

MAX PHARMA PTY LTD

AUDITED ACCOUNTS

FOR THE PERIOD ENDED

MAY 31, 2009



Director's Report
 for the period ended
 31st May 2009

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their report on the operations of your company for the period ended May 31,2009 .

Financial Results

	From 01.04.2009 to 31.05.2009 AU \$	Previous Year ended 31 st March,2009 AU \$	From 01.04.2009 to 31.05.2009 Indian Rupees	Previous Year ended 31 st March,2009 Indian Rupees
Total Income	79,517	591,630	2,876,125	21,447,795
Loss before tax	357,001	1,632,013	12,081,132	59,472,064
Loss after tax	357,001	1,632,013	12,081,132	59,472,064
Loss brought forward from Previous year	2,481,293	849,280	88,697,648	29,225,584
Loss carried to Balance Sheet	2,838,294	2,481,293	100,778,780	88,697,648

Performance Review

The core business of the Company is to provide marketing services, distribution and sales of pharmaceutical products in Australia and New Zealand.

Dividend

In view of losses, your directors do not recommend dividend.

Issue of Shares

During the period, the Company is wholly-owned subsidiary of Lupin Limited , through its wholly-owned subsidiary Lupin Holdings B.V., Netherlands after purchase of shares held by Chippendale Terrace Pty Ltd. on 2nd April,2009. Further on 31st May,2009 the company has allotted 600,000 ordinary share of AU\$ 1each to Lupin Holdings B.V., Netherlands at a cash consideration of AU\$ 600,000.

Directors

During the period Mr. Bruce Hewett, Dr. Kamal K. Sharma ,Mr. Vinod Dhawan and Mr. Sunil Makharia were the directors of the Company. Subsequently on 1st June,2009, Lupin Holdings B V., Netherlands sold it's entire investment in the Company to Generic Health Pty Ltd in terms of Share Purchase Agreement dated 15th July,2009. As a result of this, changes happened in the composition of Board of Directors and presently Mr. Kamal Sharma, Mr. Vinod Dhawan, Ms Sofia Mumtaz, Mr. Gavin Upiter, Mr. Andrew David Walker, Mr. Mark David Feldschuh, Mr. Herry Karelis are directors of the Company.

Director's Responsibility Statement

In terms of the provisions of Section 217(2AA) of the Indian Companies Act ,1956 (Act), your Directors confirm as under :

- i) that in the preparation of the period accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure:
- ii) that the Directors had 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 your Company at the end of the period 1st April,2009 to 31st May,2009 and of the loss of your Company for the period ended 31st May,2009.
- iii) that the 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 your Company and for preventing and detecting fraud and other irregularities; and
- iv) that the Directors had prepared the period accounts on a going concern basis.

The Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988

Particulars as prescribed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are not applicable to your Company.

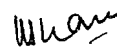
Particulars of Employees

No employee of the Company was in receipt of remuneration aggregating Rs.2,00,000/- p.m.or Rs.24,00,000/- p.a., hence information as prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) (Amendment) Rules, 2002 is not applicable to your Company.

Appreciation

Your Directors wish to place on record their appreciation of the valuable services rendered by all employees of the Company and gratitude to all the business associates for their continued support.

For and on behalf of the Board of Directors



Vinod Dhawan
Director



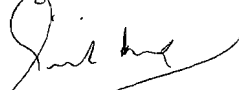
Sofia Mumtaz
Director

Mumbai April 28, 2010 Pune, April 28, 2010

**To the Board of Directors of
Max Pharma Pty. Ltd**

1. We have audited the attached Balance Sheet of **MAX PHARMA Pty. Ltd**, Australia ('the Company') as at 31 May, 2009, the Profit and Loss Account and the Cash flow Statement of the Company for the period ended on that date (the financial statements) attached hereto, which have been prepared in accordance with the Generally Accepted Accounting Principles in India.
2. The report is issued solely for the purpose of consolidation of accounts by the ultimate holding company Lupin Limited, India and to comply with the provisions of Section 212 of the Companies Act, 1956 and should not be used for other purposes.
3. This report does not include a statement on matters specified in paragraph 4 and 5 of the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to Company.
4. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
5. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
6. We report that:
 - a) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - b) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.
 - c) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with accounting policies and notes give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 May, 2009;
 - ii) in the case of the Profit and Loss Account, of the loss for the period ended on that date and ;
 - iii) in the case of Cash flow Statement, of the cash flows for the period ended on that date .

