



AUDITED ACCOUNTS

FOR THE PERIOD FROM FEBRUARY 05, 2018

TO MARCH 31, 2018

LUPIN EUROPE GmbH

Hanauer LandstraBe 139-143, 60314 Frankfurt am Main, Germany

Independent Auditor's Report

**To the Board of Directors of
Lupin Europe GmbH**

Report on the Financial Statements

We have audited the accompanying financial statements of **LUPIN EUROPE GmbH, Germany** ('the Company') which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period then ended, and a summary of significant accounting policies and other explanatory information, which are prepared and presented only to facilitate the preparation of the consolidated financial statements of the Ultimate Holding Company – Lupin Limited, in terms of Section 129(3) of the Indian Companies Act, 2013 ('the Act') and in accordance with the requirements of Schedule III to the Act.

These financial statements / financial information are "special purpose financial statements / financial information" and do not constitute a set of statutory financial statements in accordance with the local laws in which the Company is incorporated and cannot be used for any purpose other than the aforesaid.

Management's Responsibility for the Financial Statements

The Ultimate Holding Company and Company's Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records 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 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 financial statements based on our audit.

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and in particular SA 800 'Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks'. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of



ARORA & ARORA

CHARTERED ACCOUNTANTS

105 Kadamgiri Apartments, Hanuman Road, Vile Parle (E), Mumbai 400 057 TEL # 2616 6915

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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

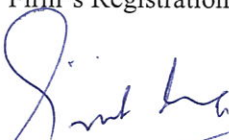
We report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required for preparation of these financial statements have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts for which there were any material foreseeable losses. There were no derivative contracts.
 - (iii) The provisions relating to the Investor Education and Protection Fund are not applicable to the Company.

Other Matter

This report is issued for the purpose of consolidation of financial statements of the Company's ultimate holding Company Lupin Limited, India and to comply with the provisions of Section 129 (3) of the Companies Act, 2013.

For Arora & Arora
Chartered Accountants
Firm's Registration No: 100544W



Girish Arora
Partner

Membership No.: 41019
Mumbai, 02 May, 2018



LUPIN EUROPE GmbH
BALANCE SHEET AS AT MARCH 31, 2018

	Note	As at 31.03.2018 EUR	As at 31.03.2018 INR
ASSETS			
Current Assets			
Other Current Assets	2	25,000	2,009,215
		25,000	2,009,215
TOTAL		25,000	2,009,215
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	3	25,000	1,978,387
Other Equity	4	-	30,828
		25,000	2,009,215
TOTAL		25,000	2,009,215

See accompanying notes forming part of the financial statements.

In terms of our report attached

For Arora & Arora
Chartered Accountants
Registration No. 100544W



Girish Arora
Partner
Membership No. 41019



Place : Mumbai
Dated :

02 MAY 2018

**For and on behalf of the Board of Directors of
Lupin Europe GmbH**


Thierry Volle
Managing Director

Place : Zug
Dated : April 25, 2018


Dr. Werner Schneider
Managing Director

Place : Frankfurt
Dated : April 27, 2018

LUPIN EUROPE GmbH

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM FEBRUARY 05, 2018 TO MARCH 31, 2018

	Note	For the Period From February 05,2018 to March 31,2018 EUR	For the From February 05,2018 31.03.2018 INR
Other Income	5	-	30,828
Total Income		-	30,828
Expenses		-	-
Total Expenses		-	-
Profit / (Loss) before Tax		-	30,828
Tax Expense:			
Current Tax		-	-
Deferred Tax (net)		-	-
Profit / (Loss) for the period		-	30,828
Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss:			
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the period, net of tax		-	-
Total Comprehensive Income for the period		-	30,828
Earnings per ordinary share with no par value:	8		
Basic and Diluted		-	1.23

See accompanying notes forming part of the financial statements.

