

ZYDUS WORLDWIDE DMCC

DMCC, DUBAI - UNITED ARAB EMIRATES

FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2018

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INDEPENDENT AUDITORS' REPORT

**THE SHAREHOLDERS,
ZYDUS WORLDWIDE DMCC
DMCC, DUBAI - UNITED ARAB EMIRATES.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial **ZYDUS WORLDWIDE DMCC, DMCC, DUBAI - UNITED ARAB EMIRATES**, the Company), which comprise the Statement of Financial Position as at 31st March 2018, and the Statement of Comprehensive Income, the Statement of Changes in equity and the statement of Cash Flows for the year then ended and Notes to the Financial Statements including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements and subject to the notes read thereon, present fairly, in all material respects, the financial position of the Company as at 31st March 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guaranteed that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in auditor's report to the related disclosures in the financial statements or, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are not aware of any contraventions during the period of applicable law which may have a material effect on the financial position of the company and the results of its operations for the year then ended.

For RAO & ROSS
Chartered Accountants



Authorized Signatory
Dated: 27th April 2018.



ZYDUS WORLDWIDE DMCC
Balance Sheet as at Mar 31, 2018

Particulars	Note No.	USD	
		As at	
		Mar 31, 2018	March 31, 2017
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	3 [A]	2,465,597	2,465,645
Capital work-in-progress		-	10,430,409
Goodwill	3 [B]	-	-
Other Intangible Assets	3 [B]	18,478,067	1,503,517
Financial Assets:			
Investments	4	132,572,769	130,422,769
Loans	5	7,361,780	4,737,926
		160,878,213	149,560,266
Current Assets:			
Financial Assets:			
Trade Receivables	6	11,730,503	9,169,050
Cash and Cash Equivalents	7	398,673	2,394,949
Other Current Assets	8	303,971	81,724
		12,433,147	11,645,723
Total		173,311,360	161,205,989
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	9	23,013,508	17,513,000
Other Equity	10	(27,202,651)	(3,880,345)
		(4,189,143)	13,632,655
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	11	29,145,000	11,195,000
Provisions	12	66,417	31,417
		29,211,417	11,226,417
Current Liabilities:			
Financial Liabilities:			
Borrowings	13	10,026,706	10,000,000
Trade Payables	14	21,162,382	6,264,000
Other Financial Liabilities	15	117,090,489	120,082,242
Other Current Liabilities	16	9,510	675
		148,289,086	135,346,917
Total		173,311,360	161,205,989

Significant Accounting Policies

As per our report of even date

For Rao & Ross

Chartered Accountants

Firm Registration Number: 106

Partner

Place : Dubai

Dated: 27th April 2018



For and on behalf of the Board

Jay Kothari
Jay Kothari
Director

Ketankumar Bhut
ketankumar Bhut
Director



ZYDUS WORLDWIDE DMCC
Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Note No.	USD	
		'Year ended	
		Mar 31, 2018	March 31, 2017
Revenue from Operations	17	15,909,693	9,169,050
Other Income	18	198,980	72,661
Total Income		16,108,673	9,241,711
EXPENSES:			
Purchases of Stock-in-Trade	19	15,490,904	3,535,540
Employee Benefits Expense	20	1,084,518	682,000
Finance Costs	21	3,153,290	1,151,000
Depreciation, Amortisation and Impairment expense	22	55,645	47,407
Other Expenses	23	19,646,623	6,728,000
Total Expenses		39,430,979	12,143,947
Profit before Exceptional items and Tax		(23,322,306)	(2,902,236)
Less : Exceptional Items		-	-
Profit before Tax		(23,322,306)	(2,902,236)
Less: Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Prior year's tax adjustments		-	-
Profit for the year		(23,322,306)	(2,902,236)
OTHER COMPREHENSIVE INCOME (OCI):			
Items that will not be reclassified to profit or loss:			
Re-measurement losses on post employment defined benefit plans		-	(5,000)
Other Comprehensive Income for the year		-	(5,000)
Total Comprehensive Income for the year		(23,322,306)	(2,907,236)
Basic & Diluted Earning per Equity Share [EPS]	24	(355.48)	(57.84)

