

**Torrent Pharma Philippines Inc.**  
**Balance Sheet**

	Notes	As at 31-Mar-2017 PHP	As at 31-Mar-2017 INR	As at 31-Mar-2016 PHP	Amt. in Lacs As at 31-Mar-2016 INR
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	1	76.96	99.42	74.41	107.05
Financial assets					
Other financial assets	2	4.74	6.12	4.74	6.82
Deferred tax assets (net)		713.12	921.21	332.84	478.82
		<u>794.82</u>	<u>1,026.75</u>	411.99	592.69
<b>Current assets</b>					
Inventories	4	1,468.32	1,896.78	813.15	1,169.80
Financial assets					
Trade receivables	5	2,942.31	3,800.88	2,620.73	3,770.18
Cash and cash equivalents	6	1,375.82	1,777.28	542.93	781.06
Other financial assets	2	24.01	31.02	23.17	33.33
		<u>4,342.14</u>	<u>5,609.18</u>	3,186.83	4,584.57
Other current assets	3	211.26	272.91	272.90	392.59
		<u>6,021.72</u>	<u>7,778.86</u>	4,272.88	6,146.97
<b>TOTAL</b>		<u><u>6,816.54</u></u>	<u><u>8,805.61</u></u>	<u>4,684.87</u>	<u>6,739.65</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Equity share capital	7	385.46	497.94	385.46	554.52
Other equity	8	1,381.28	1,784.34	487.22	700.92
		<u>1,766.74</u>	<u>2,282.27</u>	872.68	1,255.44
<b>Non-current liabilities</b>					
Financial liabilities					
Long-term provisions	10	341.90	441.67	240.29	345.68
		<u>341.90</u>	<u>441.67</u>	240.29	345.68
<b>Current liabilities</b>					
Financial liabilities					
Trade payables		3,767.25	4,866.54	2,755.25	3,963.69
Other financial liabilities	9	78.85	101.86	170.25	244.92
		<u>3,846.10</u>	<u>4,968.40</u>	2,925.50	4,208.61
Other current liabilities	11	119.23	154.02	116.05	166.95
Short-term provisions	10	352.06	454.79	389.05	559.69
Liabilities for current tax (net)		390.51	504.46	141.30	203.27
		<u>4,707.90</u>	<u>6,081.67</u>	3,571.90	5,138.53
<b>TOTAL</b>		<u><u>6,816.54</u></u>	<u><u>8,805.61</u></u>	<u>4,684.87</u>	<u>6,739.65</u>

All monetary and non-monetary items in the balance sheet have been translated at closing rate of 1 Pesos = Rs. 1.2918 (Rs. 1.4386)

**Torrent Pharma Philippines Inc.**  
**Statement of Profit and Loss**

	Notes	Year Ended 31-Mar-2017 PHP	Year Ended 31-Mar-2017 INR	Year Ended 31-Mar-2016 PHP	Amt. in Lacs Year Ended 31-Mar-2016 INR
<b>REVENUE</b>					
Revenue from operations	12	7,647.08	9,878.50	6,717.77	9,664.18
Other income	13	1.59	2.05	2.54	3.65
<b>Total Revenue</b>		<b>7,648.67</b>	<b>9,880.55</b>	<b>6,720.31</b>	<b>9,667.84</b>
<b>EXPENSES</b>					
Purchases of stock-in-trade		3,554.13	4,591.23	2,319.83	3,337.31
Changes in inventories of finished goods, work-in-progress and stock-in-trade	14	(655.17)	(846.35)	(152.11)	(218.83)
Employee benefits expense	15	1,089.15	1,406.96	1,004.60	1,445.22
Finance costs	16	21.78	28.14	21.08	30.33
Depreciation, amortisation and impairment expense		16.89	21.82	2.70	3.88
Other expenses	17	2,330.33	3,010.32	2,157.51	3,103.79
<b>Total Expenses</b>		<b>6,357.11</b>	<b>8,212.11</b>	<b>5,353.61</b>	<b>7,701.70</b>
<b>PROFIT BEFORE TAX</b>		<b>1,291.56</b>	<b>1,668.44</b>	<b>1,366.70</b>	<b>1,966.14</b>
<b>TAX EXPENSE</b>					
Current tax		777.04	1,003.78	380.47	547.34
Deferred tax charge / (credit)		(380.06)	(490.96)	26.97	38.80
		<b>396.98</b>	<b>512.82</b>	<b>407.44</b>	<b>586.14</b>
<b>NET PROFIT FOR THE YEAR</b>		<b>894.58</b>	<b>1,155.62</b>	<b>959.26</b>	<b>1,379.99</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that will not be reclassified to profit or loss					
Remeasurement of the defined benefit plans		(0.74)	(0.96)	30.97	44.55
Income tax relating to items that will not be reclassified to profit or loss					
Remeasurement of the defined benefit plans		0.22	0.28	(9.29)	(13.36)
<b>Total</b>		<b>(0.52)</b>	<b>(0.67)</b>	<b>21.68</b>	<b>31.19</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>894.06</b>	<b>1,154.95</b>	<b>980.94</b>	<b>1,411.18</b>

