



JYOT GALA & ASSOCIATES

CHARTERED ACCOUNTANT

108/3276, Hira Navjeevan CHS,
Pant Nagar,
Ghatkopar (East)
MUMBAI - 400 075

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF WANBURY HOLDING BV

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **WANBURY HOLDING BV** and its subsidiaries, which comprise the consolidated Balance Sheet as at 31 March 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the period then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.





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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its loss and its cash flows for the period ended on that date.

Emphasis of Matter

Financial Statements are prepared on a "going concern" basis as stated in Note 17. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.





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- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

**For Jyot Gala & Associates
Chartered Accountants**

**Jyot Bhavesh Gala
Proprietor
Mumbai, 28 April 2015**



WANURY HOLDING BV
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2015

Particulars	Note No	As at 31 March 2015		As at 30 September 2014	
		Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	3	11,000.00	6,515.26	11,000.00	6,515.26
(b) Reserves and Surplus	4	(25,238.87)	(16,435.99)	(25,238.81)	(16,422.68)
		(14,238.87)	(9,920.73)	(14,238.81)	(9,907.42)
(2) Share application money from Wanbury Limited pending allotment		14,362.90	10,004.46	14,362.90	10,004.46
(3) Non-Current Liabilities		-	-	-	-
(4) Current Liabilities					
Trade payables	5	56.12	37.88	56.12	43.88
Total		180.14	121.61	180.20	140.92
II. Assets					
(1) Non-current assets					
Non-current investments	6	-	-	-	-
Long term loans and advances	7	179.34	121.08	179.34	140.26
(2) Current assets					
Cash and Bank Balances	8	0.80	0.54	0.85	0.67
Total		180.14	121.61	180.20	140.92

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements.

As per our Attached Report of Even Date

For Jyot Gala & Associates

Chartered Accountants



Jyot Bhavesh Gala

Proprietor

Mumbai, 28th April, 2015



For Wanbury Holding BV



Director

WANURY HOLDING BV

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31 MARCH 2015

Particulars	Note No.	For the period ended 31.03.2015		For the period ended 30.09.2014	
		Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
INCOME					
Revenue From Operations		-	-	-	-
Other Income	9	-	-	785.01	579.91
Total Revenue		-	-	785.01	579.91
EXPENDITURE					
Finance Cost		0.06	0.04	-	-
Other Expenses	10	-	-	70.08	51.77
Total Expenditure		0.06	0.04	70.08	51.77
PROFIT (LOSS) BEFORE TAX		(0.06)	(0.04)	714.93	528.14
Tax Expense					
- Deferred		-	-	-	-
PROFIT (LOSS) AFTER TAX		(0.06)	(0.04)	714.93	528.14
Basic & Diluted Earning /(Deficit) Per Share		(0.01)	(0.64)	110.18	8,139.02
[Face Value of Equity Share Euro 1,000/- each]					

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements.