As per our report of even date

For Rao & Ross
 Chartered Accountants
 Firm Registration Number: 106

[Signature]
 Partner
 Place : Dubai
 Dated: 27th April 2018



For and on behalf of the Board

[Signature]
 Jay Kothari
 Director

[Signature]
 Keelankumar Bhut
 Director



ZYDUS WORLDWIDE DMCC
Statement of Change in Equity for the period ended 31st March 2018

a Equity Share Capital:		
	No. of Shares	USD
Equity Shares of AED 1000/- each, Issued, Subscribed and Fully Paid-up:		
As at April 1, 2016	45,930	12,513,000
Issued during the year	18,350	5,000,000
As at March 31, 2017	64,280	17,513,000
Issued during the year	20,200	5,500,000
As at March 31, 2018	84,480	23,013,000
b Other Equity:		
	USD	USD
	Reserves and Surplus	Total
	Retained Earnings	
As at March 31, 2016	(973,000)	(973,000)
Add: Loss for the year	(2,902,345)	(2,902,345)
[Less]: Other Comprehensive income	(5,000)	(5,000)
Total Comprehensive Income	(2,907,345)	(2,907,345)
As at March 31, 2017	(3,880,345)	(3,880,345)
Add: Loss for the year	(23,322,306)	(23,322,306)
Add [Less]: Other Comprehensive income		
Total Comprehensive Income	(23,322,306)	(23,322,306)
As at March 31, 2018	(27,202,651)	(27,202,651)

As per our report of even date
For Rao & Ross
Chartered Accountants
Firm Registration Number: 106

For and on behalf of the Board

Partner
Place : Dubai
Dated: 27th April 2018



Jay Kothari
Jay Kothari
Director

Ketan Kumar Bhut
Ketan Kumar Bhut
Director



Zydus Worldwide DMCC
Cash Flow Statement for the year ended

Particulars	USD	
	Year Ended	
	Mar 31, 2018	Mar 31, 2017
A Cash flows from operating activities:		
Profit [Loss] before tax	(23,322,306)	(2,902,236)
Adjustments for:		
Depreciation, Impairment and Amortisation expenses	55,645	47,407
Interest income	(154,133)	(40,120)
Interest expenses	3,046,192	286,000
Provisions for employee benefits	35,417	6,492
Total	2,983,121	299,779
Operating profit before working capital changes	(20,339,186)	(2,602,457)
Adjustments for:		
Decrease/ [Increase] in trade receivables	(2,552,993)	(9,168,000)
Decrease/ [Increase] in other current assets	741	10,276
Increase/ [Decrease] in trade payables	14,669,394	5,977,000
Increase/ [Decrease] in other current liabilities	1,508,192	128,000
Total	13,625,334	(3,052,724)
Net cash from [used] operating activities	(6,713,852)	(5,655,181)
B Cash flows from investing activities:		
Purchase of Property, Plant and Equipments	(6,596,553)	(10,422,000)
Purchase of Non Current investments	(2,150,000)	(122,408,769)
Advances to subsidiaries	(2,641,709)	(3,575,000)
Repayment of advances by subsidiary companies/ a joint venture company	(13,071)	-
Interest received	185,133	23,000
Net cash used [from] in investing activities	(11,216,201)	(136,382,769)
C Cash flows from financing activities:		
Proceeds from Issuance of Share Capital	5,500,000	5,000,000
Proceeds from Long Term Borrowings	13,450,296	127,845,000
Short Term Borrowings [Net]	26,706	10,000,000
Interest paid	(3,046,192)	(366,000)
Net cash used [from] in financing activities	15,930,811	142,479,000
Net increase in cash and cash equivalents	(1,999,244)	440,997
Cash and cash equivalents at the beginning of the year	2,394,997	1,954,000
Cash and cash equivalents at the end of the year	398,674	2,394,997

Notes to the Cash Flow Statement

- 1 All figures in brackets are outflows.
- 2 Previous year's figures have been regrouped wherever necessary.

As per our report of even date

For Rao & Ross

Chartered Accountants

Firm Registration Number: 106

Partner

Place : Dubai

Dated: 27th April 2018



For and on behalf of the Board

Jay Kothari
Director

Ketan Kumar Bhut
Director



Zydus Worldwide DMCC

I-Company overview:

Description of Business:

Zydus Worldwide DMCC is formed as a company with Limited Liability and under the provisions of law no. (4) Of 2001 in respect of establishing Dubai Multi Commodities Center [DMCC], Dubai (U.A.E.) vide Registration no. DMCC5173, with Limited Liability. The company is licensed to perform activities such as - Pharmaceutical researches and studies, Marketing Management, Trading in pharmaceutical products (outside UAE), Investment in commercial enterprise and management, as per the licenses granted by DMCC vide License No. DMCC – 34079, 34080, 34081, 34082.

