Rent	40	39	2,941	2,818
Repairs to Plant and Machinery	239	241	17,574	17,412
Repairs to Others	14	11	1,029	795
Insurance	42	40	3,088	2,890
Rates and Taxes [excluding taxes on income]	6	4	441	289
Processing Charges	49	44	3,603	3,179
Traveling Expenses	56	65	4,118	4,696
Legal and Professional Fees	14	38	1,029	2,746
Commission on sales	13	40	956	2,890
Freight and forwarding on sales	374	332	27,500	23,987
Net Loss on foreign currency transactions and translation	40	33	2,941	2,384
Advertisement Expenses	4	1	294	72
Seminar, Conference and Exhibition	13	3	956	217
Other marketing expenses	38	33	2,794	2,384
Bad Debts:				
Bad debts written off	-	-	-	-
Provision for Doubtful Debts	1	31	74	2,240
	1	31	74	2,240
Less: Transferred from Provision for Doubtful Debts			-	-
	1	31	74	2,240
Miscellaneous Expenses	437	399	32,133	28,828
<b>Total</b>	<b>1,656</b>	<b>1,632</b>	<b>121,766</b>	<b>117,913</b>
[*] Miscellaneous Expenses include Payment to the auditors as "Auditor"				
	20	17	1,471	1,228
<b>Note: 24-Calculation of Earnings per Equity Share [EPS]:</b>				
The numerators and denominators used to calculate the basic and diluted EPS are as follows:				
A Profit attributable to Shareholders	(176)	(410)	(21,469)	(20,249)
B Basic and weighted average number of Equity shares outstanding during the year	22	22	22	22
	<b>Euro</b>		<b>INR</b>	
C Basic & Diluted EPS	(8,000)	(18,636)	(975,864)	(920,409)



**Bremer Pharma GmbH**  
**Notes to the Financial Statements**

**Note: 25-Segment Information:**

The Chief Operating Decision Maker [CODM] review the Company as a single segment, namely, "Veterinary Products".

**Note: 26-Related Party Transactions:**

**A Name of the Related Party and Nature of the Related Party Relationship :**

**a Holding Company:** Cadila Healthcare Limited [India] [Refer Note - 28]

**b Fellow Subsidiaries:**

Dialforhealth India Limited	Laboratorios Combix S.L. [Spain]
Dialforhealth Unity Limited	Zydus Noveltch Inc. [USA]
Dialforhealth Greencross Limited	Hercon Pharmaceuticals LLC [USA]
Zydus Wellness Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
M/s. Zydus Wellness-Sikkim, a Partnership Firm	Simayla Pharmaceuticals (Pty) Ltd [South Africa]
Zydus Healthcare Limited	Script Management Services (Pty) Ltd [South Africa]
Zydus Technologies Limited	Alidac Healthcare (Myanmar) Limited [Myanmar]
Liva Pharmaceuticals Limited	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
Alidac Pharmaceuticals Limited	Etna Biotech S.R.L. [Italy]
Zydus Netherlands B.V. [the Netherlands]	Zydus Healthcare Philippines Inc [Philippines]
Zydus Healthcare (USA) LLC [USA]	Zydus Pharmaceuticals (USA) Inc.[USA]
Zydus Worldwide DMCC [Dubai]	Zydus Nikkho Farmaceutica Ltda. [Brazil]
Zydus Discovery DMCC [Dubai]	Nesher Pharmaceuticals (USA) LLC [USA]
ZAHL B.V. [the Netherlands]	Zydus Pharma Japan Co. Ltd. [Japan] [Liquidated during the year]
ZAHL Europe B.V. [the Netherlands]	Zydus France, SAS [France]
Zydus International Pvt. Ltd.[Ireland]	Sentynl Therapeutics Inc. [USA]
Zydus Lanka (Private) Limited [Srilanka]	Zydus Pharmaceuticals Mexico SA De CV [Mexico]

**c Managing Director:** Mr. Holger Kiel

**B Transactions with Related Parties:**

The following transactions were carried out with the related parties in the ordinary course of business :

a Details relating to Transaction done with related Party referred in Item no.26 - A [a & b]

**Purchase of Goods**

Cadila Healthcare Limited

**Sales of Goods**

Cadila Healthcare Limited

**Interest Expense**

Zydus International Private Limited

**Inter Corporate Loan Received**

Zydus International Private Limited

**Payables**

Cadila Healthcare Limited

Zydus International Private Limited

**Receivables**

Cadila Healthcare Limited

Euro- Thousands		INR- Thousands	
March 31,			
2017	2016	2017	2016
10	34	735	2,457
136	70	10,000	5,058
3	3	221	217
-	550	-	39,738
-	10	-	754
551	553	38,085	41,718
67	17	4,631	1,282

b There are no transactions with the related parties referred to in the item no. 26 - A [c]