For ARORA & ARORA
CHARTERED ACCOUNTANTS
Registration No : 100544W


GIRISH ARORA
Partner M No 41019
Mumbai, 28 April, 2010



MAX PHARMA PTY LTD. Balance Sheet as at 31st May, 2009					
	Schedules	As at 31.05.2009 AU \$	As at 31.05.2009 Rs.	As at 31.03.2009 AU \$	As at 31.03.2009 Rs.
I. SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	2,885,714	103,673,366	2,285,714	81,004,277
Reserves and Surplus	2	-	(1,113,491)	-	824,679
Loan Funds					
Secured Loans	3	900,000	33,804,000	952,035	33,435,480
	Total	3,785,714	136,363,875	3,237,749	115,264,436
II. APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	4	-	-	348,714	12,246,835
Less: Depreciation and Amortisation		-	-	305,023	10,712,392
Net Block		-	-	43,691	1,534,443
Current Assets, Loans and Advances					
Inventories	5	316,375	11,883,053	397,660	13,965,827
Sundry Debtors	6	64,885	2,437,074	77,083	2,707,166
Cash and Bank balances	7	654,075	24,567,057	72,557	2,548,187
Loans and Advances	8	7,353	276,182	271,605	9,538,784
	9	1,042,688	39,163,366	818,905	28,759,964
Less : Current Liabilities and Provisions					
Current Liabilities		95,268	3,578,271	106,140	3,727,619
Net Current Assets		947,420	35,585,095	712,765	25,032,345
Profit and Loss Account		2,838,294	100,778,780	2,481,293	88,697,648
	Total	3,785,714	136,363,875	3,237,749	115,264,436
Significant Accounting Policies and Notes to Accounts	15				

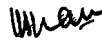
As per our attached report of even date
For Arora & Arora
Chartered Accountants


Girish Arora
Partner



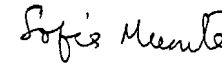
Place : Mumbai
Dated : April 28, 2010

For and on behalf of the Board



Vinod Dhawan
Director

Place : Mumbai
Dated : April 28, 2010



Sofia Mumtaz
Director

Place : Pune
Dated : April 28, 2010



MAX PHARMA PTY LTD					
Profit and Loss account for April 1, 2009 to May 31, 2009.					
		From 01.04.2009 to 31.05.2009		Previous year ended 31.03.2009	
	Schedules	AU \$	Rs.	AU \$	Rs.
INCOME					
Sales -Traded goods		79,459	2,874,020	586,128	21,248,351
Other Income	10	58	2,105	5,502	199,444
	Total	79,517	2,876,125	591,630	21,447,795
EXPENDITURE					
Cost of Traded goods	11	97,990	2,712,682	449,929	16,619,068
Personnel Expenses	12	33,396	1,207,934	387,870	14,061,065
Operating and other expenses	13	290,946	10,523,527	1,080,402	39,166,804
Interest and Finance Charges	14	13,841	500,628	38,043	1,379,151
Depreciation and Amortisation		345	12,486	267,399	9,693,771
	Total	436,518	14,957,257	2,223,643	80,919,859
Loss Before Tax		357,001	12,081,132	1,632,013	59,472,064
Provision for Taxation		-	-	-	-
Loss After Tax		357,001	12,081,132	1,632,013	59,472,064
Balance brought forward from previous period		2,481,293	88,697,648	849,280	29,225,584
Balance carried to Balance sheet		2,838,294	100,778,780	2,481,293	88,697,648
Earnings per share - Basic and Diluted (Refer note no 2.7 of Schedule 15) Nominal value of each ordinary share is AU\$1		(0.17)	(5.66)	(0.77)	(27.97)
Significant Accounting Policies and Notes forming part of Accounts	15				

As per our attached report of even date
For Arora & Arora
Chartered Accountants

Girish Arora
Partner



Place : Mumbai
Dated : April 28, 2010

For and on behalf of the Board

Vinod Dhawan
Director

Place : Mumbai
Dated : April 28, 2010

Sofia Mumtaz
Director

Place : Pune
Dated : April 28, 2010

Max Pharma Pty Ltd
Cash Flow Statement for April 1, 2009 to May 31, 2009.