II-Significant Accounting Policies:

A The following note provides list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1 Basis of Accounting:

- A** The financial statements of the Company are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with Indian Accounting Standards [Ind AS]
- B** The financial statements have been prepared on historical cost basis

2 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the consolidated financial statements.

a Property Plant & Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

Management reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

b Impairment of assets and investments:

Significant judgment is involved in determining the estimated future cash flows from the investments, Property, plant and equipment and Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.

3 Property Plant & Equipment

- a** Property Plant & Equipment are stated at historical cost less accumulated depreciation and impairment loss.
- b** Cost of each asset is depreciated over the estimated useful lives on straight line method, based on useful lives as below:

Assets	Useful life
Building	60 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years

- c** Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognised separately as independent items and are depreciated over their estimated economic useful lives.
- d** Tangible fixed assets are depreciated over the estimated useful life which is periodically reviewed to ensure that the method and the period of depreciation are consistent with the expected pattern of economic benefit
- e** Repairs and renewals are recognised in profit or loss when the expenditure incurred.

4 Impairment

The Property, Plant and Equipment and Intangible assets are tested for Impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets [cash generating units]. Non-financial assets that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

5 Employee Benefits

Short term Obligations :

Liabilities for wages and salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current.



6 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and is shown net of returns, trade allowances, rebates, value added taxes and volume discounts.

The specific recognition criteria described below must also be met before revenue is recognised.

a Sale of Goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

The goods are often sold with volume discounts/pricing incentives and customers have a right to return damaged or expired products. Revenue from sales is based on the price in the sales contracts/MRP, net of discounts. Historical experience is used to estimate and provide for damage or expiry claims.

No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

b Interest Income:

For all debt instruments measured at amortised cost interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

c Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

7 Foreign Currency [Currency other than company's functional currency] Transactions:

Foreign currency transactions are recorded in USD at rate of exchange prevailing on the date of transactions. Foreign currency balances of monetary assets and liabilities are translated to USD at the rate of exchange prevailing at the date of the reporting date. Gains or losses on exchange are recognised in statement of profit and loss.

8 Provisions, Contingent Liabilities and Contingent Assets:

a Provision is recognised when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised in the financial statements.

b If the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

9 Borrowing Cost:

a Borrowing costs consists of Interest and other borrowing cost that are incurred in connection with the borrowing of the funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per EIR method. Borrowing costs also include exchange differences, if any, to the extent as an adjustment to the borrowing costs.

10 Intangible Assets:

A Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

B Trade Marks, Technical Know-how Fees and other similar rights are amortised over their estimated useful life.

C Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life of four years as estimated by the management at the time of capitalisation.

D Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

E An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of profit and loss when the asset is derecognised.

11 Research and Development Cost:

A Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

B Capital expenditure on research and development is given the same treatment as Property, Plant and Equipment.

12 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

13 Going Concern:

The Financial Statements have been prepared on a going concern basis. The management made a review of the going concern assessment and considered the same. The management believes that, on the date of report, establishment has sufficient financial resources to meet the committed financial liabilities and therefore the financial statements for the current reporting period are prepared on a going concern basis.

14 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits [consolidation of shares] that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



Zydus Worldwide DMCC

Notes to the Financial Statements

Note: 3 : Property, Plant & Equipment and Intangible Assets:

(A) Property, Plant and Equipment:

	Buildings	Furniture and Fixtures	Office Equipment	Total
Gross Block:				
As at March 31, 2016	2,495,108	31,229	30,902	2,557,239
Additions	-	-	4,000	4,000
Disposals	-	-	-	-
Other adjustments	-	-	-	-
As at March 31, 2017	2,495,108	31,229	34,902	2,561,239
Additions	-	39,369	9,117	48,486
Disposals	-	-	-	-
Other adjustments	-	-	-	-
As at March 31, 2018	2,495,108	70,598	44,019	2,609,725
Depreciation and Impairment:				
at March 31, 2016	38,000	1,000	6,000	45,000
Depreciation for the year	39,000	1,000	7,000	47,000
Impairment for the year	-	-	-	-
at March 31, 2017	77,000	2,000	13,000	92,000
Depreciation for the year	46,458	674	4,996	52,128
Impairment for the year	-	-	-	-
at March 31, 2018	123,458	2,674	17,996	144,128
Net Block:				
As at April 1, 2016	2,457,108	30,229	24,902	2,512,239
As at March 31, 2017	2,418,108	29,229	21,902	2,465,645
As at March 31, 2018	2,371,650	67,924	26,023	2,465,597

(B) Intangible Assets:

	Computer Software	Commercial Rights	Total
Gross Block:			
As at March 31, 2016	4,924	-	4,924
Additions	-	-	-
Disposals	-	-	-
Other adjustments	-	-	-
As at March 31, 2017	4,924	1,500,000	1,504,924
Additions	-	16,978,067	16,978,067
Disposals	-	-	-
Other adjustments	-	-	-
As at March 31, 2018	4,924	18,478,067	18,482,991
Amortisation and Impairment:			
As at March 31, 2016	1,000	-	1,000
Amortisation for the year	407	-	407
Disposals	-	-	-
Other adjustments	-	-	-
As at March 31, 2017	1,407	-	1,407
Amortisation for the year	3,517	-	3,517
Disposals	-	-	-
Other adjustments	-	-	-
As at March 31, 2018	4,924	-	4,924
Net Block:			
As at March 31, 2016	3,924	-	3,924
As at March 31, 2017	3,517	1,500,000	1,503,517
As at March 31, 2018	-	18,478,067	18,478,067



ZYDUS WORLDWIDE DMCC
Notes to the Financial Statements

	Face Value [*]	Nos. [**]	USD	
			As at	
			Mar 31, 2018	March 31, 2017
Note: 4-Investments [Non-Current]:				
Investments in Subsidiaries and Joint Ventures:				
Investments in Equity Instruments			123,604,343	123,604,343
Investment in Share application money - Alidac Healthcare (Myanmar) Limited,			2,150,000	-
Investments in Preference Shares			6,818,426	6,818,426
Details of Investments :			132,572,769	130,422,769
A Details of Investments in Subsidiaries and Joint Ventures:				
Investment in Equity Instruments [Valued at cost]:				
Subsidiary Companies [Unquoted]:				
In fully paid-up equity shares of:				
Zydus Netherlands BV, Netherlands	€ 100.00	855,804	92,362,741	92,362,741
Zydus France , SAS , France	€ 4.00	1,944,134	9,835,746	9,835,746
ETNA Bio Tech - ITALY	€ 100.00	900	107,925	107,925
Alidac Healthcare (Myanmar) Limited, Myanmar	MMK 1000	4,112,500	7,580,030	7,580,030
Zydus Healthcare SA (Pty.) Limited, South Africa	With No Par Value	57,704,149	5,704,277	5,704,277
Zydus Discovery DMCC, Dubai	AED 1000	29,410	8,013,623	8,013,623
Redeemable Preference Shares [Valued at cost]:			123,604,343	123,604,343
Subsidiary Companies:				
Zydus Healthcare SA (Pty.) Limited, South Africa	With No Par Value	5877000	6,818,426	6,818,426
Total [Aggregate Book Value of Investments]			132,572,769	130,422,769
B a Aggregate book value of unquoted investments			132,572,769	130,422,769
C Explanations:				
a In "Face Value [*]", figures in US \$ unless stated otherwise.				
b In "Nos. [**]" figures of previous year are same unless stated in [].				
Note: 5-Loans:				
[Unsecured, Considered Good unless otherwise stated]				
Loans and Advances to Related Parties [*]			7,361,780	4,737,926
Total			7,361,780	4,737,926
[*] Details of Loans and Advances to related parties are as under:				
Name of the party and relationship with the party to whom loan given:				
Subsidiary Company:				
a Zydus Discovery DMCCC			7,293,286	4,737,926
b Zydus Netherland B.V.			68,495	-
Notes:				
a All the above loans have been given for business purposes.				
b All the loans are interest bearing .				
c All the above loans are repayable within a period of 1 to 5 years.				
Note: 6-Trade Receivables:				
Unsecured - Considered good			11,730,503	9,169,050
Total			11,730,503	9,169,050
Note: 7-Cash and Cash Equivalents:				
Balances with Banks			394,193	2,392,461
Cash on Hand			4,481	2,488
Total			398,673	2,394,949



