

IPCA PHARMA (NZ) PTY. LTD.

DIRECTORS' REPORT

To
The Members
IPCA Pharma (NZ) Pty. Ltd.

Your Directors have pleasure in presenting their Annual Report together with the audited statement of accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

Particulars	For the year ended 31 st March 2017 (Rs. in lacs)	For the year ended 31 st March 2016 (Rs. in lacs)
Total Income	--	--
Total Expenditure	0.02	0.02
Financial Cost	--	--
Depreciation	--	--
Profit before extraordinary items and tax	(0.02)	(0.02)
Less: Provision for taxation		
Current	--	--
Deferred	--	--
Earlier Year's Tax	--	--
Profit after tax but before extraordinary items	(0.02)	(0.02)
Extraordinary Items	-	--
Other Comprehensive Income	-	-
Total Comprehensive Income for the period (Comprising Profit /(Loss) and Other Comprehensive Income for the period)	(0.02)	(0.02)
YOUR DIRECTORS RECOMMEND THE FOLLOWING APPROPRIATIONS		
Surplus in Profit & Loss Account as per last Balance Sheet	0.02	0.04
Net Profit for the year	(0.02)	(0.02)
Less:		
Transfer to General Reserve	--	--
Balance as at year end	--	0.02

INCORPORATION

Your Company is a wholly owned subsidiary of Ipca Pharma (Australia) Pty Ltd, Australia. The Company was incorporated to hold formulation dossier registrations in New Zealand and to distribute formulations manufactured by Ipca Laboratories Limited, India in the New Zealand market.

IPCA PHARMA (NZ) PTY. LTD.

31 formulation dossiers of the Company are registered with MEDSAFE, New Zealand. The Company is yet to commence any business of formulation distribution activities in New Zealand.

TRANSFER TO GENERAL RESERVE

During the year under report, the Company has not transferred any amount to General Reserve Account.

OPERATIONS

The total income for the financial year under report was Rs. NIL (Previous year: NIL) and the operations have resulted in a net loss of Rs. 0.02 lacs (Previous year: net loss of Rs. 0.02 lacs). During the year under report there was no change in the nature of Company's business.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year to which financial statements in this report relate and the date of this report.

SHARE CAPITAL

The paid-up equity share capital of the Company as at 31st March, 2017 is Rs. 0.04 lacs. The Company currently has no outstanding shares issued with differential rights, sweat equity or ESOS.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture and associate companies.

DIVIDEND

In view of the loss incurred during the financial year under report, no dividend is proposed by the directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2017 and of the loss of the Company for the year;

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- iii) that your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that your Directors have prepared the annual accounts on a going concern basis.
- v) that your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) that your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FIXED DEPOSIT

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees or made any investment in any other Company.

AUDITORS, AUDIT REPORT AND AUDITED FINANCIAL STATEMENTS:

Since it is not required in the country of incorporation, the company has not appointed any auditor for the financial year under report.

PARTICULARS OF EMPLOYEES

The Company had no employees covered under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force).