In terms of our report attached

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Place : Mumbai
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For and on behalf of the Board of Directors of
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Managing Director

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Dr. Werner Schneider
Managing Director

Place : Frankfurt
Dated : April 27, 2018

LUPIN EUROPE GmbH**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM FEBRUARY 05, 2018 TO MARCH 31, 2018**a) **Equity Share Capital**

Particulars	No. of Shares	EUR	INR
Balance as at February 05, 2018	-	-	-
Changes in equity share capital during the period	25,000	25,000	1,978,387
Balance at the end of the period	25,000	25,000	1,978,387

b) **Other Equity**

Particulars	Reserves & Surplus		Total	
	Retained Earnings			
	EUR	INR	EUR	INR
Balance as at February 05, 2018	-	-	-	-
Profit for the period	-	30,828	-	30,828
Other comprehensive income for the period	-	-	-	-
Balance as at 31 March 2018	-	30,828	-	30,828

In terms of our report attached

For Arora & Arora
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Registration No. 100544W

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Place : Mumbai

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LUPIN EUROPE GmbH

CASH FLOW STATEMENT FOR THE PERIOD FROM FEBRUARY 05, 2018 TO MARCH 31, 2018

	For the Period from February 05, 2018 to March 31, 2018	
	EUR	INR
A Cash Flow from Operating Activities		
Profit / (Loss) before Tax	-	-
Operating Profit before Working Capital Changes	-	-
Cash Generated from Operations	-	-
Net Cash generated from / (used in) Operating Activities	-	-
B Cash Flow from Investing Activities		
Net Cash generated from / (used in) Investing Activities	-	-
C Cash Flow from Financing Activities		
Net Cash generated from / (used in) Financing Activities	-	-
Net increase / (decrease) in Cash and Cash equivalents	-	-
Cash and Cash equivalents as at the beginning of the period	-	-
Cash and Cash equivalents as at the end of the period	-	-

Note :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS 7), "Cash Flow Statements".

In terms of our report attached

For **Arora & Arora**
Chartered Accountants
Registration No.100544W


Girish Arora
Partner
Membership No. 41019



Place : Mumbai
Dated : **02 MAY 2018**

For and on behalf of the Board of Directors of
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Managing Director

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Dated : **April 25, 2018**


Dr. Werner Schneider
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Place : Frankfurt
Dated : **April 27, 2018**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and accounting principles generally accepted in India. The financial statements have been prepared on accrual basis under the historical cost convention.

b) Use of Estimates:

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Standalone Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

c) Foreign Currency Transactions / Translations :

- i) Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected.
- ii) Exchange difference arising on settlements during the year of short term monetary items denominated in foreign currency; and exchange difference arising on the reporting of short term monetary items denominated in foreign currency which are outstanding at the year-end using the exchange rates prevailing at the balance sheet date, are recognized in the Statement of Profit and Loss.

d) Foreign Currency Translation:

The local accounts are maintained in local currency, which is the Euro (EUR). The financial statements have been translated to Indian Rupees considering the functional currency of the Company as Indian Rupees on the following basis, except transactions and balances with related parties which are translated at amounts, if available, with the other entity:

- i) All income and expenses are translated at the average rate of exchange prevailing during the period.
- ii) All monetary and non-monetary assets and liabilities, excluding share capital are translated at the closing exchange rate as at the Balance sheet date.
- iii) Share capital is translated at the historical rate.
- iv) The resulting exchange difference is accounted in the Statement of Profit and Loss.

e) Taxes on Income:

Income Tax is measured at the amount expected to be paid as per applicable tax rates in Germany.



Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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 Financial Statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

g) Earnings per share: -

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.



	As at 31.03.2018 EUR	As at 31.03.2018 INR
2. Other Current Assets		
Receivables on account of Capital contribution to be made by Holding Company	25,000	2,009,215
Total	25,000	2,009,215
4. Other Equity		
Reserves and Surplus		
Surplus in the Statement of Profit and Loss		
Balance as per last Balance Sheet	-	-
Add: Credited / (Debited) during the period	-	30,828
Balance as at the period end	-	30,828
Total	-	30,828



3. EQUITY

a) Share Capital

Share Capital	As at 31 March 2018		
	No. of Shares	EUR	INR
Authorised			
Ordinary Shares of 1 Euro each	25,000	25,000	1,978,387
Issued, Subscribed and Paid up			
Ordinary Shares of 1 Euro each*	25,000	25,000	1,978,387
Total	25,000	25,000	1,978,387

*All the above shares are held by Lupin Atlantis Holding SA, the holding company.

