

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF DIALFORHEALTH GREENCROSS LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **DIALFORHEALTH GREENCROSS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

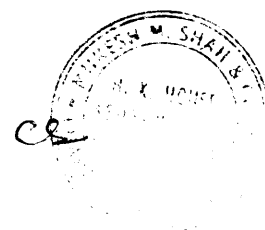
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 evidences about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 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 controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.



### Opinion

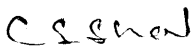
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

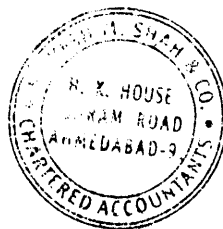
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (d) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (e) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (f) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (g) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (h) On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company does not have any pending litigations which would impact its financial position.
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MUKESH M. SHAH & CO.  
Chartered Accountants  
Firm Registration No.: 106625W

  
Chandresh S. Shah  
Partner  
Membership No.: 042132  
Place: Ahmedabad  
Date: 12-05-2015



**ANNEXURE REFERRED TO IN THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO  
THE MEMBERS OF DIALFORHEALTH GREENCROSS LIMITED ON THE STANDALONE  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015.**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

1. The Company does not hold any fixed assets hence clause (i) (a) and (i) (b) of paragraph 3 of the order are not applicable to the company for the current period.
2. The Company does not deal in any inventory hence clause (ii) (a) to (ii) (c) of paragraph 3 of the order are not applicable to the company for the current period.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. The Company has not accepted any deposits from the Public within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Further, we are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or Tribunal.
6. In absence of any manufacturing activities carried out by the company, the requirement of maintenance of cost records under sub section 1 of section 148 of the Companies Act, 2013 are not applicable to the Company during the year under audit.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Value added Tax, and any other material statutory dues during the year with the appropriate authorities. Moreover, as at 31st March, 2015, there are no such undisputed dues payable for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us, there is no dues under dispute for Income tax, Sales tax, Excise duty and Service tax and other material statutory dues as at 31st March, 2015.  
(c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
8. The accumulated losses at the end of the financial year has exceeded fifty per cent of the net worth of the Company and has incurred cash losses during the financial year and also in the immediately preceding financial year.
9. The Company has not taken any loans from the Bank, hence, question of reporting under clause 3(ix) of the order does not arise. The company did not have any outstanding debentures or dues payable to financial institutions at any time during the year.



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Website : www.mmsco.in

**MUKESH M. SHAH & CO.**

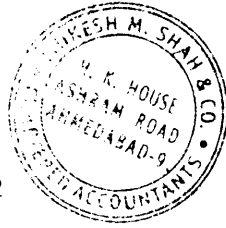
CHARTERED ACCOUNTANTS

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10. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by any other companies; hence question of reporting under clause 3(x) of the order does not arise.
11. The Company has not availed any term loans during the year, hence, question of reporting under clause 3(xi) of the order does not arise.
12. To the best of our knowledge and based on information and explanations received from the management, no fraud on or by the Company has been noticed or reported during the period covered by our audit.

For MUKESH M. SHAH & CO.  
Chartered Accountants  
Firm Registration No.: 106625W

*C S Shah*  
Chandresh S. Shah  
Partner  
Membership No.: 042132  
Place: Ahmedabad  
Date: *12-05-2015*



**Dialforhealth Greencross Limited**  
**Balance Sheet as at March 31, 2015**

Particulars	Note No.	INR-Thousand	
		As at March 31	
		2015	2014
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholders' Funds:</b>			
Share Capital	1	<b>2,500</b>	2,500
Reserves and Surplus	2	<b>(1,921)</b>	(1,899)
		<b>579</b>	601
<b>Current Liabilities:</b>			
Other Current Liabilities	3	<b>39</b>	20
<b>Total</b>		<b>618</b>	621
<b>ASSETS:</b>			
<b>Current Assets:</b>			
Cash and Bank Balances	4	<b>618</b>	621
<b>Total</b>		<b>618</b>	621
Significant Accounting Policies	II		
Notes to the Financial Statements	1 to 14		

**Statement of Profit and Loss for the year ended March 31, 2015**

Particulars	Note No.	INR-Thousand	
		Year ended March 31	
		2015	2014
<b>EXPENSES:</b>			
Other Expenses	6	<b>22</b>	12
<b>Loss for the year</b>		<b>22</b>	12
<b>Basic and Diluted Earning per Equity Share [EPS] [in Rupees]</b>	7	<b>(0.09)</b>	(0.05)
Significant Accounting Policies	II		
Notes to the Financial Statements	1 to 14		

As per our report of even date

For Mukesh M. Shah & Co.

