

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF SUN PHARMACEUTICAL INDUSTRIES LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SUN PHARMACEUTICAL INDUSTRIES LIMITED (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the financial information of erstwhile Ranbaxy Laboratories Limited, now a division of the Company (hereinafter referred to as "erstwhile Ranbaxy" or "amalgamating company") for the year ended on that date, consequent to its amalgamation into the Company which has been effected on 24th March, 2015, with the appointed date of 1st April, 2014, audited by other auditors (division / component auditors), referred in the 'Other Matter' section below.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "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 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 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 standalone 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 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 read together with our remarks in paragraph 2 of the 'Emphasis of Matter' section below. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 and the audit evidence obtained by the other auditors (division / component auditors) of the amalgamating company in terms of their report referred in the 'Other Matter' section below is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the

report of the other auditors (division / component auditors) on the financial information of the amalgamating company referred in the 'Other Matter' section below, and read together with paragraphs 1 and 2 of the 'Emphasis of Matter' section below, 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, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

### Emphasis of Matter

1. We draw attention to Note 51 to the standalone financial statements. As referred to in the said Note, the financial statements of the Company for the year ended 31st March, 2015 were earlier approved by the Board of Directors at their meeting held on 29th May, 2015 which were subject to revision by the Management of the Company so as to give effect to the Scheme of Arrangement for amalgamation of Sun Pharma Global Inc., a wholly owned subsidiary, into the Company w.e.f 1st January, 2015. Those financial statements were audited by us and our report dated 29th May, 2015, addressed to the Members of the Company, expressed an unqualified opinion on those financial statements and included an Emphasis of Matter paragraph drawing attention to the foregoing matter. Consequent to the Company obtaining the required approvals, the aforesaid financial statements are revised by the Company to give effect to the said Scheme of Arrangement.
2. Apart from the foregoing matter and the provision for proposed dividend, the attached financial statements do not take into account any events subsequent to the date on which the financial statements referred to in paragraph 1 above were earlier approved by the Board of Directors and reported upon by us as aforesaid.
3.
  - a) We draw attention to Note 55 to the standalone financial statements. As referred to in the said Note, remuneration to the Managing Director and the Whole-time Directors for the previous year ended 31st March, 2014 is in excess of the limits specified under Schedule XIII to the Companies Act, 1956 by ₹ 44.7 Million and commission of ₹ 6.4 Million for the previous year ended 31st March, 2014 to the Non-Executive Directors is in excess, since there is absence of net profits for the previous year under section 309(4) read with section 309(5) of the Companies Act, 1956. In this regard, the Company has made necessary applications to the Central Government for the waiver of the excess remuneration and commission for the previous year ended 31st March, 2014. The Company is awaiting Central Government approval in respect of the said applications.
  - b) We draw attention to Note 55 to the standalone financial statements. As referred to in the said Note, remuneration to the Managing Director and the Whole-time Director for the year is in excess of the limits specified under Schedule V to the Companies Act, 2013 by ₹ 20.7 Million. In this regard, the Company has made necessary applications to the Central Government for approving the amounts of maximum remuneration payable, which includes the excess amounts already paid / provided. The Company is awaiting Central Government approval in respect of the said applications.

Our opinion is not modified in respect of these matters.

### Other Matter

The standalone financial statements include the financial information of erstwhile Ranbaxy consequent to its amalgamation into the Company which has been effected on 24th March, 2015, with the appointed date of 1st April, 2014 (Refer Note 48 to the standalone financial statements). We did not audit the financial information of erstwhile Ranbaxy, included in the standalone financial statements of the Company, whose financial information reflect total assets of ₹ 88,083.7 Million as at 31st March, 2015, total revenue of ₹ 55,867.3 Million and net cash outflow of ₹ 4,674.2 Million for the year ended on that date, as considered in the standalone financial statements. This financial information of erstwhile Ranbaxy has been audited by other auditors (division / component auditors) whose report has been furnished to us and our opinion, in so far as it relates to the amounts and disclosures included in respect of erstwhile Ranbaxy and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to erstwhile Ranbaxy is based solely on the report of such other auditors (division / component auditors).

Our opinion on the standalone financial statements, and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditors (division / component auditors).