ZYDUS WORLDWIDE DMCC
Notes to the Financial Statements

	USD			
	As at			
	Mar 31, 2018	March 31, 2017		
Note: 8-Other Current Assets:				
[Unsecured, Considered Good]				
Other Advances	2,870	29,000		
Rent Receivable	-	42,000		
Income Receivables	257,988			
Balances with Statutory Authorities	22,144	10,724		
Prepaid Expenses	20,969	-		
Total	303,971	81,724		
Note: 9-Equity Share Capital:				
Authorised:				
84480 Equity Shares [as at 31-Mar-2017: 64280] Equity Shares of 1000 AED /- each	23,013,508	17,513,000		
	23,013,508	17,513,000		
Issued, Subscribed and Paid-up:				
84480 Equity Shares [as at 30-Mar-2017: 64280] Equity Shares of 1000 AED /- each	23,013,508	17,513,000		
Total	23,013,508	17,513,000		
A The reconciliation in number of shares is as under:				
Number of shares at the beginning of the year	64,280	45,930		
Add: Issued during the year	20,200	18,350		
Number of shares at the end of the year	84,480	64,280		
Note: 10-Other Equity:				
Retained Earnings:				
Balance as per last Balance Sheet	(3,880,345)	(973,000)		
Add: Loss for the year	(23,322,306)	(2,902,345)		
	(27,202,651)	(3,875,345)		
Less: Items of other Comprehensive income recognised directly in Retained Earnings:				
Re-measurement gains/ [losses] on defined benefit plans [net of tax]	-	(5,000)		
Balance as at the end of the year	(27,202,651)	(3,880,345)		
Total	(27,202,651)	(3,880,345)		
Note: 11-Borrowings:				
	USD			
	Non-current portion		Current Maturities	
	As at		As at	
	Mar 31, 2018	March 31, 2017	Mar 31, 2018	March 31, 2017
A Unsecured loan [From Related Party]				
Unsecured	29,145,000	11,195,000	115,450,296	119,950,296
Total	29,145,000	11,195,000	115,450,296	119,950,296
The above amount includes:				
Zydus International Private Limited	29,145,000	11,195,000		
The Loan is bearing interest of 6 month USD libor plus 75 bps. The tenure of the loan shall be 3 years from the disbursement date, which can be further renewed on yearly basis however the total tenure of the loan shall not exceed 5 years from the date of first disbursement.				
Cadila Healthcare Limited			115,450,296	119,950,296
The Loan was bearing interest of 6 month USD libor plus 50 bps. During the year, the Company had repaid the loan in full.				
Net amount	29,145,000	11,195,000	115,450,296	119,950,296



ZYDUS WORLDWIDE DMCC
Notes to the Financial Statements

	USD	
	As at	
	Mar 31, 2018	March 31, 2017
Note: 12-Provisions:		
Provision for Employee Benefits	66,417	31,417
Total	66,417	31,417
Note: Provisions:		
Provision for Employee Benefits	66,000	31,000
Total	-	-
a The movement in such provision is stated as under:		
i Carrying amount at the beginning of the year	31,417	12,000
ii Additional provision made during the year	35,000	19,417
iii Amount used	-	-
iv Carrying amount at the end of the year	66,417	31,417
Note: 13-Borrowings:		
Securities and Interest for secured loans		
Working Capital Loans from Banks [Unsecured] from BNP Paribas, UAE	10,026,706	10,000,000
Total	10,026,706	10,000,000
The Loan is bearing interest at rate of 80 bps over the USD 1 Month LIBOR.		
Note: 14-Trade Payables:		
Trade Payable	21,162,382	6,264,000
Total	21,162,382	6,264,000
Note: 15-Other Financial Liabilities:		
Current Maturity of Long term borrowing	115,450,296	119,950,296
Interest accrued but not due on borrowing	1,478,507	131,945
Accrued Expenses	161,685	-
Total	117,090,489	120,082,242
Note: 16-Other Current Liabilities:		
Other Current Liabilities	9,510	675
Total	9,510	675
	USD	
	Period/ Year ended	
	Mar 31, 2018	March 31, 2017
Note: 17-Revenue from Operations:		
Sale of Products	15,524,063	9,169,050
Other Operating Revenues:		
Net Gain on foreign currency transactions and translation [*]	385,630	-
Total	15,909,693	9,169,050
Note: 18-Other Income:		
Finance Income:		
Interest Income on Financial Assets measured at Amortised Cost	154,133	40,120
Other Non-operating Income	44,847	32,541
Total	198,980	72,661



