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Independent Auditor's Report

To the shareholders of Torrent Pharma (Thailand) Co., Ltd.

Opinion

I have audited the financial statements of Torrent Pharma (Thailand) Co., Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2018, the statements of income and changes in equity for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2018 and its financial performance for the year then ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Matter

The financial statements of the Company for the year ended 31 March 2017 were audited by another auditor who expressed an unmodified opinion on those statements on 8 May 2017.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS for NPAEs, 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. *วิฑูริย์*



Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs 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 TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks 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 my 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 the 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 management.
- Conclude on the appropriateness of 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I communicate with 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 I identify during my audit.

Vilaiwan P.

(Vilaiwan Pholprasert)
Certified Public Accountant
Registration No. 8420

KPMG Phoomchai Audit Ltd.
Bangkok
27 April 2018

Torrent Pharma (Thailand) Co., Ltd.
Balance Sheet

	Notes	As at 31-Mar-2018 THB	As at 31-Mar-2018 INR	As at 31-Mar-2017 THB	Amt. in Lacs As at 31-Mar-2017 INR
ASSETS					
Current assets					
Financial assets					
Cash and cash equivalents	2	22.86	47.67	8.06	15.21
Other current assets	1	15.12	31.53	16.24	30.64
TOTAL		37.98	79.20	24.30	45.85
EQUITY AND LIABILITIES					
Equity					
Equity share capital	3	119.00	248.13	94.00	177.38
Other equity	4	(89.94)	(187.53)	(77.26)	(145.79)
		29.06	60.60	16.74	31.59
Current liabilities					
Financial liabilities					
Trade payables		8.85	18.45	7.53	14.20
Other current liabilities	5	0.07	0.15	0.03	0.06
		8.92	18.60	7.56	14.26
TOTAL		37.98	79.20	24.30	45.85

All monetary and non-monetary items in the balance sheet have been translated at closing rate of 1 THB = Rs. 2.0851 (1.8870)

Torrent Pharma (Thailand) Co., Ltd.
Statement of Profit and Loss

	Notes	Year Ended 31-Mar-2018 THB	Year Ended 31-Mar-2018 INR	Year Ended 31-Mar-2017 THB	Amt. in Lacs Year Ended 31-Mar-2017 INR
EXPENSES					
Other expenses	6	12.68	26.44	16.14	30.46
Total Expenses		12.68	26.44	16.14	30.46
PROFIT BEFORE TAX		(12.68)	(26.44)	(16.14)	(30.46)
TAX EXPENSE		-	-	-	-
NET PROFIT FOR THE YEAR		(12.68)	(26.44)	(16.14)	(30.46)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(12.68)	(26.44)	(16.14)	(30.46)

Torrent Pharma (Thailand) Co., Ltd.
Notes annexed to and forming part of the Financial Statements

	As at 31-Mar-2018 THB	As at 31-Mar-2018 INR	As at 31-Mar-2017 THB	Amt. in Lacs As at 31-Mar-2017 INR
NOTE - 1 : OTHER ASSETS				
Current				
Claims receivable : indirect tax				
Considered good	15.12	31.53	15.01	28.32
Prepaid expenses	-	-	1.23	2.32
	<u>15.12</u>	<u>31.53</u>	<u>16.24</u>	<u>30.64</u>
NOTE - 2 : CASH AND CASH EQUIVALENTS				
Balances with banks	22.86	47.67	8.06	15.21
	<u>22.86</u>	<u>47.67</u>	<u>8.06</u>	<u>15.21</u>
NOTE - 3 : SHARE CAPITAL				
Subscribed and paid-up	119.00	248.13	94.00	177.38
	<u>119.00</u>	<u>248.13</u>	<u>94.00</u>	<u>177.38</u>
NOTE - 4 : OTHER EQUITY				
Retained earnings	(89.94)	(187.53)	(77.26)	(145.79)
	<u>(89.94)</u>	<u>(187.53)</u>	<u>(77.26)</u>	<u>(145.79)</u>
NOTE - 5 : OTHER LIABILITIES				
Current				
Payables to statutory and other authorities	0.07	0.15	0.03	0.06
	<u>0.07</u>	<u>0.15</u>	<u>0.03</u>	<u>0.06</u>
	Year Ended 31-Mar-2018 THB	Year Ended 31-Mar-2018 INR	Year Ended 31-Mar-2017 THB	Amt. in Lacs Year Ended 31-Mar-2017 INR
NOTE - 6 : OTHER EXPENSES				
Registration expenses	0.01	0.02	4.65	8.77
Rent	1.20	2.50	1.20	2.26
Professional and legal fees	7.93	16.53	4.51	8.51
Insurance	1.23	2.56	2.59	4.89
Auditors remuneration and expenses	2.00	4.17	2.94	5.55
General charges	0.31	0.65	0.25	0.47
	<u>12.68</u>	<u>26.43</u>	<u>16.14</u>	<u>30.45</u>