

**Bremer Pharma GmbH**  
**Balance Sheet as at March 31, 2016**

Particulars	Note No.	Euro-Thousands		INR-Thousands	
		As at March 31,			
		2016	2015	2016	2015
<b>EQUITY AND LIABILITIES:</b>					
<b>Shareholders' Funds:</b>					
Share Capital	1	480	480	36,211	32,208
Reserves and Surplus	2	2,141	2,551	161,558	171,165
		2,621	3,031	197,769	203,373
<b>Current Liabilities:</b>					
Short Term Borrowings	3	553	115	41,718	7,721
Trade Payables	4	736	674	55,524	45,222
Other Current Liabilities	5	125	46	9,430	3,053
Short Term Provisions	6	105	110	7,921	7,412
		1,519	945	114,593	63,408
<b>Total</b>		4,140	3,976	312,362	266,781
<b>ASSETS:</b>					
<b>Non-Current Assets:</b>					
Fixed Assets:					
Tangible Assets	7	898	852	67,747	57,171
Intangible Assets		70	66	5,281	4,429
Capital work-in-progress		251	220	18,935	14,748
		1,219	1,138	91,963	76,348
Long Term Loans and Advances	8	14	21	1,056	1,425
		1,233	1,159	93,019	77,773
<b>Current Assets:</b>					
Inventories	9	1,469	1,198	110,822	80,418
Trade Receivables	10	1,235	1,548	93,168	103,893
Cash and Bank Balances	11	149	8	11,241	537
Short Term Loans and Advances	12	33	34	2,453	2,281
Other Current Assets	13	22	28	1,659	1,879
		2,908	2,817	219,343	189,008
<b>Total</b>		4,141	3,976	312,362	266,781
<b>Significant Accounting Policies</b>	II				
<b>Notes to the Financial Statements</b>	1 to 25				

**Statement of Profit and Loss for the year ended March 31, 2016**

Particulars	Note No.	Euro-Thousands		INR-Thousands	
		Year ended March 31			
		2016	2015	2016	2015
<b>REVENUE:</b>					
Revenue from Operations:	14				
Sale of Products		6,293	7,014	454,669	543,375
Other Operating Revenues		57	165	4,118	12,783
Net Revenue from Operations		6,350	7,179	458,787	556,158
Other Income	15	41	28	2,995	2,169
Total Revenue		6,391	7,207	461,782	558,327
<b>EXPENSES:</b>					
Cost of Materials Consumed	16	2,677	2,784	188,426	224,595
Purchases of Stock-in-Trade	17	186	208	13,439	16,114
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	18	(159)	(98)	(15,846)	(991)
Employee Benefits Expense	19	2,166	2,145	156,494	166,173
Finance Costs	20	53	48	3,830	3,718
Depreciation, Impairment and Amortisation expenses	7	246	258	17,775	19,987
Other Expenses	21	1,632	1,727	117,913	133,779
Total Expenses		6,801	7,072	482,031	563,375
<b>Profit/ [Loss] before Tax</b>		(410)	135	(20,249)	(5,048)
Less: Tax Expenses		-	-	0	0
<b>Profit/ [Loss] for the year</b>		(410)	135	(20,249)	(5,048)
				<b>EURO</b>	<b>INR</b>
<b>Basic &amp; Diluted Earning per Equity Share [EPS]</b>	22	(18,623)	6,129	(920,409)	(229,455)
<b>Significant Accounting Policies</b>	II				
<b>Notes to the Financial Statements</b>	1 to 25				

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: 12th May, 2016

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 31st, 2016 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 Reserves and Surplus.

**3 Fixed Assets and Depreciation**

- A** Intangible asset required are valued at cost and, as far as depreciable, reduced by scheduled depreciation amounts.
- B** Tangible Fixed assets are valued at cost and, as far as depreciable, reduced by scheduled depreciation amount in line with expected useful life.

**4 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.

**5 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.

**6 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.

**7 Revenue Recognition**

Revenue from Sale of goods is 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.