As per our Attached Report of Even Date

For Jyot Gala & Associates

Chartered Accountants



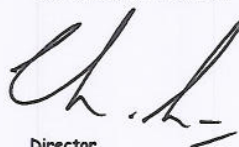
Jyot Bhavesh Gala

Proprietor

Mumbai, 28th April, 2015



For Wanbury Holding BV



Director

WANBURY HOLDING BV

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2015

	31 March 2015	31 March 2015	30 September 2014	30 September 2014
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
A Cash flows from Operating Activities				
Net Profit/(Loss) before Tax	(0.06)	(0.04)	714.93	528.14
Non-cash adjustment to reconcile profit before tax to net cash flows:				
Depreciation	-	-	-	-
Provision for Doubtful Debts/Advances	-	-	-	-
Prov. for Diminution in value of Investments	-	-	-	-
Interest Charges	-	-	-	-
Operating Profit/(Loss) before Movements/Adjustments:	(0.06)	(0.04)	714.94	528.15
Movements/Adjustments for:				
Decrease/(Increase) in Trade Receivable	-	0.00	102.09	70.99
Decrease/(Increase) in Long term loans and advances	-	19.18	-	1.18
Decrease/(Increase) in Inventories	-	-	835.07	580.70
Change in Exchange Fluctuation Reserve	-	(13.27)	-	(757.69)
Increase/(Decrease) in Other Current Liabilities	-	-	(28,698.97)	(19,958.96)
Increase/(Decrease) in Short term provisions	-	-	(1,210.71)	(841.93)
Increase/(Decrease) in Trade Payables	-	(5.99)	(3,384.75)	(2,348.72)
Cash Generated from/(used in) Operations.	(0.06)	(0.13)	(31,642.33)	(22,726.26)
Direct Taxes Paid (Net of Refunds)	-	-	-	-
Net Cash generated from/(used in) Operating Activities	(0.06)	(0.13)	(31,642.33)	(22,726.26)
B Cash flows from Investing Activities				
Decrease in Fixed Assets due to desubsidization	-	-	32,966.74	22,908.59
Net Cash generated from/(used in) Investing Activities	-	-	32,966.74	22,908.59
C Cash flows from Financing Activities				
Increase/(Decrease) in Short Term Borrowings	-	-	(621.96)	(432.51)
Increase/(Decrease) in Profit Participative Loan	-	-	(6,300.00)	(4,381.04)
Share Application Money Received	-	-	5,594.39	4,629.11
Net Cash generated from/(used in) Financing Activities	-	-	(1,327.56)	(184.44)
Net increase /(decrease) in cash & cash equivalents	(0.06)	(0.13)	(3.15)	(2.11)
Cash and Cash equivalents as at the beginning of the period	0.85	0.67	4.00	2.78
Cash and Cash equivalents as at the end of the period	0.80	0.54	0.85	0.67

Notes :

1. Above Cash Flow Statement has been prepared under the 'Indirect Method' set out in the Accounting Standard - 3 on cash flow statement prescribed in the Companies (Accounting Standards) Rules, 2006.
2. Additions to Fixed Assets (including movements in Capital Work-in-Progress) are considered as a part of investing activities.
3. Figures in brackets indicates outflow.
4. Previous year's figures are regrouped & recasted wherever required.

As per our Attached Report of Even Date

For Jyot Gala & Associates

Chartered Accountants

Jyot Bhavesh Gala

Proprietor

Mumbai, 28th April, 2015



For Wanbury Holding BV

Director

WANBURY HOLDING BV

NOTES FORMING PART OF THE ACCOUNTS

1. GENERAL INFORMATION:

Wanbury Holding BV ("the Parent Company") was incorporated on 15 September 2006. Wanbury Holdings BV, having its legal seat in Amsterdam, The Netherlands. Principal activities of the Company concern are holding and financing of the group entities.

2. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and comply with the accounting standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

b) Principles of Consolidation:

The Financial statements of the Parent Company and its subsidiaries have been Consolidated in accordance with the Accounting Standard 21 (AS 21) "Consolidated Financial Statements", on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions and unrealised profits/losses.

The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

c) Use of Estimates:

Preparation of financial statements in conformity with generally accepted accounting principles, requires estimates and assumption to be made, that



WANBURY HOLDING BV

NOTES FORMING PART OF THE ACCOUNTS

affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reported year. Actual results could differ from these estimates and differences between the actual results and estimates are recognized in the year in which results are known / materialized.

d) Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term Investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually at lower of cost and fair value.

Investments in foreign currency are stated at cost by converting at exchange rate prevailing, at the time of acquisition/ remittance.

e) Foreign Currency Transactions/Translation :

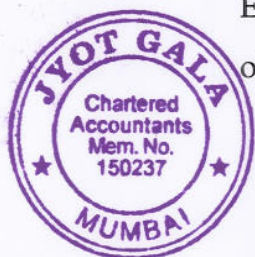
Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognised as income or expenses of the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date.

The resultant exchange differences are recognised in the statement of profit and loss.

Exchange difference on derivative contracts is recognised in the statement of profit and loss to the extent amount paid / payable under such



WANBURY HOLDING BV

NOTES FORMING PART OF THE ACCOUNTS

contracts during the year.

The financial statements of subsidiaries, whose operations are non-integral foreign operations for the Parent Company, have been translated to Indian Rupees on the following basis :

- i) All income and expenses are translated at the average rate of exchange prevailing during the year.
- ii) Monetary and Non-monetary assets and liabilities are translated at the closing rate on the Balance Sheet date.
- iii) The resulting exchange difference is accounted in 'Foreign Currency Translation Reserve'.

f) Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes to accounts. Contingent assets are neither recognised nor disclosed in the financial statements.