	From 01.04.2009 to 31.05.2009		For the year ended 31st March, 2009	
	AU \$	Rs.	AU \$	Rs.
A. Cash Flow from Operating activities				
Net Loss before Tax	(357,001)	(12,081,132)	(1,632,013)	(59,472,064)
Adjustments for :				
Depreciation and Amortisation	(305,023)	(10,712,392)	267,399	9,693,771
Interest and Finance Charges	13,841	500,628	38,043	1,379,151
Exchange difference (See note 1 below)	-	(991,298)	-	111,625
Operating Loss before Working Capital Changes	(648,183)	(23,284,193)	(1,326,571)	(48,287,517)
Adjustments for :				
Trade Receivables	276,451	9,532,694	(77,892)	(2,583,211)
Inventories	81,285	2,082,774	118,931	5,289,344
Trade Payable	(10,872)	(149,348)	6,304	96,358
	(301,320)	(11,818,074)	(1,279,228)	(45,485,026)
Direct Taxes Paid (net)	-	-	-	-
Net Cash used in Operating Activities	(301,320)	(11,818,074)	(1,279,228)	(45,485,026)
B. Cash flow from investing activities	-	-	-	-
Net cash used in investing activities	-	-	-	-
C. Cash flow from financing activities				
Purchase of Vehicle	348,714	12,246,835		
Repayment of borrowings	(52,035)	368,520	(542,287)	(19,820,273)
Proceeds from borrowings	-	-	911,492	32,011,593
Proceeds from issue of shares	600,000	22,669,090	1,000,000	36,580,957
Foreign Currency Translation Reserve	-	(1,938,170)	-	-
Interest Paid	(13,841)	(500,628)	(38,043)	(1,379,151)
Net cash generated from Financing activities	882,838	32,845,646	1,331,162	47,393,126
Net (Decrease)/ increase in cash and cash equivalents	581,518	21,027,572	51,934	1,908,100
Cash and cash equivalents at the beginning of the year	72,557	2,630,321	20,623	722,221
Cash and cash equivalents at the end of the year	654,075	23,657,893	72,557	2,630,321

Notes :

1) Cash and cash equivalents include :

Cash and Bank balances (Refer Schedule 8)
Exchange difference (Unrealised (Gain) / Loss)
Total



As at 31st May
2009

Rs.

24,567,057

(909,164)

23,657,893

As at 31st March
2009

Rs.

2,548,187

82,134

2,630,321

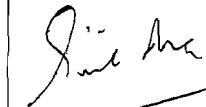
Net unrealised exchange difference during the year

(991,298)

111,625

2) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 (AS-3) "Cash Flow Statement".

As per our attached report of even date
For Arora & Arora
Chartered Accountants




Girish Arora
Partner



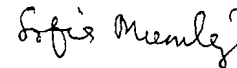
Place : Mumbai
Dated : April 28, 2010

For and on behalf of the Board



Vinod Dhawan
Director

Place : Mumbai
Dated : April 28, 2010



Sofia Mumtaz
Director

Place : Pune
Dated : April 28, 2010

MAX PHARMA PTY LTD. Schedules forming part of the Balance Sheet				
	As at 31.05.2009 AU \$	As at 31.05.2009 Rs.	As at 31.03.2009 AU \$	As at 31.03.2009 Rs.
SCHEDULE "1" - SHARE CAPITAL				
Authorised 2,885,714 (previous year 2,285,714) Ordinary Shares of AU \$ 1/- each.	2,885,714	109,783,364	2,285,714	87,114,275
Issued, Subscribed and Paid up 2,885,714 (previous year 2,285,714) Ordinary Shares of AU \$ 1/- each fully paid up. Note : The entire share capital is held by holding company Lupin Holding B V Netherlands .	2,885,714	103,673,366	2,285,714	81,004,277
Total	2,885,714	103,673,366	2,285,714	81,004,277
SCHEDULE "2" - RESERVES AND SURPLUS				
Foreign Currency Translation Reserve	-	824,679	-	1,436,715
Add: Addition during the period	-	(1,938,170)	-	(612,036)
Total	-	(1,113,491)	-	824,679
SCHEDULE "3" - SECURED LOANS				
Working Capital Loan from Banks [HSBC Bank]	900,000	33,804,000	911,492	32,011,593
Vehicle Loan [National Australian Bank Ltd]	-	-	40,543	1,423,887
Note :Working Capital Loan from banks comprises of Multiple Advance Facility and Overdraft facility and are secured by Fixed and Floating charge over all assets of company and is further secured by guarantee issued by the Ultimate Holding Company " Lupin Limited".				
Total	900,000	33,804,000	952,035	33,435,480