**8 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.

**9 Valuation**

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

	Euro-Thousands		INR-Thousands	
	As at March 31,			
	2016	2015	2016	2015

**Note: 1-Share Capital:**

**Authorised:**

- 1 [as at 31-03-15 : 1] Share of Eur 50,000/-
- 1 [as at 31-03-15 : 1] Share of Eur 30,000/-
- 1 [as at 31-03-15 : 1] Share of Eur 4,00,000/-

50	50	3,772	3,355
30	30	2,263	2,013
400	400	30,176	26,840
<b>480</b>	<b>480</b>	<b>36,211</b>	<b>32,208</b>

**Issued, Subscribed and Fully Paid-up share capital:**

- 1 [as at 31-03-15 : 1] Share of Eur 50,000/-
- 1 [as at 31-03-15 : 1] Share of Eur 30,000/-
- 1 [as at 31-03-15 : 1] Share of Eur 4,00,000/-

50	50	3,772	3,355
30	30	2,263	2,013
400	400	30,176	26,840
<b>480</b>	<b>480</b>	<b>36,211</b>	<b>32,208</b>

**A** The reconciliation of the number of Shares outstanding is as under:

- Number of shares at the beginning
- Add: Shares issued during the year
- Number of shares at the end

3	3		
-	-		
<b>3</b>	<b>3</b>		

**B** Shares each fully paid held by ZAHL Europe B.V, the holding company, a company incorporated in the Netherlands

- Number of Shares
- % to total share holding

3	3		
<b>100%</b>	100%		

**Note: 2-Reserves and Surplus:**

**Securities Premium Reserve:**

Balance as per last Balance Sheet

4,105	4,105	309,687	275,446
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**Foreign Currency Translation Reserve:**

Balance as per last Balance Sheet  
Add/ [Less]: Exchange differences on translation to Indian Rupee

-	-	40,017	40,017
<b>(23,599)</b>		<b>16,418</b>	40,017

**Surplus in statement of Profit and Loss:**

Balance as per last Balance Sheet  
Add/ [Less]: Profit/ [Loss] for the year  
Balance as at the end of the year

(1,554)	(1,689)	(144,298)	(139,250)
<b>(410)</b>	135	<b>(20,249)</b>	(5,048)
<b>(1,964)</b>	(1,554)	<b>(164,547)</b>	(144,298)
<b>2,141</b>	2,551	<b>161,558</b>	171,165

**Note: 3-Short Term Borrowings:**

Loans repayable on Demand:

- Working Capital Loans from Banks [Secured]
- Loans and advances from Related Parties - Zydus International Pvt. Ltd. [Unsecured]
- [Refer Note : 24 for relationship]

-	115	-	7,721
<b>553</b>	-	<b>41,718</b>	-
<b>553</b>	115	<b>41,718</b>	7,721

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 2.75% 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.