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March 2018		
	No. of Shares	EUR	INR
Ordinary Shares outstanding at the beginning of the period	-	-	-
Ordinary Shares Issued during the period	25,000	25,000	1,978,387
Ordinary Shares outstanding at the end of the period	25,000	25,000	1,978,387

c) Rights attached to Ordinary Shares

The Company has only one class of Equity shares having a par value of EUR 1 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in EUR. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the shareholders of Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

d) More than 5% shareholding in the Company by each shareholder

Name of Shareholder	As at 31 March 2018	
	No. of Shares	% of Holding
Lupin Atlantis Holding SA	25,000	100

e) The Company is incorporated in current year. Hence no disclosures arises for shares issued without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance sheet date.



	For the Period from February 5, 2018 to March 31, 2018 EUR	For the Period from February 5, 2018 to March 31, 2018 INR
5. Other Income		
Exchange Difference on Translation(net)	-	30,828
Total	-	30,828



6. The Company was incorporated in Germany under the Limited Liability. Its core business is to develop, manufacture and trade in pharmaceutical products, provide marketing services and to develop and trade of license/dossiers/know-how/product/ brands in Germany.
7. Considering the definition of operating segments contained in Indian Accounting Standard 108 (Ind AS 108) "Operating Segments", the management is of the opinion that there is only one reportable business segment i.e. 'Pharmaceuticals', the results of which are disclosed in the financial statements.
8. Earnings per Share :-

Particulars	05.02.2018 to 31.03.2018	
	EUR	INR
Net Profit / (Loss) after tax attributable to Shareholders	-	30,828
Weighted average number of Ordinary shares – Basic and Diluted	25,000	25,000
Basic and Diluted Earnings per Share	-	1.23

9. Related Party Disclosures:-

- a) Names of Related Parties and description of relationship:-

Category I : Companies whose control exist:

- Lupin Limited (Ultimate Holding Company)
- Lupin Atlantis Holdings SA (Holding Company)

Category II : Key Management Personnel:

- Thierry Volle - Managing Director
- Dr. Werner Schneider – Managing Director

- b) Related Party Transactions:-

Sr. No.	Description and Nature of Transaction	Description of Relationship	From 05.02.2018 to 31.03.2018	
			EUR	INR
1.	Capital Contribution - Lupin Atlantis Holdings SA, Switzerland	Holding Company	25,000	1,978,387



c) Balance due from / to related parties:-

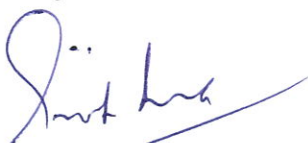
Sr. No.	Description and Nature of Balance	Description of Relationship	As on 31.03.2018	
			EUR	INR
1.	Receivables on account of Capital contribution to be made by Holding Company - Lupin Atlantis Holdings SA, Switzerland	Holding Company	25,000	2,009,215

Related Party relationship is as identified by the Company and relied upon by the Auditors.

10. These financial statements are prepared for the purpose of consolidation with the financial statements of the ultimate holding company, Lupin Limited and to comply with the provision of Section 129(3) of the Companies Act, 2013. As such, these financial statements do not constitute as the statutory financial statements of the Company. Accordingly, these financial statements are not the general purpose financial statements of the Company.
11. These financial statements are the first financial statements of the Company from its date of incorporation i.e. from February 5, 2018 to March 31, 2018. Accordingly, no comparative information for the previous year is applicable.
12. Closing exchange rate as on March 31, 2018 considered for the purpose of translation as referred in 1(d)(ii) above is INR 80.808 per 1 EUR.

Signature to notes 1 to 12.

For Arora & Arora
Chartered Accountants
Registration No. 100544W



Girish Arora
Partner
Membership No. 41019
Place: Mumbai
Dated:



02 MAY 2018

**For and on behalf of the Board of Directors of
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