



Auditor's Report on Quarterly Consolidated and Annual Consolidated Financial Results of **SHILPA MEDICARE LIMITED** Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To
Board of Directors of **SHILPA MEDICARE LIMITED.**

1. We have audited the accompanying statement of consolidated financial results of **SHILPA MEDICARE LIMITED** ("Company") its subsidiaries, Joint Venture and Associates Companies (collectively referred to as the "the Group") and the consolidated year to date results for the period from 1st April, 2017 to 31st March, 2018 being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016.

These consolidated year to date financial results have been prepared in accordance with the accounting principles generally accepted in India including Ind AS, which is the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements as per Ind AS, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. During the year under review, Navya Biological Pvt Ltd was merged with Shilpa Medicare Ltd by the order of "The National Company Law Tribunal", Bengaluru Bench, Bengaluru dated 24.11.2017 with appointed date as 01.04.2016. The financials for the quarter and year ended 31st March 2018 and corresponding quarter and year ended 31st March 2017 are inclusive of financials of Navya Biological Pvt Ltd.
4. We did not audit revenues of Rs. 1601.45 Lakhs and Rs. 4795.79 Lakhs for the quarter and year ended 31st March, 2018, respectively and assets of Rs. 5427.74 Lakhs as at 31st March, 2018 relating to 4 subsidiaries. Further, the financial results also include the company's share of net (loss)/profit of Rs. 140.13 Lakhs and Rs. 127.61 Lakhs for the quarter and year ended 31st March, 2018, in respect of 1 Joint Venture (JV) which has not been audited by us.



These unaudited financial statements and other financial information of the above subsidiaries and JV have been prepared by the management and furnished to us, and our opinion is based solely on these unaudited financial statements.

5. We did not audit revenues of Rs. 575.80 Lakhs and Rs. 756.50 Lakhs for the quarter and year ended 31st March, 2018, respectively and assets of Rs. 6296.21 Lakhs as at 31st March, 2018 relating to 3 subsidiaries. Further, the financial results also include the company's share of net (loss)/profit of Rs. (295.38) Lakhs and Rs. (846.65) Lakhs for the quarter and year ended 31st March, 2018, in respect of 2 Joint Venture (JV) and 1 Associate Company. The financial statements of the above subsidiaries, joint venture and associate have been audited by other auditors whose reports have been furnished to us, and our opinion on these consolidated quarterly financial results and consolidated year to date results is based solely on the report of such other auditors.
6. In our opinion and on consideration of report of other auditors and to the best of our information and according to the explanation given to us, together read with note no. 5 and 6 above these quarterly consolidated financial results as well as the consolidated year to date financial results:
- i) includes the quarterly financial results and year to date results of the following entities:
- Shilpa Medicare Limited (Holding Company)
 - Koanaa Healthcare Limited, UK (Wholly owned subsidiary Company)
 - Koanaa Healthcare Limited, Austria (Wholly owned subsidiary Company)
 - Zatortia Holdings Limited (Wholly Owned Subsidiary Company)
 - Shilpa Therapeutics Private Limited – (Wholly Owned Subsidiary Company)
 - INM Technologies Private Limited (Subsidiary Company)
 - Loba Feinchemie, Gmbh (Step down Subsidiary Company)
 - Makindus, Inc (Subsidiary Company)
 - Raichem Medicare Private Limited (Joint Venture Company)
 - MAIA Pharmaceuticals, Inc (Joint Venture Company)
 - Reva Medicare Private Limited (Joint Venture Company)
 - Reva Pharmachem Private Limited (Associate Company)
- ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016. in this regard; and
- ii) give a true and fair view of the net profit, other comprehensive income and other financial information for the quarter ended 31st March, 2018 as well as the year to date financial results for the period from 1st April, 2017 to 31st March, 2018.


K. Sharan



CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

7. The comparative financial information of the Company for the year ended 31st March 2017, included in these consolidated financial results have been prepared from annual consolidated financial statements audited by the predecessor auditor who had audited the financial statement for the relevant period. The report of the predecessor auditor on the annual consolidated financial statements of the company for the year ended 31st March, 2017 dated 29th May 2017 expressed an unmodified opinion.

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000513S



K. Shrawan
(K.SHRAVAN)

Partner

Membership No. 215798

Place : Hyderabad
Date : 28.05.2018