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

	Euro-Thousands		INR-Thousands					
	As at March 31,							
	2016	2015	2016	2015				
<b>Note: 4-Trade Payables:</b>								
Trade Payables	736	674	55,524	45,222				
<b>Total</b>	<b>736</b>	<b>674</b>	<b>55,524</b>	<b>45,222</b>				
<b>Note: 5-Other Current Liabilities:</b>								
Advances from Debtors	102	22	7,695	1,502				
Others:								
Provision for Expenses	3	4	226	283				
Payable to Statutory Authorities	20	19	1,509	1,268				
<b>Total</b>	<b>125</b>	<b>46</b>	<b>9,430</b>	<b>3,053</b>				
<b>Note: 6-Short Term Provisions:</b>								
Provision for Employee Benefits	93	96	7,016	6,470				
Others:								
Provision for claims for product expiry and return of goods [*]	12	14	905	942				
<b>Total</b>	<b>105</b>	<b>110</b>	<b>7,921</b>	<b>7,412</b>				
[*] Provision for claims for product warranties and return of goods:								
a Provision for product expiry claims in respect of products sold during the year is made based on the management's estimates considering the estimated stock lying with retailers. The Company does not expect such claims to be reimbursed by any other party in future.								
b The movement in such provision is stated as under :								
i Carrying amount at the beginning of the year	14	14	1,183	1,180				
ii Additional provision made during the year	0	0	3	3				
iii Amount used	2	-	145	-				
iv Carrying amount at the end of the year	12	14	1,041	1,183				
<b>Note: 7-Fixed Assets:</b>								
<b>A Tangible Assets:</b>								
	Euro-Thousands							
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
Gross Block:								
As at March 31, 2014	88	-	1,587	3,436	90	8	429	5,638
Additions	-	-	-	77	8	-	9	94
Disposals	-	-	-	(15)	(30)	-	(10)	(55)
Other adjustments	-	-	-	-	-	-	-	-
As at March 31, 2015	88	-	1,587	3,498	68	8	428	5,677
Additions	-	-	-	229	11	-	19	259
Disposals	-	-	-	(119)	-	-	(7)	(126)
Other adjustments	-	-	-	-	-	-	-	-
As at March 31, 2016	88	-	1,587	3,608	79	8	440	5,810
Depreciation and Impairment:								
As at March 31, 2014	-	-	1,233	2,936	73	2	406	4,650
Charge for the year	-	-	43	170	8	1	8	230
Disposals	-	-	-	(15)	(30)	-	(10)	(55)
As at March 31, 2015	-	-	1,276	3,091	51	3	404	4,825
Charge for the year	-	-	43	145	10	1	14	213
Disposals	-	-	-	(120)	-	-	(6)	(126)
Other adjustments	-	-	-	-	-	-	-	-
As at March 31, 2016	-	-	1,319	3,116	61	4	412	4,912
Net Block:								
As at March 31, 2015	88	-	311	407	17	5	24	852
As at March 31, 2016	88	-	268	492	18	4	28	898
<b>Tangible Assets:</b>					INR-Thousands			
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
Gross Block:								
As at March 31, 2014	6,127	-	110,503	239,249	6,267	557	29,871	392,574
Additions	-	-	-	5,965	620	-	697	7,282
Disposals	-	-	-	(1,162)	(2,324)	-	(775)	(4,261)
Other adjustments	(222)	-	(4,015)	(9,336)	-	(20)	(1,074)	(14,667)
As at March 31, 2015	5,905	-	106,488	234,716	4,563	537	28,719	380,928
Additions	-	-	-	16,545	795	-	1,373	18,713
Disposals	-	-	-	(8,598)	-	-	(506)	(9,104)
Other adjustments	734	-	13,235	29,525	602	67	3,608	47,771
As at March 31, 2016	6,639	-	119,723	272,188	5,960	604	33,194	438,308
Depreciation and Impairment:								
As at March 31, 2014	-	-	85,854	204,434	5,083	139	28,270	323,780
Charge for the year	-	-	3,331	13,170	620	77	620	17,818
Disposals	-	-	-	(1,162)	(2,324)	-	(775)	(4,261)
Other adjustments	-	-	(3,565)	(9,036)	43	(15)	(1,007)	(13,580)
As at March 31, 2015	-	-	85,620	207,406	3,422	201	27,108	323,757
Charge for the year	-	-	3,107	10,476	723	72	1,012	15,390
Disposals	-	-	-	(8,670)	-	-	(434)	(9,104)
Other adjustments	-	-	10,778	25,859	457	29	3,395	40,518
As at March 31, 2016	-	-	99,505	235,071	4,602	302	31,081	370,561
Net Block:								
As at March 31, 2015	5,905	-	20,868	27,310	1,141	336	1,611	57,171
As at March 31, 2016	6,639	-	20,218	37,117	1,358	302	2,113	67,747

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

**Note: 7-Fixed Assets - Continued :**

B Intangible Assets:	Euro-Thousands			INR-Thousands		
	Commercial Rights	Computer Software	Total	Commercial Rights	Computer Software	Total
	Gross Block:					
As at March 31, 2014	282	78	360	19,636	5,431	25,067
Additions	24	-	24	1,859	-	1,859
Disposals	-	(4)	(4)	-	(310)	(310)
Other adjustments	-	-	-	(962)	(156)	(1,118)
As at March 31, 2015	306	74	380	20,533	4,965	25,498
Additions	-	21	21	-	1,517	1,517
Disposals	-	(9)	(9)	-	(650)	(650)
Other adjustments	15	-	15	3,683	656	4,339
As at March 31, 2016	321	86	407	24,216	6,488	30,704
Depreciation and Impairment:						
As at March 31, 2014	215	74	289	14,970	5,153	20,123
Charge for the year	25	3	28	1,937	232	2,169
Disposals	-	(3)	(3)	-	(232)	(232)
Other adjustments	-	-	-	(803)	(188)	(991)
As at March 31, 2015	240	74	314	16,104	4,965	21,069
Charge for the year	26	7	33	1,879	506	2,385
Disposals	-	(10)	(10)	-	(723)	(723)
Other adjustments	-	-	-	2,084	608	2,692
As at March 31, 2016	266	71	337	20,067	5,356	25,423
Net Block:						
As at March 31, 2015	66	-	66	4,429	-	4,429
As at March 31, 2016	55	15	70	4,149	1,132	5,281