For and behalf of the Board



**Murali Sarma
Chairman
May 28, 2017**

IPCA PHARMA (NZ) PTY LTD
Balance Sheet as at March 31, 2017

Particulars	Note Ref.	(₹ Lakhs)	(₹ Lakhs)	(₹ Lakhs)
		As at 31/03/2017	As at 31/03/2016	As at 01/04/2015
ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment		-	-	-
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets	1	1.24	1.28	1.19
(f) Intangible assets under development		-	-	-
(g) Biological Assets other than bearer plants		-	-	-
(h) Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Loans		-	-	-
(iv) Others		-	-	-
(i) Deferred tax assets (Net)		-	-	-
(j) Other Non-current assets		-	-	-
		1.24	1.28	1.19
2 Current Assets				
(a) Inventories		-	-	-
(b) Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents	2	0.11	0.13	0.14
(iv) Bank balances other than (iii) above		-	-	-
(v) Loans		-	-	-
(vi) Others		-	-	-
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets		-	-	-
		0.11	0.13	0.14
Total Assets		1.35	1.41	1.33
EQUITY & LIABILITIES				
1 Equity				
(a) Equity Share capital	3	0.04	0.04	0.04
(b) Other Equity	4	0.00	0.02	0.04
		0.04	0.06	0.08
2 LIABILITIES				
I Non-current liabilities				
(a) Financial Liabilities		-	-	-
(i) Borrowings		-	-	-
(ii) Trade payables		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Provisions		-	-	-
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other Non-current liabilities		-	-	-
		-	-	-
II Current liabilities				
(a) Financial Liabilities		-	-	-
(i) Borrowings	5	1.31	1.35	1.25
(ii) Trade payables		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities		-	-	-
(c) Provisions		-	-	-
(d) Others		-	-	-
(e) Current Tax Liabilities (Net)		-	-	-
		1.31	1.35	1.25
Total Equity and Liabilities		1.35	1.41	1.33

Statement of Significant Accounting policies and Other Explanatory Notes form part of the Balance Sheet and Statement of Profit and Loss

For and on behalf of the Board



Murali Sarma
Director

Place: Mumbai
Date: May 28, 2017

IPCA PHARMA (NZ) PTY LTD

Statement of Profit and Loss for the year ended 31st March, 2017

Particulars	Note Ref.	(₹ Lakhs) 2016-17	(₹ Lakhs) 2015-16
I Revenue from operations		-	-
II Other income		-	-
III Total Income (I+II)		-	-
IV Expenses			
Cost of materials consumed		-	-
Purchases of stock-in-trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenses	6	0.02	0.02
Foreign exchange (gain)/loss-net		-	-
Total Expenses (IV)		0.02	0.02
V Profit/(loss) before exceptional items and tax (III-IV)		(0.02)	(0.02)
VI Exceptional Items		-	-
VII Profit/ (loss) before tax (V-VI)		(0.02)	(0.02)
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
IX Profit/ (loss) for the period from continuing operations (VII-VIII)		(0.02)	(0.02)
X Profit/ (loss) from discontinued operations			
XI Tax expense of discontinued operations		-	-
XII Profit/ (loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit/ (loss) for the period (IX+XII)		(0.02)	(0.02)
XIV 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			
(i) Exchange difference in translating the financials statement of foreign operation		0.00	-
(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	-
XV Total Comprehensive Income for the period (XIII + XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(0.02)	(0.02)
XVI Earnings per equity share (for continuing operation) :			
(1) Basic		(16.28)	(20.00)
(2) Diluted		(16.28)	(20.00)

Statement of significant accounting policies and other explanatory notes form part of the balance sheet and statement of profit and loss.

For and on behalf of the Board



Murali Sarma
Chairman/Director

Place: Mumbai
Date: May 28, 2017

IPCA PHARMA (NZ) PTY LTD
Statement of change in equity for the year ended March 31, 2017

(₹ Lakhs)

Particulars	Equity Share Capital	Reserves & Surplus	Other Reserves	Total Equity
		Retained Earnings	Foreign Currency Translation reserve	
As at April 01, 2015	0.04	0.04	-	0.08
Profit for the period	-	(0.02)	-	(0.02)
Exchange difference in transalting the financial statement of foreign operation	-	-	-	-
Balance as on March 31, 2016	0.04	0.02	-	0.06
Profit for the period	-	(0.02)	-	(0.02)
Exchange difference in transalting the financial statement of foreign operation	-	-	-	-
Balance as on March 31, 2017	0.04	-	-	0.04