MAX PHARMA PTY LTD. Schedules forming part of the Balance Sheet		As at 31.05.2009 AU \$	As at 31.05.2009 Rs.	As at 31.03.2009 AU \$	As at 31.03.2009 Rs.
SCHEDULE "5" - INVENTORIES					
Stock-in trade					
-Traded Goods		316,375	11,883,053	397,660	13,965,827
Total		316,375	11,883,053	397,660	13,965,827
SCHEDULE "6" - SUNDRY DEBTORS (Unsecured, considered good)					
Debts outstanding for a period exceeding six months		-	-	-	-
Other debts		64,885	2,437,074	77,083	2,707,166
Total		64,885	2,437,074	77,083	2,707,166
SCHEDULE "7" - CASH AND BANK BALANCES					
Bank Balances:					
- With Non Scheduled Banks					
- In Current Account with NAB, Australia		654,075	24,567,057	72,557	2,548,187
Total		654,075	24,567,057	72,557	2,548,187
SCHEDULE "8" - LOANS AND ADVANCES (Unsecured, considered good)					
Advances recoverable in cash or in kind or for value to be received		4,950	185,926	269,202	9,454,391
Advance payment of Income Tax (Net of provision for tax)		2,403	90,256	2,403	84,393
Total		7,353	276,182	271,605	9,538,784
SCHEDULE "9" - CURRENT LIABILITIES					
Sundry Creditors		94,712	3,557,396	103,610	3,638,770
-Interest accrued but not due on Loans		556	20,875	2,530	88,849
Total		95,268	3,578,271	106,140	3,727,619



MAX PHARMA PTY LTD
Schedules forming part of Profit and Loss Account for the period ended 31st May,2009

	Current period ended 31.05.2009		Previous year ended 31st March 2009	
	AU \$	Rs.	AU \$	Rs.
SCHEDULE "10" - OTHER INCOME				
Bank Interest	9	334	4,597	166,636
Miscellaneous Income	49	1,771	905	32,808
Total	58	2,105	5,502	199,444
SCHEDULE "11" COST OF TRADED GOODS				
Purchase of Traded Goods	16,705	629,908	330,998	11,755,153
Opening Stock	397,660	13,965,827	516,591	18,829,742
Less : Closing Stock	316,375	11,883,053	397,660	13,965,827
(Increase)/Decrease in Stock of Traded Goods	81,285	2,082,774	118,931	4,863,915
Total	97,990	2,712,682	449,929	16,619,068
SCHEDULE "12" - PERSONNEL EXPENSES				
Salaries and allowances	32,077	1,160,235	354,263	12,842,754
Contribution to Superannuation Fund	1,193	43,137	31,463	1,140,603
Welfare Expenses	126	4,562	2,144	77,708
Total	33,396	1,207,934	387,870	14,061,065
SCHEDULE "13" - OPERATING AND OTHER EXPENSES				
License and Registration fees	254,242	9,195,944	200,896	7,282,884
Legal and Professional Fees	4,693	169,747	224,394	8,134,745
Selling and Promotion Expenses	8,531	308,555	352,159	12,766,509
Freight,Forwarding and Distribution	85	3,083	82,151	2,978,149
Commission	3,202	115,828	67,413	2,443,856
Rent	9,691	350,506	31,824	1,153,699
Travelling and Conveyance	-	-	26,013	943,033
Insurance	3,315	119,909	15,063	546,072
Postage and Telephone Expenses	4,091	147,988	22,677	822,074
Repairs and maintenance others	-	-	23,680	858,432
Audit fees	-	-	6,618	239,916
Loss on Sale/Discard of Fixed Assets(net)	2,803	101,367	-	-
Miscellaneous Expenses	293	10,600	24,491	887,849
Exchange difference (net)	-	-	3,023	109,586
Total	290,946	10,523,527	1,080,402	39,166,804
SCHEDULE "14" - INTEREST AND FINANCE CHARGES				
Interest on Fixed Loan	-	-	3,739	135,545
Others	13,841	500,628	34,304	1,243,606
Total	13,841	500,628	38,043	1,379,151