**Torrent Pharma Philippines Inc.**  
**Notes forming part of the Financial Statements**

	As at 31-Mar-2017 PHP	As at 31-Mar-2017 INR	As at 31-Mar-2016 PHP	Amt. in Lacs As at 31-Mar-2016 INR
<b>NOTE - 2 : OTHER FINANCIAL ASSETS</b>				
<b>Non-current</b>				
Security deposits	4.74	6.12	4.74	6.82
<b>Current</b>				
Security deposits	16.35	21.12	20.18	29.03
Other receivables	7.66	9.90	2.99	4.30
	<u>24.01</u>	<u>31.02</u>	<u>23.17</u>	<u>33.33</u>
	<u>28.75</u>	<u>37.14</u>	<u>27.91</u>	<u>40.15</u>
<b>NOTE - 3 : OTHER ASSETS</b>				
<b>Current</b>				
Claims receivable : indirect tax / insurance				
Considered good	67.58	87.30	24.44	35.16
Employees advances	20.26	26.17	137.36	197.61
Prepaid expenses	123.42	159.43	111.10	159.83
	<u>211.26</u>	<u>272.91</u>	<u>272.90</u>	<u>392.59</u>
<b>NOTE - 4 : INVENTORIES</b>				
[At lower of cost and net realisable value]				
Finished goods	1,468.32	1,896.78	813.15	1,169.80
	<u>1,468.32</u>	<u>1,896.78</u>	<u>813.15</u>	<u>1,169.80</u>
<b>NOTE - 5 : TRADE RECEIVABLES</b>				
Considered good	2,942.31	3,800.88	2,620.73	3,770.18
	<u>2,942.31</u>	<u>3,800.88</u>	<u>2,620.73</u>	<u>3,770.18</u>
<b>NOTE - 6 : CASH AND CASH EQUIVALENTS</b>				
Cash on hand	6.02	7.78	6.44	9.26
Balances with banks	1,369.80	1,769.51	536.49	771.79
	<u>1,375.82</u>	<u>1,777.28</u>	<u>542.93</u>	<u>781.06</u>
<b>NOTE - 7 : SHARE CAPITAL</b>				
Subscribed and paid-up	385.46	497.94	385.46	554.52
	<u>385.46</u>	<u>497.94</u>	<u>385.46</u>	<u>554.52</u>
<b>NOTE - 8 : OTHER EQUITY</b>				
Retained earnings				
Balance as per last balance sheet	487.22	629.39	(493.72)	(710.27)
Net profit for the year	894.58	1,155.62	959.26	1,379.99
Other comprehensive income	(0.52)	(0.67)	21.68	31.19
Closing balance	<u>1,381.28</u>	<u>1,784.34</u>	<u>487.22</u>	<u>700.92</u>

Torrent Pharma Philippines Inc.

	As at 31-Mar-2017 PHP	As at 31-Mar-2017 INR	As at 31-Mar-2016 PHP	Amt. in Lacs As at 31-Mar-2016 INR
<b>NOTE - 9 : OTHER FINANCIAL LIABILITIES</b>				
<b>Current</b>				
Interest accrued but not due on borrowings	22.59	29.18	24.06	34.61
Creditors for capital goods	0.83	1.07	0.10	0.14
Payables for employee benefits	52.32	67.59	46.34	66.66
Derivative financial instruments	0.18	0.23	26.78	38.53
Other payables	2.93	3.78	72.97	104.97
	<u>78.85</u>	<u>101.86</u>	<u>170.25</u>	<u>244.92</u>
<b>NOTE - 10 : PROVISIONS</b>				
<b>Long-term</b>				
Provision for retirement benefits	193.36	249.78	152.85	219.89
Provision for sales returns	148.54	191.88	87.44	125.79
	<u>341.90</u>	<u>441.67</u>	<u>240.29</u>	<u>345.68</u>
<b>Short-term</b>				
Provision for sales returns	352.06	454.79	389.05	559.69
	<u>693.96</u>	<u>896.46</u>	<u>629.34</u>	<u>905.37</u>
<b>NOTE - 11 : OTHER LIABILITIES</b>				
<b>Current</b>				
Payables to statutory and other authorities	21.21	27.40	24.26	34.90
Other Payables	98.02	126.62	91.79	132.05
	<u>119.23</u>	<u>154.02</u>	<u>116.05</u>	<u>166.95</u>