	Euro-Thousands		INR-Thousands	
	As at March 31,			
	2016	2015	2016	2015

**Note: 8-Long Term Loans and Advances:**

[Unsecured, Considered Good unless otherwise stated]				
Advance payment of Tax	14	21	1,056	1,425
<b>Total</b>	14	21	1,056	1,425

**Note: 9-Inventories:**

[The Inventory is valued at lower of cost and net realisable value]				
Classification of Inventories:				
Raw Materials	672	560	50,696	37,545
Finished Goods	622	463	46,924	31,078
Others:				
Packing Materials	175	176	13,202	11,795
<b>Total</b>	1,469	1,198	110,822	80,418
The above includes Goods in transit as under:				
Raw Materials	-	-	-	-
Packing Materials	-	-	-	-

**Note: 10-Trade Receivables:**

[Unsecured]				
Outstanding for a period exceeding six months from the due date:				
Considered good	104	18	7,845	1,208
Considered doubtful	63	32	4,753	2,147
	167	50	12,598	3,355
Less : Provision for doubtful debts	63	32	4,753	2,147
	104	18	7,845	1,208
Other debts-Considered good	1,131	1,530	85,323	102,685
<b>Total</b>	1,235	1,548	93,168	103,893

**Note: 11-Cash and Bank Balances :**

Balances with Banks	147	6	11,090	403
Cash on Hand	2	2	151	134
<b>Total</b>	149	8	11,241	537

**Note: 12-Short Term Loans and Advances:**

[Unsecured, Considered Good]				
Loans and advances to related parties	1	1	39	67
Others :				
Balances with Custom/ Central Excise/ Sales Tax Authorities	10	32	754	2,147
Advances recoverable in cash or in kind or for value to be received	22	1	1,660	67
	32	33	2,414	2,214
<b>Total</b>	33	34	2,453	2,281

**Note: 13-Other Current Assets:**

Prepaid Expenses	21	21	1,584	1,409
Income Receivable	1	7	75	470
<b>Total</b>	22	28	1,659	1,879