Chartered Accountants

Firm Registration Number: 106625W

For and on behalf of the Board

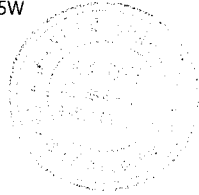
*C S Shah*

Chandresh S. Shah

Partner

Membership Number: 042132

Ahmedabad, Dated: 12-05-2015



*H. Sadana*

Harish Sadana  
Director

*parekh nitin D'*

Nitin D. Parekh  
Chairman

**Dialforhealth Greencross Limited**  
**Cash flow Statement for the year ended March 31, 2015**

Particulars	INR Thousand	
	Year ended March 31	
	2015	2014
<b>A Cash Flows from Operating Activities:</b>		
Loss for the year	(22)	(12)
Adjustments for:		
[Decrease] in trade payables	-	(23)
Increase / [Decrease] in other current liabilities	19	(11)
Total	19	(34)
Net cash from operating activities	(3)	(46)
<b>B Cash flows from investing activities</b>	-	-
<b>C Cash flows from financing activities</b>	-	-
<b>Net decrease in cash and cash equivalents</b>	<b>(3)</b>	<b>(46)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>621</b>	667
<b>Cash and cash equivalents at the close of the year</b>	<b>618</b>	621

**Notes to the cash flow statement**

- 1 All figures in brackets are outflow.
- 2 Previous year's figures have been regrouped wherever necessary.
- 3 Cash and cash equivalents at the end [beginning] of the year includes Rs. Nil [Rs. Nil] not available for immediate use.

As per our report of even date

For and on behalf of the Board

For Mukesh M. Shah & Co.

Chartered Accountants

Firm Registration Number: 106625W

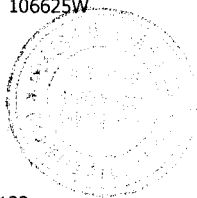
*C.S. Shah*

Chandresh S. Shah

Partner

Membership Number: 042132

Ahmedabad, Dated: 12-05-2015



*H. Sadana*

Harish Sadana

Director

*Nitin D. Parekh*

Nitin D. Parekh

Chairman

**Dialforhealth Greencross Limited**

**I-Company Overview:**

Dialforhealth Greencross Limited [the Company] was incorporated on July 8, 2005. The company's registered office is situated at Zydus Tower, Satellite Cross Roads, Ahmedabad. The company has not carried out any business activity during the year.

**II Significant Accounting Policies:**

**1 Basis of Accounting:**

The financial statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies [Accounts] Rules, 2014 and other pronouncement issued by the Institute of Chartered Accountants of India [ICAI], to the extent applicable, and with the applicable provisions of the Companies Act, 2013.

**2 Use of Estimates:**

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**3 Revenue Recognition:**

Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

**4 Provision for Bad and Doubtful Debts/ Advances:**

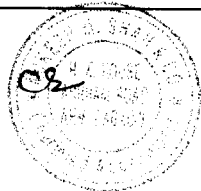
Provision is made in accounts for bad and doubtful debts/ advances which in the opinion of the management are considered doubtful of recovery.

**5 Taxes on Income:**

**A** Tax expenses comprise of current and deferred tax.

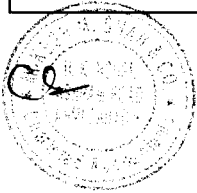
**B** Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961.

**C** Deferred tax reflects the impact of current reporting period timing differences between accounting and taxable income and reversal of timing differences of earlier reporting period. Deferred tax is measured based on the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed at each balance sheet date.



**Dialforhealth Greencross Limited**  
**Notes to the Financial Statements**

	<b>INR-Thousand</b>	
	<b>As at March 31</b>	
	<b>2015</b>	<b>2014</b>
<b>Note: 1-Share Capital:</b>		
<b>Authorised:</b>		
750,000 [as at March 31, 2014: 750,000] Equity Shares of Rs.10/- each	<b>7,500</b>	7,500
	<b>7,500</b>	7,500
<b>Issued, Subscribed and Paid-up:</b>		
250,000 [as at March 31, 2014: 250,000] Equity Shares of Rs.10/- each, fully paid-up	<b>2,500</b>	2,500
<b>Total</b>	<b>2,500</b>	2,500
A There is no change in the number of shares as at the beginning and end of the year. Number of shares at the beginning and at the end of the year	<b>250,000</b>	250,000
B The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.		
C All Equity shares of Rs. 10/- each, fully paid held by Holding Company, Dialforhealth India Limited and its nominees. Number of Shares % to total share holding	<b>250,000</b> <b>100%</b>	250,000 100%
<b>Note: 2-Reserves and Surplus:</b>		
<b>Surplus in statement of Profit and Loss:</b>		
Balance as per last Balance Sheet	<b>(1,899)</b>	(1,887)
Less: Loss for the year	<b>(22)</b>	(12)
<b>Total</b>	<b>(1,921)</b>	(1,899)
<b>Note: 3-Other Current Liabilities:</b>		
Other Payables:		
Provision for Expenses	<b>39</b>	20
<b>Total</b>	<b>39</b>	20
As per the information available with the Company, there are no business transactions carried out during the year with any enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED]. Further, there is no outstanding amount payable to any such enterprises, hence question of delayed payment or interest thereon does not arise.		
<b>Note: 4-Cash and Bank Balance:</b>		
Balances with Banks	<b>617</b>	620
Cash on Hand	<b>1</b>	1
<b>Total</b>	<b>618</b>	621
<b>Note: 5-Contingent Liabilities and commitment [to the extent not provided for]</b>		
	-	-