Max Pharma Pty Limited

SCHEDULE "15":

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

These financial statements are prepared solely for the purposes of consolidation by the ultimate holding company, Lupin Limited and to comply with the provisions of Section 212 of the Indian Companies Act, 1956.

1. Significant Accounting Policies: -

1.1 Basis of preparation of financial statements : -

The accompanying financial statements have been prepared under the historical cost convention and in accordance with generally accepted accounting principles in India, and the applicable accounting standards.

1.2 Use of Estimates: -

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialise.

1.3 Foreign Currency Transactions :

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 Profit and Loss Account.

iii) In terms of the Notification relating to AS 11 issued by the Ministry of Corporate Affairs in March 2009 :

a) The exchange difference arising on reporting of the "Long Term Foreign Currency Monetary Items" at the rates different from those at which they were initially recorded during the period or reported in the previous financial statements and the exchange difference on settlement of such items, in so far as such items relate to the acquisition of a depreciable capital asset, are added or deducted as the case may be, from the cost of the respective asset and depreciated over the balance life of those assets and

b) In other cases, these are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term asset/liability but not beyond 31st March, 2011.

1.4 Translation to Indian Rupees: -

The local accounts are maintained in local and functional currency, which is the Australian dollar (AU \$). The financial statements have been translated to Indian Rupees considering the operations of the Company as ' non integral operations for the ultimate holding company on the following basis –



- i) All income and expenses are translated at the average rate of exchange prevailing during the year.
- ii) All monetary and non-monetary assets and liabilities are translated at the closing exchange rate as at the Balance sheet date.
- iii) The resulting exchange difference is accounted in 'Foreign Currency Translation Reserve'.

1.5 Revenue Recognition:-

- i) Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of products are transferred by the Company.
- ii) Revenue from sale of goods is stated net of returns and applicable trade discounts and allowances.
- iii) Revenue from service charges is recognized on rendering of the related services.
- iv) Interest income is recognized on time proportionate basis.
- v) Revenue (including in respect of insurance or other claims, interest etc.) is recognized when it is reasonable to expect that the ultimate collection will be made.

1.6 Fixed Assets: -

Fixed Assets are stated at cost of acquisition including taxes, duties. These are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

1.7 Borrowing Costs:-

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.8 Depreciation and Amortization:-

Depreciation on fixed assets is provided on Straight Line Method, over the useful life of the assets, as estimated by the management as under:

Vehicle – 8 years

1.9 Inventories: -

Inventories of traded finished goods are valued at cost or net realizable value which ever is less. Cost is determined on First-in-First-out (FIFO) basis. Cost comprises of purchase price and other charges incurred for bringing the inventories to their present location and condition.

1.10 Income Tax: -

- a) Provision for current tax is made taking into consideration deductions admissible under the provisions of Inland Revenue Ordinance of Australia and is measured and disclosed as stated in (b) and (c) below.
- b) Income Taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income " (AS 22). Tax Expense comprises both current tax and



deferred tax. Current tax is measured at the amount expected to be paid or recovered from the tax authorities using the applicable tax rates, stated in (a) above.

- c) Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are measured at relevant enacted tax rates. At each balance sheet date the company reassesses unrealized deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

1.11 Intangible Assets:-

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and impairment losses, if any.

1.12 Employee Benefits:-

A) Post Employment Benefits and Other Long Term Benefits :

Defined Contribution Plan:

Company's contribution paid/payable for the year to defined contribution retirement benefit schemes are charged to the Profit and Loss Account.

B) Short term Employee Benefits:

Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employees render the services.