Bremer Pharma GmbH				
Notes to the Financial Statements				
	Euro-Thousands		INR-Thousands	
	Year ended March 31			
	2016	2015	2016	2015
<b>Note: 14-Revenue from Operations:</b>				
Sale of Products	6,293	7,014	454,669	543,375
Other Operating Revenues [*]	57	165	4,118	12,783
<b>Total</b>	<b>6,350</b>	<b>7,179</b>	<b>458,787</b>	<b>556,158</b>
[*] Other Operating Revenues:				
Net Gain on foreign currency transactions and translation	40	43	2,890	3,331
Miscellaneous Income	17	122	1,228	9,451
<b>Total</b>	<b>57</b>	<b>165</b>	<b>4,118</b>	<b>12,782</b>
<b>Note: 15-Other Income:</b>				
Interest Income [Gross]:				
From Others	1	1	105	77
Other Non-operating Income	40	27	2,890	2092
<b>Total</b>	<b>41</b>	<b>28</b>	<b>2,995</b>	<b>2,169</b>
<b>Note: 16-Cost of Materials Consumed:</b>				
Raw/ Packing Materials:				
Stock at commencement	560	621	37,545	51,189
Add : Purchases	2,345	2,262	169,426	175,237
	<b>2,905</b>	<b>2,883</b>	<b>206,971</b>	<b>226,426</b>
Less : Stock at close	672	560	50,696	37,545
	<b>2,232</b>	<b>2,323</b>	<b>156,275</b>	<b>188,881</b>
Packing Materials consumed	445	461	32,151	35,714
<b>Total</b>	<b>2,677</b>	<b>2,784</b>	<b>188,426</b>	<b>224,595</b>
<b>Note: 17-Purchase of Stock-in-Trade:</b>				
Purchase of Stock-in-Trade	186	208	13,439	16,114
<b>Total</b>	<b>186</b>	<b>208</b>	<b>13,439</b>	<b>16,114</b>
<b>Note: 18-Changes in Inventories:</b>				
Stock at close:				
Finished Goods	622	463	46,924	31,078
	<b>622</b>	<b>463</b>	<b>46,924</b>	<b>31,078</b>
Less: Stock at commencement:				
Finished Goods	463	365	31,078	30,087
	<b>463</b>	<b>365</b>	<b>31,078</b>	<b>30,087</b>
<b>Total</b>	<b>(159)</b>	<b>(98)</b>	<b>(15,846)</b>	<b>(991)</b>
<b>Note: 19-Employee Benefit Expense:</b>				
Salaries and wages	1,793	1,765	129,544	136,735
Contribution to provident and other funds	355	352	25,649	27,269
Staff welfare expenses	18	28	1,301	2,169
<b>Total</b>	<b>2,166</b>	<b>2,145</b>	<b>156,494</b>	<b>166,173</b>
<b>Note: 20-Finance Cost:</b>				
Interest expense [*]	10	5	723	387
Bank commission & charges	43	43	3,107	3,331
<b>Total</b>	<b>53</b>	<b>48</b>	<b>3,830</b>	<b>3,718</b>
[*] The break up of interest expense in to major heads is given below:				
On working capital loans	7	5	506	387
Others	3	-	217	-
	<b>10</b>	<b>5</b>	<b>723</b>	<b>387</b>
<b>Note: 21-Other Expenses:</b>				
Consumption of Stores and spare parts	4	7	289	537
Power & fuel	274	302	19,797	23,430
Rent	39	38	2,818	2,931
Repairs to Plant and Machinery	241	226	17,412	17,538
Repairs to Others	11	18	795	1,378
Insurance	40	44	2,890	3,391
Rates and Taxes [excluding taxes on income]	4	3	289	250
Processing Charges	44	42	3,179	3,268
Traveling Expenses	65	79	4,696	6,101
Legal and Professional Fees	38	14	2,746	1,062
Net Loss on foreign currency transactions and translation	33	62	2,384	4,794
Commission on sales	40	23	2,890	1,762
Freight and forwarding on sales	332	373	23,987	28,871
Other marketing expenses	37	62	2,673	4,776
Bad Debts:				
Bad debts written off	-	-	-	-
Provision for Doubtful Debts	31	55	2,240	4,285
	<b>31</b>	<b>55</b>	<b>2,240</b>	<b>4,285</b>
Less : Transferred from Provision for Doubtful Debts	-	-	-	-
	<b>31</b>	<b>55</b>	<b>2,240</b>	<b>4,285</b>
Net Loss on Assets	-	-	-	-
Miscellaneous Expenses	399	380	28,828	29,405
<b>Total</b>	<b>1,632</b>	<b>1,727</b>	<b>117,913</b>	<b>133,779</b>
Miscellaneous Expenses include Payment to the auditors	17	16	1,228	1,240
<b>Note: 22-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/ [Loss] attributable to Shareholders	EUR'000	(410)	135	(20,249)
B Basic and weighted average number of Equity shares outstanding during the year	Numbers	22	22	22
		<b>EUR</b>	<b>INR</b>	
C Basic & Diluted EPS		(18,623)	6,129	(920,409)
				(229,455)

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

**Note: 23-Segment Information:**

- A **Primary Business Segment:** There is only one Segment namely veterinary Products.  
B **Secondary Business Segment - By Geographical market:**

	Within Germany		Outside Germany		Total	
			Reporting period ended March 31			
	2016	2015	2016	2015	2015	2014
a Sales revenue by geographical market	987	1,276	5,306	5,738	6,293	7,014
b Carrying amount of segment assets	968	918	-	-	968	918
c Additions to fixed assets	280	118	-	-	280	118

  

	Within Germany		Outside Germany		Total	
			Reporting period ended March 31			
	2016	2015	2016	2015	2015	2014
a Sales revenue by geographical market	71311	98819	383359	444548	454670	543367
b Carrying amount of segment assets	73026	61598	-	-	73026	61598
c Additions to fixed assets	21,123	7,918	-	-	21,123	7,918

- C **Notes :**  
The segment revenue in the geographical segments considered for disclosure are as follows:  
- Revenue within Germany includes sales to customers located within Germany.  
- Revenue outside Germany includes sales to customers located outside Germany.

**Note: 24-Related Party Transactions:**

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

**a Holding Company:**

ZAHL Europe B.V. [the Netherlands]

**b Holding Company of the holding Company:**

ZAHL B.V. [the Netherlands]

**c Ultimate Holding Company:**

ZyduS International Private Limited [Ireland]

**d Parent Company of ultimate Holding Company:**

Cadila Healthcare Limited [India]

**e Fellow Subsidiaries/Concerns:**

Dialforhealth India Limited

Dialforhealth Unity Limited

Dialforhealth Greencross Limited

German Remedies Limited

ZyduS Wellness Limited

M/s. ZyduS Wellness-Sikkim, a Partnership Firm

Liva Pharmaceuticals Limited

ZyduS Technologies Limited

Biochem Pharmaceutical Industries Limited

Alidac Pharmaceuticals Limited [Formerly known

as ZyduS BSV Pharma Private Limited]