<b>Dialforhealth Greencross Limited</b>			
<b>Notes to the Financial Statements</b>			
		<b>INR-Thousand</b>	
		<b>Year ended March 31</b>	
		<b>2015</b>	<b>2014</b>
<b>Note: 6-Other Expenses:</b>			
Payment to the auditors [Including Service Tax]:			
As Auditor		<b>11</b>	11
For Other Services		<b>8</b>	9
		<b>19</b>	20
Others		<b>3</b>	(8)
<b>Total</b>		<b>22</b>	12
<b>Note: 7-Calculation of Earnings per Equity Share [EPS]:</b>			
The numerators and denominators used to calculate the basic and diluted EPS are as follows :			
A Loss for the year attributable to Shareholders	INR-Thousand	<b>(22)</b>	(12)
B Basic and weighted average number of Equity shares outstanding during the year	Numbers	<b>250,000</b>	250,000
C Nominal value of equity share	INR	<b>10</b>	10
D Basic and Diluted EPS	INR	<b>(0.09)</b>	(0.05)
<b>Note: 8-Value of Imports calculated on CIF basis</b>			
		-	-
<b>Note: 9-Expenditure in Foreign Currency</b>			
		-	-
<b>Note: 10-Earnings in Foreign Exchange</b>			
		-	-
<b>Note: 11-Remittances made on account of dividend in Foreign currency</b>			
		-	-



**Dialforhealth Greencross Limited**  
**Notes to the Financial Statements**

**Note: 12-Related Party Transactions:**

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

<b>a Holding Company:</b>	Dialforhealth India Limited
<b>b Ultimate Holding Company:</b>	Cadila Healthcare Limited
<b>c Fellow Subsidiaries/Firms:</b>	
Dialforhealth Unity Limited	Zydus Pharmaceuticals (USA) Inc. [USA]
German Remedies Limited	Nesher Pharmaceuticals (USA) LLC [USA]
Zydus Wellness Limited	Zydus Healthcare (USA) LLC [USA]
M/s. Zydus Wellness-Sikkim, a Partnership Firm	Zydus Noveltech Inc. [USA]
Liva Pharmaceuticals Limited	Hercon Pharmaceuticals LLC [USA]
Zydus Technologies Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
Biochem Pharmaceutical Industries Limited	Simayla Pharmaceuticals (Pty) Ltd [South Africa]
Zydus BSV Pharma Private Limited	Script Management Services (Pty) Ltd [South Africa]
M/s. Zydus Healthcare, a Partnership Firm	Zydus France, SAS [France]
Zydus Lanka (Private) Limited [Sri Lanka]	Zydus Nikkho Farmaceutica Ltda. [Brazil]
Zydus Healthcare Philippines Inc. [Philippines]	Laboratorios Combix S.L. [Spain]
Zydus International Private Limited [Ireland]	Zydus Pharmaceuticals Mexico SA De CV [Mexico]
Zydus Netherlands B.V. [the Netherlands]	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
ZAHL B.V. [the Netherlands]	Etna Biotech S.R.L. [Italy]
ZAHL Europe B.V. [the Netherlands]	Zydus Worldwide DMCC [Dubai]
Bremer Pharma GmbH [Germany]	Zydus Discovery DMCC [Dubai]
Zydus Pharma Japan Co. Ltd. [Japan]	
<b>d Directors:</b>	
Mr. Nitin Parekh	Chairman
Mr. Harish Sadana	Director
Mr. Virendra Kumar Sharma	Director

**B Transactions with Related Parties:**

There are no transactions with any of the related parties mentioned above.

**Note: 13**

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classifications/ disclosure.

**Note: 14**

Though the accumulated loss exceeds the net worth of the company, the accounts are prepared on "going concern" basis in view of:

- a Continuous support extended by the Holding Company and
- b Long term strategic involvement of the Holding company in the present business activities of the company

**Signatures to Significant Accounting Policies and Notes 1 to 14 to the Financial Statements**

As per our report of even date

For and on behalf of the Board

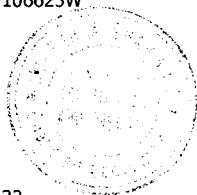
For Mukesh M. Shah & Co.  
Chartered Accountants  
Firm Registration Number: 106625W

*C S Shah*

Chandresh S. Shah  
Partner

Membership Number: 042132

Ahmedabad, Dated: 12-05-2015



*H. Sadana*

Harish Sadana  
Director

*Parekh Nitin*

Nitin D. Parekh  
Chairman