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Torrent Pharma France S.A.S.

Registered office: 15, rue Taitbout - 75009 Paris
Share capital: € 1

Statutory Auditor's report on the "IFRS financial statements"

Year ended 31 March 2018

To the President,

In our capacity as Statutory Auditor of Torrent Pharma France S.A.S. and in compliance with your request within the framework of the year closing of the Torrent Pharma Group, we have audited the accompanying balance sheet, profit & loss, cash flow and notes (the "IFRS financial statements"), of Torrent Pharma France S.A.S. for the year ended 31 March 2018.

The President is responsible for the preparation and fair presentation of these IFRS financial statements. Our responsibility is to express an opinion on these IFRS financial statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France and the professional doctrine of the French national auditing body (Compagnie nationale des commissaires aux comptes) related to this engagement; these standards require that we plan and perform the audit to obtain reasonable assurance whether the IFRS financial statements are free from material misstatement. An audit involves performing procedures, on a test basis or by other means of selection, to obtain audit evidence about the amounts and disclosures in the IFRS financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the IFRS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the IFRS financial statements present fairly, in all material respects, the financial position and assets and liabilities of Torrent Pharma France S.A.S. as of 31 March 2018, and of the results of its operations for the year then ended 31 March 2018 in accordance with International Financial Reporting Standards.

Without qualifying our opinion, we draw your attention to the matter set out in Note "Basis of preparation" to the financial statements regarding the going concern of the company.



Torrent Pharma France S.A.S.
Statutory Auditor's report on the "IFRS financial statements"
26 April 2018

This report is addressed to your attention in the context described above and is not to be used, circulated, quoted or otherwise referred to for any other purposes.

Schiltigheim, on the 26 April 2018

KPMG Audit
Département de KPMG S.A.

A handwritten signature in black ink, appearing to be 'P. Maire', enclosed within a hand-drawn oval.

Pascal Maire
Associé

Torrent Pharma France
Balance Sheet

	Notes	As at 31-Mar-2018 EUR	As at 31-Mar-2018 INR	As at 31-Mar-2017 EUR	Amt. in Lacs As at 31-Mar-2017 INR
ASSETS					
Non-current assets					
Financial assets					
Other financial assets	1	0.01	0.81	0.01	0.69
		<u>0.01</u>	<u>0.81</u>	<u>0.01</u>	<u>0.69</u>
Current assets					
Financial assets					
Cash and cash equivalents	3	0.37	29.83	0.66	45.70
Other financial assets	1	1.95	157.21	1.78	123.26
Other current assets	2	0.05	4.03	0.09	6.23
		<u>2.37</u>	<u>191.07</u>	<u>2.53</u>	<u>175.19</u>
TOTAL		<u>2.38</u>	<u>191.88</u>	<u>2.54</u>	<u>175.88</u>
EQUITY AND LIABILITIES					
Equity					
Equity share capital		-	-	-	-
Other equity	4	(3.11)	(250.74)	(3.11)	(215.36)
		<u>(3.11)</u>	<u>(250.74)</u>	<u>(3.11)</u>	<u>(215.36)</u>
Current liabilities					
Financial liabilities					
Trade payables		5.49	442.62	5.65	391.24
TOTAL		<u>2.38</u>	<u>191.88</u>	<u>2.54</u>	<u>175.88</u>

All monetary and non-monetary items in the balance sheet have been translated at closing rate of 1 Euro = Rs. 80.6222 (69.2476)

Torrent Pharma France
Statement of Profit and Loss

	Notes	Year Ended 31-Mar-2018 EUR	Year Ended 31-Mar-2018 INR	Year Ended 31-Mar-2017 EUR	Amt. in Lacs Year Ended 31-Mar-2017 INR
REVENUE					
Revenue from operations	5	0.17	13.71	1.78	123.26
Other income	6	0.03	2.42	27.11	1,877.30
Total Revenue		<u>0.20</u>	<u>16.13</u>	<u>28.89</u>	<u>2,000.56</u>
EXPENSES					
Finance costs	7	-	-	1.17	81.02
Depreciation, amortisation and impairment expense		-	-	22.25	1,540.76
Other expenses	8	0.20	16.12	0.47	32.55
Total Expenses		<u>0.20</u>	<u>16.12</u>	<u>23.89</u>	<u>1,654.33</u>
PROFIT BEFORE TAX		<u>-</u>	<u>0.01</u>	<u>5.00</u>	<u>346.23</u>
TAX EXPENSE		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET PROFIT FOR THE YEAR		<u>-</u>	<u>0.01</u>	<u>5.00</u>	<u>346.23</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>-</u>	<u>0.01</u>	<u>5.00</u>	<u>346.23</u>

Torrent Pharma France
Notes annexed to and forming part of the Financial Statements

	As at 31-Mar-2018 EUR	As at 31-Mar-2018 INR	As at 31-Mar-2017 EUR	Amt. in Lacs As at 31-Mar-2017 INR
NOTE - 1 : OTHER FINANCIAL ASSETS				
Non-current				
Security deposits	0.01	0.81	0.01	0.69
Current				
Other receivables	1.95	157.21	1.78	123.26
	<u>1.96</u>	<u>158.02</u>	<u>1.79</u>	<u>123.95</u>
NOTE - 2 : OTHER ASSETS				
Current				
Claims receivable : indirect tax				
Considered good	0.05	4.03	0.09	6.23
	<u>0.05</u>	<u>4.03</u>	<u>0.09</u>	<u>6.23</u>
NOTE - 3 : CASH AND CASH EQUIVALENTS				
Balances with banks	0.37	29.83	0.66	45.70
	<u>0.37</u>	<u>29.83</u>	<u>0.66</u>	<u>45.70</u>
NOTE - 4 : OTHER EQUITY				
Retained earnings	(3.11)	(250.74)	(3.11)	(215.36)
	<u>(3.11)</u>	<u>(250.74)</u>	<u>(3.11)</u>	<u>(215.36)</u>
	Year Ended 31-Mar-2018 EUR	Year Ended 31-Mar-2018 INR	Year Ended 31-Mar-2017 EUR	Amt. in Lacs Year Ended 31-Mar-2017 INR
NOTE - 5 : REVENUE FROM OPERATIONS				
Operating Income				
Other operating income	0.17	13.71	1.78	123.26
	<u>0.17</u>	<u>13.71</u>	<u>1.78</u>	<u>123.26</u>
NOTE - 6 : OTHER INCOME				
Other non-operating income	0.03	2.42	27.11	1,877.30
	<u>0.03</u>	<u>2.42</u>	<u>27.11</u>	<u>1,877.30</u>
NOTE - 7 : FINANCE COSTS				
Interest expense	-	-	1.17	81.02
	<u>-</u>	<u>-</u>	<u>1.17</u>	<u>81.02</u>
NOTE - 8 : OTHER EXPENSES				
Professional and legal fees	0.10	8.06	0.38	26.31
Auditors remuneration and expenses	0.07	5.64	0.06	4.15
General charges	0.03	2.42	0.03	2.08
	<u>0.20</u>	<u>16.12</u>	<u>0.47</u>	<u>32.54</u>