M/s. ZyduS Healthcare, a Partnership Firm

ZyduS Lanka (Private) Limited [Sri Lanka]

ZyduS Netherlands B.V. [the Netherlands]

ZyduS Worldwide DMCC [Dubai]

ZyduS Discovery DMCC [Dubai]

ZyduS Pharmaceuticals (USA) Inc. [USA]

Nesher Pharmaceuticals (USA) LLC [USA]

ZyduS Healthcare (USA) LLC [USA]

ZyduS Noveltech Inc. [USA]

Hercon Pharmaceuticals LLC [USA]

ZyduS Healthcare S.A. (Pty) Ltd [South Africa]

Simayla Pharmaceuticals (Pty) Ltd [South Africa]

Script Management Services (Pty) Ltd [South Africa]

ZyduS France, SAS [France]

ZyduS Nikkho Farmaceutica Ltda. [Brazil]

ZyduS Pharma Japan Co. Ltd. [Japan]

Laboratorios Combix S.L. [Spain]

ZyduS Pharmaceuticals Mexico SA De CV [Mexico]

ZyduS Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]

Etna Biotech S.R.L. [Italy]

ZyduS Healthcare Philippines Inc. [Philippines]

**f 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.24 - A [c & d]

**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,			
2016	2015	2016	2015
34	24	2,457	1,859
70	70	5,058	5,423
3	-	217	-
550	-	39,738	-
10	14	754	959
553	-	41,718	-
17	18	1,282	1,175

- b There are no transactions with the related parties referred to in the item no. 24 - A [a,b,e & f]

**Note: 25** 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 25 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: 12th May, 2016

Director

**Bremer Pharma GmbH**  
**Cash Flow Statement for the year ended March 31, 2016**

Particulars	Euro-Thousands		INR-Thousands	
	Year ended March 31			
	2016	2015	2016	2015
<b>A Cash flows from operating activities:</b>				
Profit/ [Loss] before tax	(410)	135	(20,249)	(5,048)
Adjustments for:				
Depreciation, Amortisation and Impairment expenses	246	258	17,774	19,987
Interest income	(1)	(1)	(105)	(77)
Interest expenses	10	5	723	387
Provision for doubtful debts	31	55	2,240	4,285
Provisions for employee benefits	(3)	8	(247)	653
Provisions for probable product expiry claims and return of goods	(2)	(0)	(148)	(21)
Total	280	325	20,237	25,214
Operating profit before working capital changes	(130)	460	(12)	20,166
Adjustments for:				
Decrease/ [Increase] in trade receivables	362	(312)	26,150	(24,191)
Decrease/ [Increase] in inventories	(271)	(10)	(19,544)	(813)
Decrease/ [Increase] in short term advances	1	1	107	77
Decrease/ [Increase] in other current assets	6	8	434	620
Increase/ [Decrease] in trade payables	62	(97)	4,483	(7,518)
Increase/ [Decrease] in other current liabilities	(0)	5	(9)	397
Total	161	(406)	11,621	(31,428)
Cash generated from operations	31	55	11,609	(11,262)
Direct taxes paid [Net of refunds]	7	6	522	447
Net cash from [used] operating activities	38	60	12,131	(10,815)
<b>B Cash flows from investing activities:</b>				
Purchase of fixed assets	(328)	(248)	(23,685)	(19,251)
Proceeds from sale of fixed assets	1	-	72	-
Interest received	1	1	105	77
Net cash used [from] in investing activities	(325)	(247)	(23,508)	(19,174)
<b>C Cash flows from financing activities:</b>				
Short Term Borrowings [Net]	438	115	31,640	8,915
Interest paid	(10)	(5)	(723)	(387)
Net cash used [from] in financing activities	428	110	30,917	8,528
<b>Net increase in cash and cash equivalents</b>	141	(77)	19,540	(21,461)
<b>Increase/ [Decrease] due to the translation to INR [Refer Note-3]</b>	-	-	(8,836)	14,991
<b>Cash and cash equivalents at the beginning of the year</b>	8	85	537	7,007
<b>Cash and cash equivalents at the end of the year</b>	149	8	11,241	537

**Notes to the Cash Flow Statement**

- 1 All figures in brackets are outflows.
- 2 Previous year's figures have been regrouped wherever necessary.
- 3 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: 12th May, 2016

Director