**Note: 27- Maturities of financial liabilities:**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

Non-derivative Financial Liabilities:	Euro- Thousands				
	< 1 year	1-5 year	> 5 years	As at March 31,	
				2017	2016
Working Capital Loans from Banks	328	-	-	328	-
Advances from customers	10	-	-	10	102
Trade payable	603	-	-	603	616
Loans and advances from Related Parties	551	-	-	551	553
Other financial liability	37	-	-	37	39
Payable to Statutory Authorities	(18)	-	-	(18)	(20)
				INR- Thousands	
Working Capital Loans from Banks	22,671	-	-	22,671	-
Advances from customers	691	-	-	691	7,695
Trade payable	41,679	-	-	41,679	46,471
Loans and advances from Related Parties	38,085	-	-	38,085	41,718
Provision for Expenses	2,557	-	-	2,557	2,942
Payable to Statutory Authorities	(1,244)	-	-	(1,244)	(1,509)

**Note: 28** Pursuant to the Share Purchase Agreement entered into by ZAHL Europe B.V. [holding Company] with Cadila Healthcare Ltd. [ultimate holding company of ZAHL Europe BV] [CHL] on March 28, 2017, CHL had acquired 100% of the shares of the Company, from ZAHL Europe B.V. for cash consideration. Pursuant to these the Company has become direct subsidiary of CHL.

**Note: 29** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classifications/ disclosure.

**Signatures to Significant Accounting Policies and Notes 1 to 29 to the Financial Statements**

As per our report of even date  
For Mukesh M. Shah & Co.  
Chartered Accountants  
Firm Registration Number: 106625W

For and on behalf of the Board

Chandresh S. Shah  
Partner  
Membership Number: 042132  
Ahmedabad, Dated: May 25, 2017

Director

**Bremer Pharma GmbH**  
**Cash Flow Statement for the year ended March 31, 2017**

Particulars	Euro- Thousands		INR- Thousands	
	Year ended March 31			
	2017	2016	2017	2016
<b>A Cash flows from operating activities:</b>				
Loss before tax	(176)	(410)	(21,469)	(20,249)
Adjustments for:				
Depreciation, Impairment and Amortisation expenses	226	246	16,618	17,775
Interest income	(1)	(1)	(74)	(105)
Interest expenses	8	10	588	723
Provision for doubtful debts	1	31	74	2,240
Provisions for employee benefits	6	(3)	441	(247)
Provisions for probable product expiry claims and return of goods	20	102	1,471	7,366
Total	260	384	19,118	27,752
Operating profit before working capital changes	84	(26)	(2,351)	7,503
Adjustments for:				
Decrease/ [Increase] in trade receivables	(258)	362	(18,971)	26,150
Increase in inventories	(118)	(271)	(8,677)	(19,544)
Decrease in short term advances	4	1	294	107
Decrease/ [Increase] in other current assets	(19)	28	(1,397)	2,023
Increase/ [Decrease] in trade payables	9	(80)	661	(5,777)
Increase/ [Decrease] in other current liabilities	(2)	16	(147)	1,147
Total	(384)	57	(28,237)	4,106
Cash generated from operations	(300)	31	(30,588)	11,609
Direct taxes paid [Net of refunds]	7	7	515	522
Net cash from [used] operating activities	(293)	38	(30,073)	12,131
<b>B Cash flows from investing activities:</b>				
Purchase of Property, Plant and Equipment	(168)	(328)	(12,353)	(23,685)
Interest received	1	1	74	105
Net cash used [from] in investing activities	(167)	(325)	(12,279)	(23,508)
<b>C Cash flows from financing activities:</b>				
Current Borrowings [Net]	326	438	23,971	31,640
Interest paid	(8)	(10)	(588)	(723)
Net cash used [from] in financing activities	318	428	23,383	30,917
<b>Net increase in cash and cash equivalents</b>	(142)	141	(18,969)	19,540
<b>Increase/ [Decrease] due to the translation to INR [Refer Note-2]</b>	-	-	8,212	(8,836)
<b>Cash and cash equivalents at the beginning of the year</b>	149	8	11,241	537
<b>Cash and cash equivalents at the end of the year</b>	7	149	484	11,241

**Notes to the Cash Flow Statement**

- All figures in brackets are outflows.
- Previous year's figures have been regrouped wherever necessary.
- Cash Flow Statement is translated into Indian Rupee [INR] at the average exchange rates for the year. The increase/ decrease resulting from such translation is shown separately as "Increase/ [Decrease] due to the translation to INR".

As per our report of even date  
For Mukesh M. Shah & Co.,  
Chartered Accountants  
Firm Registration Number: 106625W

For and on behalf of the Board

Chandresh S. Shah  
Partner  
Membership Number: 042132  
Ahmedabad, Dated: May 25, 2017

Director