**Torrent Pharma Philippines Inc.**

	Year Ended 31-Mar-2017	Year Ended 31-Mar-2017	Year Ended 31-Mar-2016	Amt. in Lacs Year Ended 31-Mar-2016
	PHP	INR	PHP	INR
<b>NOTE - 12 : REVENUE FROM OPERATIONS</b>				
<b>Sales</b>				
Sales outside India	7,647.08	9,878.50	6,717.77	9,664.18
	<u>7,647.08</u>	<u>9,878.50</u>	<u>6,717.77</u>	<u>9,664.18</u>
<b>NOTE - 13 : OTHER INCOME</b>				
Interest income	1.59	2.05	1.19	1.71
Profit on sale of fixed assets	-	-	1.35	1.94
	<u>1.59</u>	<u>2.05</u>	<u>2.54</u>	<u>3.65</u>
<b>NOTE - 14 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>				
Opening stocks				
Finished goods	813.15	1,050.43	661.04	950.97
Less : Closing stocks				
Finished goods	1,468.32	1,896.78	813.15	1,169.80
Net (increase) / decrease in stock	<u>(655.17)</u>	<u>(846.35)</u>	<u>(152.11)</u>	<u>(218.83)</u>
<b>NOTE - 15 : EMPLOYEE BENEFITS EXPENSE</b>				
Salaries, wages and bonus	968.61	1,251.25	886.59	1,275.45
Contribution to provident and other funds	37.65	48.64	34.16	49.14
Retirement benefit cost	39.78	51.39	37.78	54.35
Staff welfare expenses	43.11	55.69	46.07	66.28
	<u>1,089.15</u>	<u>1,406.96</u>	<u>1,004.60</u>	<u>1,445.22</u>
<b>NOTE - 16 : FINANCE COSTS</b>				
Other borrowing cost	21.78	28.14	21.08	30.33
	<u>21.78</u>	<u>28.14</u>	<u>21.08</u>	<u>30.33</u>

**Torrent Pharma Philippines Inc.**

	Year Ended 31-Mar-2017	Year Ended 31-Mar-2017	Year Ended 31-Mar-2016	Amt. in Lacs Year Ended 31-Mar-2016
	PHP	INR	PHP	INR
<b>NOTE - 17 : OTHER EXPENSES</b>				
Power and fuel	4.02	5.19	6.39	9.19
Laboratory goods and testing expense	22.80	29.45	5.88	8.46
Repairs and maintenance	0.27	0.35	1.24	1.78
Selling, publicity and medical literature expense	1,685.10	2,176.81	1,511.29	2,174.14
Travelling, conveyance and vehicle expenses	141.85	183.24	129.54	186.36
Registration expenses	9.17	11.85	7.78	11.19
Rent	103.68	133.93	111.90	160.98
Rates and taxes	49.89	64.45	39.47	56.78
Professional and legal fees	13.00	16.79	18.84	27.10
Communication expenses	80.63	104.16	87.38	125.70
Printing and stationery expenses	7.91	10.22	7.07	10.17
Insurance	2.88	3.72	2.82	4.06
Net foreign exchange Loss	95.20	122.98	92.54	133.13
Auditors remuneration and expenses	7.28	9.40	7.30	10.50
General charges	106.65	137.77	128.07	184.24
	<b>2,330.33</b>	<b>3,010.32</b>	<b>2,157.51</b>	<b>3,103.79</b>

Torrent Pharma Philippines Inc.

Note -1 : Property, plant and equipment (LC)

Amt. in Lacs

Particulars	Gross Block (At Cost)				Depreciation, Amortisation & Impairment				Net Block
	As at 01-Apr-2016	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-2017	As at 01-Apr-2016	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-2017	As at 31-Mar-2017
Furniture & Fixtures	71.34	10.98	-	82.32	1.09	13.37	-	14.46	67.86
Office Equipments	21.95	8.46	-	30.41	17.79	3.52	-	21.31	9.10
<b>Total</b>	<b>93.29</b>	<b>19.44</b>	<b>-</b>	<b>112.73</b>	<b>18.88</b>	<b>16.89</b>	<b>-</b>	<b>35.77</b>	<b>76.96</b>
Previous Year	39.18	73.13	19.02	93.29	35.20	2.70	19.02	18.88	74.41

Property, plant and equipment (INR)

Particulars	Gross Block (At Cost)				Depreciation, Amortisation & Impairment				Net Block
	As at 01-Apr-2016	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-2017	As at 01-Apr-2016	Additions during the year	Deductions/ Adjustments during the year	As at 31-Mar-2017	As at 31-Mar-2017
Furniture & Fixtures	92.17	14.18	-	106.35	1.41	17.27	-	18.68	87.67
Office Equipments	28.35	10.93	-	39.28	22.98	4.55	-	27.53	11.75
<b>Total</b>	<b>120.52</b>	<b>25.11</b>	<b>-</b>	<b>145.63</b>	<b>24.39</b>	<b>21.82</b>	<b>-</b>	<b>46.21</b>	<b>99.42</b>
Previous Year	56.36	105.20	27.36	134.21	50.64	3.88	27.36	27.16	107.05