1.13 Provisions, Contingent Liabilities and Contingent assets: -

Provisions involving substantial degree of estimation in measurement are recognized 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. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.14 Impairment of assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2 Notes to Accounts: -

2.1 Company Overview: -

The company was incorporated on 21st September 2006 in Australia under the Corporations Act, 2001. Its core business is to provide marketing services, distribution and sales of pharmaceutical products throughout Australia and New Zealand.

The Constitution document of the Company states about the control of issue of shares. The Board of Directors have decided the authorized share capital which has been disclosed in Schedule 1, though not required to be stated in the Constitution Document.

- 2.2 Considering the definitions of reportable business segment and reportable geographical segment contained in Accounting Standard 17 (AS 17) "Segment Reporting", the management is of the opinion that there is only one reportable business and geographical segment, the results of which are disclosed in the financial statements.



- 2.3 The Company is wholly-owned subsidiary of Lupin Limited, through its wholly-owned subsidiary Lupin Holdings B.V., Netherlands after purchase of shares held by Chippendale Terrace Pty Ltd on 2nd April, 2009. Further, on 31st May, 2009 the company has allotted 600,000 ordinary share of AU \$ 1 each to Lupin Holdings B V Netherlands, at a cash consideration of AU\$ 600,000.
- 2.4 Additional information pursuant to the provisions of paragraphs 3, 4 and 4D of part II of Schedule VI of the Indian Companies Act, 1956 (to the extent applicable).

A) CIF Value of Imports in respect of: -

	2009-2010	2009-2010	2008-2009	2008-2009
	AU \$	Rs.	AU \$	Rs.
Purchase of Traded Goods	16,705	629,908	330,998	11,755,153

B) Details of Purchases, Turnover and Stocks:

a) Purchase of Traded goods:

	Unit	Quantity	AU \$	Rs.
Tablets	Nos	-	-	-
		(17,056)	(158,047)	(5,729,520)
Capsules	Nos	-	-	-
		(-)	(-)	(-)
Injections :	Nos	2,880	16,705	629,908
-Vials		(10,410)	(62,050)	(2,005,250)
Devices	Nos.	(60,000)	(110,901)	(4,020,383)
Total			16,705 (330,998)	629,908 (11,755,153)

b) Turnover:

	Unit	Quantity	AU \$	Rs.
Tablets	Nos	29,965	61,949	2,240,673
		(31,856)	(313,433)	(11,362,573)
Capsules	Nos	-	-	-
		(20,041)	(28,316)	(1,026,491)
Injections :	Nos	1,370	17,385	628,823
-Vials		(15,396)	(193,634)	(7,019,610)
Devices	Nos	9	125	4,524
		(5,781)	(50,745)	(1,839,677)
Total			79,459 (586,128)	2,874,020 (21,248,351)

Note : Above excludes items distributed under free samples.



C) Details of Stock :

Classification	Unit	Opening Stock as on 01.04.2009			Closing Stock as on 31.03.2010		
		Quantity	Value		Quantity	Value	
			AUD	INR		AUD	INR
Tablets	No.	91,894 (131,504)	271,550 (415,850)	9,536,836 (15,157,732)	61,296 (91,894)	182,515 (271,550)	6,855,273 (9,536,836)
Capsules	No.	10,842 (31,918)	7,481 (39,484)	262,732 (1,439,192)	10,777 (10,842)	7,436 (7,481)	279,301 (262,732)
Injections- Vials	No.	3,777 (9,199)	22,478 (61,257)	789,427 (2,232,818)	3,994 (3,777)	211,023 (22,478)	101,481 (789,427)
Devices	No.	50,693 (-)	96,151 (-)	3,376,832 (-)	157,893 (50,693)	2,543,985 (96,151)	1,223,402 (3,376,832)
Total			3,97,660 (516,591)	13,965,827 (18,829,742)		316,375 (397,660)	11,883,053 (13,965,827)

Note : Previous year figures are given in brackets.