For and on behalf of the Board


Murali Sarma
Director

Place: Mumbai
Date: May 28, 2017

IPCA PHARMA (NZ) PTY LTD

Cashflow statement for the year ended 31st March 2017

Particulars	(₹ Lakhs) 2016-17	(₹ Lakhs) 2015-16
CASH FLOW FROM OPERATING ACTIVITIES		
1. Net profit/(loss) before taxation	(0.02)	(0.02)
2. Operating profit/(loss) before working capital changes	(0.02)	(0.02)
3. Cash generated from operation	(0.02)	(0.02)
Movement in foreign Currency Translation reserve	0.00	0.01
Net cash from operating activities (A)	<u>(0.02)</u>	<u>(0.01)</u>
Net increase/(decrease) in cash and cash equivalents (A)	<u>(0.02)</u>	<u>(0.01)</u>
Cash and cash equivalents at beginning of period	<u>0.13</u>	<u>0.14</u>
Cash and cash equivalents at end of period	<u><u>0.11</u></u>	<u><u>0.13</u></u>
Components of Cash & Cash equivalents:		
Cash and Cheques on hand	0.04	0.04
Balance with Banks	<u>0.07</u>	<u>0.09</u>
	<u><u>0.11</u></u>	<u><u>0.13</u></u>

For and on behalf of the Board


Murali Sarma
 Director

Place: Mumbai
Date: May 28, 2017

Statement of Significant Accounting policies and Other Explanatory Notes

Background

ACCOUNTING POLICIES

a) Accounting convention

The Financial Statements have been prepared to comply in all material respects with the notified Indian accounting standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting.

For all periods upto and including the year ended March 31, 2016 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b) Conversion into Indian rupees

The translation of financial statements into Indian Rupees is done in accordance with Ind AS 21 (Revised) "Effects of Changes in Foreign Exchange" notified by the Companies (Accounting Standards) Rules 2015. The resultant Foreign Currency Translation Reserve is shown separately under other comprehensive reserves forming part of Other Equity.

The Assets and Liabilities are translated at closing rate except share capital which is translated at the rate as on transaction date. The income and expenditure are translated at a rate nearing the average rate during the year.

c) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques on hand, cash in hand and short term investments with an original maturity of three months or less.

IPCA PHARMA (NZ) PTY LTD

Statement -1

1. INTANGIBLE ASSETS

(₹ Lakhs)

Particulars	Gross Block									Amortization								Net block			
	Opening as on 01/04/15	Additions	Sales / Adjustment	Foreign Exchange fluctuation Reserve	Opening as on 01/04/16	Additions	Sales / Adjustment	Foreign Exchange fluctuation Reserve	Total as on 31/03/17	Opening as on 01/04/15	Sales / Adjustment	For the year	Foreign Exchange fluctuation Reserve	Opening as on 01/04/16	Sales / Adjustment	For the year	Foreign Exchange fluctuation Reserve	Up to 31/03/17	As on 31/03/17	As on 31/03/16	As on 31/03/16
Product Development & Trademark	1.19	-	-	0.09	1.28	-	-	(0.04)	1.24	-	-	-	-	-	-	-	-	-	1.24	1.28	1.19
	1.19			0.09	1.28	-	-	(0.04)	1.24	-	-	-	-	-	-	-	-	-	1.24	1.28	1.19
Previous year	1.39			(0.20)	1.19	-	-	0.09	1.28	-	-	-	-	-	-	-	-	-	1.28	1.19	1.39

2 Financial Assets - Cash & Cash Equivalents

Particulars	As at 31/03/2017 (₹ Lakhs)		As at 31/03/2016 (₹ Lakhs)		As at 01/04/2015 (₹ Lakhs)	
Cash on hand	0.04		0.04		0.04	
Balances with banks	0.07		0.09		0.10	
Cheques, drafts on hand	-		-		-	
Fixed deposit with bank	-		-		-	
Total	0.11		0.13		0.14	

3 Equity Share Capital

Particulars	As at 31/03/2017		As at 31/03/2016		As at 01/04/2015	
	No. of shares	Amount AUS \$ 1	No. of shares	Amount AUS \$ 1	No. of shares	Amount AUS \$ 1
Face Value Class of Shares Authorised Capital*	Equity Shares fully paid		Equity Shares fully paid		Equity Shares fully paid	
Issued, Subscribed and Paid up Capital Issued & Subscribed & Paid up	100.00	0.04	100.00	0.04	100.00	0.04
Total	100.00	0.04	100.00	0.04	100.00	0.04