3 Share Capital

Particulars	As at 31 March 2015		As at 30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Authorised				
12,500 Preference shares of Euro 1000/-each	12,500.00	7,414.51	12,500.00	7,414.51
12,500 Ordinary shares of Euro 1000/-each	12,500.00	7,388.16	12,500.00	7,388.16
1000 Ordinary shares of Euro 60/- each				
	25,000.00	14,802.67	25,000.00	14,802.67
Issued, Subscribed and Paid-Up				
6,489 Ordinary Shares of Euro 1000 each.	6,489.00	3,849.02	6,489.00	3,849.02
4,511 Preference Shares of Euro 1000 each	4,511.00	2,666.24	4,511.00	2,666.24
Total	11,000.00	6,515.26	11,000.00	6,515.26

3.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	Ordinary Shares	Preference Shares	Ordinary Shares	Preference Shares
	31.03.2015		30.09.2014	
Shares outstanding at the beginning of the year	6,489	4,511	6,489	4,511
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	6,489	4,511	6,489	4,511

3.2 Details of Ordinary shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31 March 2015		As at 30 September 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Wanbury Limited India, the Holding Company	6,489	100.00%	6,489	100.00%

3.3 Details of Preference shareholders holding more than 5% shares in the company

Name of Shareholder	As at 31 March 2015		As at 30 September 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Export Import Bank of India	4,511	100.00%	4,511	100.00%

3.4 Terms/Right attached to equity shares

The Company has issued 6489 equity shares having a value of Euro 1000 per share and 4511 preference shares having a value of Euro 1000 per share.

4 Reserves & Surplus

Particulars	As at 31 March 2015		As at 30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
a. Exchange Fluctuation Reserve		(491.55)		(478.28)
b. Statutory Reserve	-	-	-	-
b. Surplus				
Profit(Loss) at the beginning of the year	(25,238.81)	(15,944.40)	(25,953.74)	(16,472.54)
Profit(Loss) for the current year	(0.06)	(0.04)	714.93	528.14
	(25,238.87)	(15,944.44)	(25,238.81)	(15,944.40)
Total	(25,238.87)	(16,435.99)	(25,238.81)	(16,422.68)



5 Trade Payables

Particulars	As at 31 March 2015		As at 30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Trade Payables	56.12	37.88	56.12	43.88
Total	56.12	37.88	56.12	43.88

6 Non Current Investments

Particulars	As at 31 March 2015		As at 30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Non Current Investments - At Cost				
Trade Investments				
Unquoted				
Investment in Equity instruments of Subsidiary				
1000 Shares of Euro 60 each of Cantabria Pharma SL, Spain fully paid up (900 shares pledged with ABN Amro Bank for loan given to Cantabria Pharma SL, Spain)	594.00	381.28	594.00	381.28
Less:- Provisions	594.00	381.28	594.00	381.28
Total	-	-	-	-

7 Long Term Loans & Advances

Particulars	As at 31 March 2015		As at 30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Unsecured				
Deposits	-	-	-	-
Profit Participative Loan given to Cantabria Pharma S L- Considered doubtful	23471.72	18356.29	23471.72	18356.29
Less:- Provision	23471.72	18356.29	23471.72	18356.29
	-	-	-	-
Prepayments to Exim Bank- Considered Good	179.34	121.08	179.34	140.26
	179.34	121.08	179.34	140.26

8 Cash and Bank Balances

Particulars	As at 31 March 2015		As at 30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Cash & Cash Equivalents				
Bank Balances:				
In Current Accounts	0.80	0.54	0.85	0.67
In Deposit Accounts	-	-	-	-
	0.80	0.54	0.85	0.67

9 Other Income

Particulars	31 March 2015		30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Miscellaneous Income	-	-	-	-
Write back on account of desubsidization (Refer Note 19)	-	-	785.01	579.91
	-	-	785.01	579.91

10 Other Expenses

Particulars	31 March 2015		30 September 2014	
	Thousand Euro	Rs in Lacs	Thousand Euro	Rs in Lacs
Legal & Professional Charges	-	-	69.04	51.00
Miscellaneous Expenses	-	-	1.04	0.77
	-	-	70.08	51.77



WANBURY HOLDING BV

NOTES FORMING PART OF THE ACCOUNTS

11. Consolidated Financial Statements present the consolidated accounts of Wanbury Holding BV, Netherlands ("the Parent Company") and the following Subsidiaries, (collectively referred as "the WHBV Group") :