2.5 Managerial Remuneration (to the Managing Director, Executive Director):-

	For period ended 31 st May, 2009 AU \$	For period ended 31 st May, 2009 Rs.	For Year ended 31 st March, 2009 AU \$	For Year ended 31 st March, 2009 Rs.
Salaries and Allowances	15,600	564,252	225,499	8,174,779
Company Contribution to Superannuation Fund	-	-	19,816	718,380
Total	15,600	564,252	245,315	8,893,159

Notes:- i) Remuneration as above is as approved by the Board.
ii) There are no other Directors who are entitled for remuneration.





Notes :
 1. Related Party relationship is as identified by the Company and relied upon by the Auditors.
 2. Previous year figures are given in brackets.

Sr. No.	Description and Nature of Transaction	Company whose control exists		Fellow Subsidiary		Entry in which KMP has control/Significant Influence		Key Management Personnel		Total	
		AU \$	Rs	AU \$	Rs	AU \$	Rs	AU \$	Rs	AU \$	Rs
1	Unsecured Loan taken	(-)	(-)	(350,000)	(12,292,000)	(-)	(-)	(-)	(-)	(350,000)	(12,292,000)
2	Allotment of ordinary share Lupin Holding B.V. [refer note no.2,3 above]	600,000	22,669,090	(-)	(-)	(142,857)	(5,933,565)	(-)	(-)	600,000	22,669,090
3	Remuneration Paid/ Directors fee	(-)	(-)	(-)	(-)	(-)	(-)	15,600	564,252	15,600	564,252
4	Purchase of Goods /Materials Lupin Limited	16,704	629,908	(-)	(-)	(-)	(-)	(-)	(-)	16,704	629,908
5	Expenses reimbursed - Lupin Limited	(1,520)	(55,103)	(-)	(-)	(-)	(-)	(-)	(-)	(1,520)	(55,103)
6	Loan repaid during the year	(-)	(-)	(853,000)	(29,957,360)	(-)	(-)	(-)	(-)	(853,000)	(29,957,360)
7	Interest expense during the year - Chippendale Terrace Pty Ltd	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
8	Sale of Vehicle	(-)	(-)	(-)	(-)	(-)	(-)	40,543	1,522,813	40,543	1,522,813
9	Creditors as on 31 st May 2009	77,082	2,895,200	(-)	(-)	(-)	(-)	(-)	(-)	77,082	2,895,200
		(60,378)	(2,120,475)	(-)	(-)	(-)	(-)	(-)	(-)	(60,378)	(2,120,475)

b) Related Party Transactions

- 26 Related Parties Disclosure:-
 a) Name of Related parties and description of relationship:-
 i) Company Whose Control exists i) Lupin Limited, India (Ultimate Holding Company)
 ii) Lupin Holdings B.V., Netherlands (Holding Company)
 ii) Fellow Subsidiary:-
 i) Lupin Australia Pty Ltd
 iii) Entry in which KMP has control/ Significant influence
 i) Chippendale Terrace Pty Ltd
 iv) Key Management Personnel:-
 Bruce Hewitt (Executive Director)
 Kamal K Sharma
 Vinod Dhanwan
 Sunil Makkharia

2.7 Earnings per Share :-

Particulars	For the period ended 31 st May 2009 (in AU\$)	For the period ended 31 st May 2009 (in Rs.)	For the year ended 31 st March 2009 (in AU\$)	For the year ended 31 st March 2009 (in Rs.)
Net Loss after tax attributable to Equity Shareholders	357,001	12,081,132	1,632,013	59,472,064
Weighted average number of Equity shares – Basic and Diluted	2,135,863	2,135,863	2,126,027	2,126,027
Basic and Diluted Earning per Share	(0.17)	(5.66)	(0.77)	(27.97)

- 2.8 The provision for current tax has been computed considering the tax laws in Australia.
- 2.9 Closing exchange rate as on 31st May,2009 considered for the purpose of translation as referred in note no. 1.4 (ii) is Rs. 37.56 / 1 AU \$.(Previous year Rs.35.12 / 1 AU \$).
- 2.10 Previous year figures have been regrouped wherever necessary, to correspond with the figures of the current year.



For Max Pharma Pty. Limited

Vinod Dhawan
Vinod Dhawan
 Director

Sofia Mumtaz
Sofia Mumtaz
 Director

Place: Mumbai
 Date : April 28, 2010

Place: Pune
 Date : April 28,2010

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