Disclosures:

i) Reconciliation of Shares

Particulars	Equity Shares As at 31/03/2017		Equity Shares As at 31/03/2016		Equity Shares As at 01/04/2015	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
	Shares outstanding at the beginning of the year	87.17	0.04	87.17	0.04	87.17
Shares Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	87.17	0.04	87.17	0.04	87.17	0.04

ii) Details of Shareholding in excess of 5%

Name of Shareholder	Equity Shares As at 31/03/2017		Equity Shares As at 31/03/2016		Equity Shares As at 01/04/2015	
	No. of shares	%	No. of shares	%	No. of shares	%
	Ipca Pharma (Australia) Pty Ltd.	100.00	100.00	100.00	100.00	100.00

4 Other Equity

Particulars	As at 31/03/2017 (₹ Lakhs)		As at 31/03/2016 (₹ Lakhs)		As at 01/04/2015 (₹ Lakhs)	
(a) Retained Earnings	(0.00)		0.02		0.04	
Total	0.00		0.02		0.04	

5 Financial Liabilities - Borrowings

Particulars	As at 31/03/2017 (₹ Lakhs)		As at 31/03/2016 (₹ Lakhs)		As at 1/04/2015 (₹ Lakhs)	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Others						
Unsecured Loans:						
Loan from Related party from Ipca Pharma (Australia) Pty Ltd.(Holding	1.31	-	1.35	-	1.25	-
Total	1.31	-	1.35	-	1.25	-

6 Other Expenses

Particulars	2016-17 (₹ Lakhs)		2015-16 (₹ Lakhs)	
Bank Charges	0.02		0.02	
Professional charges	-		-	
Communication expenses	-		-	
PER STATEMENT OF PROFIT & LOSS	0.02		0.02	

IPCA PHARMA (NZ) PTY LTD**Statement of change in equity for the year ended March 31, 2017**

- 7 Related Party Disclosure as required by Accounting Standard-AS 18 notified by the Companies (Accounting Standards) Rules 2006.

Relationship:

Entities where control exists

Ipca Pharma (Australia) Pty Ltd. – Holding Company

Transactions

Description	Entities where control exists Holding Company	Entities where control exists Holding Company
<u>Loan taken</u>		
Ipca Pharma (Australia) Pty Ltd. Previous Year	- 0.30	- 0.30
Total Previous Year	- 0.30	- 0.30
Balances as on 31st March 2012		
<u>Payable</u>		
Ipca Pharma (Australia) Pty Ltd. Previous Year	- 1.23	1.25 1.23
Total Previous Year	- 1.23	1.25 1.23

8 Earning per share

The earning per share is calculated by dividing the profit after tax by weighted average no. of shares outstanding for basic & diluted EPS.

Particulars	2016-17	2015-16
Profit after tax (₹ Lakhs)	(0.02)	(0.02)
Equity Shares Outstanding (Nos.)		
-Opening	100.00	100
-Issued during the year	-	-
-Closing	100	100
Weighted Average no. of shares outstanding (Nos.) - Basic	100	100
Weighted Average no. of shares outstanding (Nos.) - Diluted	100	100
Nominal value of equity share	NZ \$ 1 each	NZ \$ 1 each
Earning per share (₹)		
- Basic	(16.28)	(20.00)
- Diluted	(16.28)	(20.00)

9 Prior period comparatives :

Previous year's figures have been regrouped or rearranged wherever necessary.

10 The annual accounts have been prepared on going concern basis.

11 The Company is 100% subsidiary of Ipca Pharma (Australia) Pty Ltd. The accounts have been prepared and restated in Indian Rupees for the purpose of attachment to the accounts of the ultimate holding company to comply with the provisions of Indian Companies Act.

12 The Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of Changes in Equity, Statement of significant accounting policy and other explanatory notes form an integral part of the financial statements of the company for the year ended on 31st March, 2017.

For and on behalf of the Board



Murali Sarma
Director

Place: Mumbai

Date: May 28, 2017