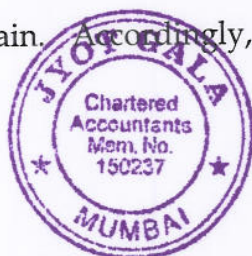
For the preceding financial period:

Name of the Company	Country of Incorporation	% of voting power held as at 30 Sep 2014	% of beneficial ownership held as at 30 Sep 2014
Cantabria Pharma S. L. (Wholly owned subsidiary of Wanbury Holding B. V.)	Spain	100%	100%
Laboratories Wanbury S. L. (Wholly owned subsidiary of Cantabria Pharma S. L.)	Spain	100%	100%

Cantabria Pharma S.L. (CP) has filed for voluntary insolvency in the Commercial Court of Madrid, Spain on 4 November 2013. As per the order of Commercial Court of Madrid, Spain, the Receiver has taken the control of CP on 26 February 2014. Consequently, Wanbury Holding BV, Netherland, the holding company, and Wanbury Limited, India, the ultimate holding company ceases to have control effective from aforesaid date as required by AS - 21 "Consolidated Financial Statements". Due to the non availability of consolidated financial statements of CP for the period 1 April 2013 to 26 February 2014, the same have not been incorporated in consolidated financial statement.

Further no statements of accounts for the period ending on 30 September 2014 have been received from the Receiver and hence, no effect has been given in the consolidated financial statements.

Consequent to the appointment of Receiver on 26 February 2014, Wanbury Holding BV ceased to have control over its wholly owned subsidiary, Cantabria Pharma S.L., Spain and step down subsidiary Laboratories Wanbury S.L., Spain. Accordingly, effect of desubsidarization has been given in the



WANBURY HOLDING BV

NOTES FORMING PART OF THE ACCOUNTS

consolidated financial statements and in respect of investment in and amounts recoverable from aforesaid subsidiaries have been fully provided for.

12. Contingent liabilities: Nil

13. Some of the balances of debtors, creditors, loans and advances are subject to confirmation/ reconciliation and adjustments, if any.

14. Remuneration to Statutory Auditor is ₹ Nil Lacs (Pr. Yr. ₹ Nil Lacs)).

15. Earning Per Share:

Calculation of basic and diluted earnings per share is as under:

Particulars	31.03.2015	30.09.2014
Profit/ (loss) after Tax - Thousand Euros	(0.06)	714.93
Profit/ (loss) after Tax - Rs. In Lacs	(0.04)	528.14
Weighted Average Number of Shares	6,489	6,489
Nominal value of Equity Shares in Euro	1000.00	1000.00
Earning /(Deficit) Per Share (Basic & Diluted) in Euro	(0.01)	110.18
Earning /(Deficit) Per Share (Basic & Diluted) in Rs.	(0.64)	8,139.02

16. Related Party Disclosure: (With whom the transactions have taken place)

A. Relationship:

Category 1: Holding Company:

- Wanbury Limited

B. Transactions carried out with related parties:

(Rs. In Lacs)



WANBURY HOLDING BV**NOTES FORMING PART OF THE ACCOUNTS**

Sr. No	Transactions	Related Party Relation	31.03.15	30.09.14
1)	Advance for Investment Received			
	Wanbury Limited	Holding Company	Nil	124.10 (Euro 1.53 Lacs)
2)	Loan transferred			
	Wanbury Limited	Holding Company	Nil	4,505.00 (Euro 54.42 Lacs)

C. Balances due from/to related parties:**(Rs. in Lacs)**

Sr. No.	Particulars	Related party Relation	31.03.15	30.09.14
1)	Share Application Money Received			
	Wanbury Limited	Holding Company	10,004.46 (Euro 143.63 Lacs)	10,004.46 (Euro 143.63 Lacs)

17. Net-worth of the WHBV Group as at 31 March 2015 is negative. The management is of opinion that operations of the company will continue without interruption. Hence, financial statements are prepared on a "going concern" basis.

18. Figures for the previous period have been recast and regrouped wherever necessary.

For Jyot Gala & Associates**Chartered Accountants**

Jyot Bhavesh Gala**Proprietor****Mumbai, 28th April, 2015****For Wanbury Holding BV**

Director