ZYDUS WORLDWIDE DMCC
Notes to the Financial Statements

	USD		
	Period/ Year ended		
	Mar 31, 2018	March 31, 2017	
Note: 19-Purchases of Stock-in-Trade:			
Purchases of Stock-in-Trade	15,490,904	3,535,540	
Total	15,490,904	3,535,540	
Note: 20-Employee Benefits Expense:			
Salaries and wages	1,008,751	613,530	
Contribution to provident and other funds	26,998	11,000	
Staff welfare expenses	48,769	57,470	
Total	1,084,518	682,000	
Note: 21-Finance Cost:			
Interest expense [*]	3,046,192	286,000	
Net Loss on foreign currency transactions and translation	94,228	862,000	
Bank commission & charges	12,870	3,000	
Total	3,153,290	1,151,000	
[*] The break up of interest expense into major heads is given below:			
On term loans	2,837,885	187,000	
On working capital loans	208,306	99,000	
Others	-	-	
Total	3,046,192	286,000	
Note: 22-Depreciation			
Depreciation, Amortisation and Impairment expenses:			
Depreciation	52,128	47,000	
Amortisation	3,517	407	
Total	55,645	47,407	
Note: 23-Other Expenses:			
Power & fuel	6,545	12,000	
Repairs to Buildings	20,954	25,000	
Repairs to Plant and Machinery	-	-	
Repairs to Others	13,271	-	
Insurance	41,528	31,000	
Rates and Taxes [excluding taxes on income]	50,535	16,000	
Traveling Expenses	93,247	63,000	
Legal and Professional Fees	382,676	190,000	
Commission on sales	1,584,660	1,389,000	
Freight and forwarding on sales	-	28,000	
Other marketing expenses	1,040,630	769,380	
Miscellaneous Expenses [***]	16,412,579	4,204,620	
Total	19,646,623	6,728,000	
[***] Above expenses includes Research related expenses as follows:			
Product Development Expense	16,296,984	4,113,000	
Note: 24-Calculation of Earnings per Equity Share [EPS]:			
The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
A Profit attributable to Shareholders	USD	(23,322,306)	(2,902,236)
B Basic and weighted average number of Equity shares outstanding during the year	Numbers	65,608	50,178
C Nominal value of equity share	USD	272	272
D Basic & Diluted EPS	USD	(355.48)	(57.84)



ZYDUS WORLDWIDE DMCC
Notes to the Financial Statements

Note: 25-Segment Information:

The Chief operating Decision maker [CODM] reviews the Company as a single segment namely "Pharmaceutical Segment"
Therefore the segment reporting is not required.

Note: 26-Related Party Transactions:

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

<p>a Holding Company :</p>	Cadila Healthcare Limited
<p>b Subsidiary Company:</p>	
Zydus Discovery DMCC [Dubai]	Alidac Healthcare (Myanmar) Limited [Myanmar]
Zydus Netherlands B.V. [the Netherlands]	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
Zydus France, SAS [France]	Etna Biotech S.R.L. [Italy]
<p>c Fellow Subsidiaries :</p>	
Dialforhealth India Limited	Laboratorios Combig S.L. [Spain]
Dialforhealth Unity Limited	Zydus Noveltch Inc. [USA]
Dialforhealth Greencross Limited	Hercon Pharmaceuticals LLC [USA]
Zydus Wellness Limited	Simayla Pharmaceuticals (Pty) Ltd [South Africa]
M/s. Zydus Wellness-Sikkim, a Partnership Firm	Script Management Services (Pty) Ltd [South Africa]
Zydus Healthcare Limited	Zydus Pharmaceuticals Mexico SA De CV [Mexico]
Zydus Technologies Limited	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
Liva Pharmaceuticals Limited	ZAHL B.V. [the Netherlands]
Alidac Pharmaceuticals Limited	ZAHL Europe B.V. [the Netherlands]
Sentyln Therapeutics Inc. [USA]	Bremer Pharma GmbH [Germany]
Nesher Pharmaceuticals (USA) LLC [USA]	Zydus International Private Limited [Ireland]
Zydus Healthcare (USA) LLC [USA]	Zydus Lanka (Private) Limited [Sri Lanka]
Zydus Pharmaceuticals (USA) Inc. [USA]	Zydus Nikkho Farmaceutica Ltda. [Brazil]
Zydus Healthcare Philippines Inc. [Philippines]	Violio Healthcare Limited
Acme Pharmaceuticals Private Limited	
<p>d Directors :</p>	
Mr. Jay Kothari	Dr. Sharvil P. Patel (with effect from 17th Mar 2017)
Mr. Ketankumar Bhut	Mr. Joseph Renner (with effect from 17th Mar 2017)
Dr. Vimal Sanghavi	Mr. Aditya Nawab (with effect from 17th Mar 2017)
Mr. Pradeep Agihotri	



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 parties referred to in Note 26-A [a, b, c, & d]

Nature of Transactions	USD	
	As at	
	Mar 31, 2018	March 31, 2017
Purchases:		
Goods:		
Cadila Healthcare Limited	4,772,185	2,541,000
Services:		
Zydus Discovery DMCC (Rent)	-	32,541
Cadila healthcare Limited (Royalty)	497,489	427,000
Alidac Pharmaceuticals Limited - CMO Service	746,929	298,000
Zydus Pharmaceuticals (USA) Inc - Product Liability Insurance	18,564	-
Cadila healthcare Limited - Lab Development Service	3,438,005	-
Sales:		
Goods:		
Zydus Pharmaceuticals (USA) Inc	5,042,906	436,000
Services:		
Director Fees	12,263	2,000
Investments:		
Purchases/ Subscription to Share		
Capital:		
Zydus Netherlands BV, Netherlands	-	92,362,741
Zydus France, SAS, France	-	9,835,746
ETNA Bio Tech - ITALY	-	107,925
Alidac Healthcare (Myanmar) Limited, Myanmar	2,150,000	7,580,030
Zydus Healthcare SA (Pty.) Limited, South Africa	-	12,522,794
Finance: - Share Capital Subscription		
Cadila Healthcare Limited	5,500,000	5,000,000
Finance:		
Inter Corporate Loans given/(Received)		
Zydus Discovery DMCC (Loan given)	2,500,000	3,582,000
Zydus International Pvt Ltd (Loan recd)	(17,950,000)	(7,895,000)
Cadila Healthcare Limited (Loan recd)	4,500,000	(11,995,000)
Deposit to Cadila healthcare Limited	250,000	-
Finance:		
Inter Corporate Loans (repaid):		
Zydus Discovery DMCC	(13,071)	-
Interest Received / (Paid):		
Zydus International Pvt. Ltd.	(598,848)	(156,000)
Cadila Healthcare Limited	(2,239,038)	(30,000)
Zydus Discovery DMCC	153,173	40,120
ZNBV, Netherland	960	-
Outstanding:		
Payable: (Loan Outstanding)		
Zydus International Pvt. Ltd. (Loan)	29,145,000	11,195,000
Cadila Healthcare Limited (Loan)	115,450,296	119,950,000
Payable: (Other)		
Zydus International Pvt. Ltd. - Interest	336,821	102,000
Alidac Pharmaceuticals Ltd - Import of Service	346,882	152,000
Cadila healthcare Limited - Royalty	777,839	426,809
Cadila healthcare Limited - Interest	1,141,686	30,441
Cadila healthcare Limited - Import of Goods	4,772,185	2,541,458
Cadila healthcare Limited - Lab Development	3,438,005	-
Receivable:		
Zydus Discovery DMCC - Loan	5,400,000	4,780,000
ZNBV, Netherland - Loan	67,535	-
Zydus Discovery DMCC - Interest	93,285	242,000
ZNBV, Netherland - Interest	521	-
Zydus Pharmaceuticals USA Inc	141,956	436,000
Deposit with Cadila healthcare Limited	250,000	-