### 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 in terms of Section 143(11) of the Act, based on our comments and in terms of the comments in the report of the other auditors (division / component auditors) in respect of the amalgamating Company referred in the 'Other Matter' section above, 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:
  - (a) 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.
  - (b) 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 and the financial information adequate for the purpose of our audit have been received in respect of the amalgamating company audited by the other auditors (division / component auditors) referred in the 'Other Matter' section above.
  - (c) The report on the financial information of the amalgamating company audited by the other auditors (division / component auditors) referred in the 'Other Matter' section above has been sent to us and has been properly dealt with by us in preparing this report.
  - (d) 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 and the financial information in respect of the amalgamating company audited by the other auditors (division / component auditors) referred in the 'Other Matter' section above.
  - (e) In our opinion, and based on the consideration of the report of the other auditors (division / component auditors) on the financial information of the amalgamating company referred in the 'Other Matter' section above, 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.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2015 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.
  - (g) 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 and in terms of the report of the other auditors (division / component auditors) in respect of the amalgamating company referred in the 'Other Matter' section above:
    - i. The standalone financial statements disclose the impact of pending litigations on the financial position of the company – Refer Notes 28(a) and 28(c) to the standalone financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 6 and Note 10 to the standalone financial statements;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

RAJESH K. HIRANANDANI  
Partner  
(Membership No. 36920)

Place of Signature: Mumbai

Date: 29th May, 2015 [11th August, 2015 as to effect the matters discussed under paragraphs 1 and 2 of the 'Emphasis of Matter' section above]

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to In Paragraph 1 Under 'Report on Other Legal and Regulatory Requirements' Section of Our Report of Even Date)

Our reporting on the Order includes erstwhile Ranbaxy which has been audited by other auditors (division / component auditors) referred in the 'Other Matter' section of our report of even date and our report in respect of the division (erstwhile Ranbaxy) is based solely on the report of the other auditors (division / component auditors), to the extent considered applicable for reporting under the Order in the case of the standalone financial statements.

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion and the opinion of the other auditors (division / component auditors), is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us and the other auditors (division / component auditors), no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) As explained to us and the other auditors (division / component auditors), the inventories, except for goods in transit, were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and the opinion of the other auditors (division / component auditors) and according to the information and explanations given to us and the other auditors (division / component auditors), the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and the opinion of the other auditors (division / component auditors) and according to the information and explanations given to us and the other auditors (division / component auditors), the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us and the other auditors (division / component auditors), the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 (hereinafter referred to as "the Act"), where:
  - (a) In respect of loans granted to an associate:
    - (I) There is no receipt of the principal amount of ₹ 512.0 Million and the interest thereon of ₹ 88.8 Million.
    - (II) There is no evidence of reasonable steps having been taken for the recovery of the principal outstanding or interest receivable. As represented to us by the Management of the Company, the Company is evaluating various options to recover its dues in respect of the principal amount and the interest thereon.

Refer Note 45 to the Financial Statements.

- (b) In respect of the other loans:
  - (I) The receipts of the principal amounts have been regular / as per stipulations. No interest was due during the year in respect of such loans.
  - (II) There is no overdue amount remaining outstanding as at the year-end.
- (iv) In our opinion and the opinion of the other auditors (division / component auditors) and according to the information and explanations given to us and the other auditors (division / component auditors), having regard to the explanations that some of

the items purchased are of a special nature and suitable alternative sources are not readily available for obtaining comparable quotations and that some of the items sold are of a special nature where there are no similar transactions with other parties, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our and the other auditors (division / component auditors) audit, we and the other auditors (division / component auditors) have not observed any continuing failure to correct major weakness in such internal control system.

- (v) According to the information and explanations given to us and the other auditors (division / component auditors), the Company has not accepted any deposit from the public during the year in terms of the provisions of Sections 73 and 76 or any other relevant provisions of the Act.
- (vi) We and the other auditors (division / component auditors) have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and the Cost Accounting Records (Pharmaceutical Industry) Rules, 2011 prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We and the other auditors (division / component auditors) have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and the other auditors (division / component auditors), in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities, though there have been slight delays in few cases.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Value added Tax which have not been deposited as at 31st March, 2015 on account of disputes, are given below:

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ In Million)
Income Tax Act, 1961	Income Tax, Interest and Penalty	Commissioner	1998-99, 2005-06, 2006-07 and 2008-09 to 2010-11	3,202.4
		Income Tax Appellate Tribunal (ITAT)	1995-96, 2007-08 and 2009-10	2,912.4
Sales Tax Act/VAT (Various States)	Sales Tax, Interest and Penalty	Assistant / Deputy / Joint Commissioner	1998-99 to 2000-01, 2003-04, 2004-05 and 2008-09	3.1
		Tribunal	1999-2000 to 2001-02	1.8
		Appellate Authority	2008-09	1.4
		High Court	1999-2000, 2001-02 to 2003-04 and 2005-06 to 2010-11	24.0
	Entry Tax	Madhya Pradesh Commercial Tax Appellate Board	2009-10	2.5
Wealth Tax Act, 1957	Wealth Tax	Commissioner	2010-11	0.1
		Tribunal	2007-08 to 2009-10	0.3
The Central Excise Act, 1944	Service Tax	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Delhi	2006 to 2011	4.4

Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ In Million)
Customs Act, 1962	Custom Duty, Penalty and Interest	High Court	2000-01	15.4
The Central Excise Act, 1944	Excise Duty, Interest and Penalty	Assistant / Deputy / Joint Commissioner	1995-96 to 1998-99 and 2000-01 to 2014-15	892.0
		Tribunal	1999-00 to 2013-14	594.3
		High Court	1989-90 to 1998-99 and 2002-03 to 2004-05	60.5
		Supreme Court	1995-96 to 2003-04	21.5
Sales Tax Act (Various States)	Value Added Tax	Additional / Assistant / Deputy / Joint/ Senior Joint Commissioner	2005-06 to 2008-09 and 2010-11 to 2012-13	17.7
		Tribunal	2008-09	1.2
		High Court	2009-10 and 2010-13	94.0

There were no dues of Cess which have not been deposited as on 31st March, 2015 on account of disputes.

- (d) The Company has been regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.
- (viii) The Company does not have accumulated losses of the Company at the end of the financial year, however the Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and the opinion of the other auditors (division / component auditors) and according to the information and explanations given to us and the other auditors (division / component auditors), the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and the opinion of the other auditors (division / component auditors) and according to the information and explanations given to us and the other auditors (division / component auditors), the terms and conditions of the guarantees given and letters of comfort issued by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xi) In our opinion and the opinion of the other auditors (division / component auditors) and according to the information and explanations given to us and the other auditors (division / component auditors), except for term loans lying unutilised as at 31st March, 2015, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xii) To the best of our and the other auditors (division / component auditors) knowledge and according to the information and explanations given to us and the other auditors (division / component auditors), no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

RAJESH K. HIRANANDANI  
Partner  
(Membership No. 36920)

Place of Signature: Mumbai

Date: 29th May, 2015 [11th August, 2015 as to effect the matters discussed under paragraphs 1 and 2 of the 'Emphasis of Matter' section above]

# BALANCE SHEET

AS AT 31ST MARCH, 2015

₹ in Million

	Note No.	As at 31st March, 2015		As at 31st March, 2014	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	2,071.2		2,071.2	
Share Suspense Account	48	334.8		-	
Reserves and Surplus	2	225,307.7	227,713.7	72,007.6	74,078.8
Share application money pending allotment		149.0		-	
<b>Non-current Liabilities</b>					
Long-term Borrowings	3	11,703.2		46.4	
Deferred Tax Liabilities (Net)	4	-		1,928.4	
Other Long-term Liabilities	5	143.7		13.8	
Long-term Provisions	6	24,225.1	36,072.0	25,241.9	27,230.5
<b>Current Liabilities</b>					
Short-term Borrowings	7	42,528.1		24,043.7	
Trade Payables	8	14,850.3		3,800.6	
Other Current Liabilities	9	32,475.5		7,610.1	
Short-term Provisions	10	20,666.9	110,520.8	6,880.3	42,334.7
<b>Total</b>		<b>374,455.5</b>		<b>143,644.0</b>	
<b>ASSETS</b>					
<b>Non-current Assets</b>					
Fixed Assets					
Tangible Assets	11A	31,152.9		12,575.6	
Intangible Assets	11B	699.8		96.1	
Capital Work-in-Progress		10,863.2		4,804.6	
Intangible Assets under Development		42.7		-	
		42,758.6		17,476.3	
Non-current Investments	12	257,822.3		61,557.3	
Long-term Loans and Advances	13	18,952.3		7,614.9	
Other Non-current Assets	14	419.5	319,952.7	1.1	86,649.6
<b>Current Assets</b>					
Current Investments	15	939.3		8,600.0	
Inventories	16	21,892.5		9,183.8	
Trade Receivables	17	18,028.2		9,801.5	
Cash and Cash Equivalents	18	4,164.6		1,414.8	
Short-term Loans and Advances	19	6,966.9		3,093.2	
Other Current Assets	20	2,511.3	54,502.8	24,901.1	56,994.4
<b>Total</b>		<b>374,455.5</b>		<b>143,644.0</b>	

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

RAJESH K. HIRANANDANI  
Partner

Mumbai, 11th August, 2015

For and on behalf of the Board

DILIP S. SHANGHVI  
Managing Director

UDAY V. BALDOTA  
Chief Financial Officer

SUDHIR V. VALIA  
Wholetime Director

SUNIL R. AJMERA  
Company Secretary

SAILESH T. DESAI  
Wholetime Director

Mumbai, 11th August, 2015

# STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	Note No.	Year ended 31st March, 2015	Year ended 31st March, 2014
Revenue from Operations	21	81,687.4	29,282.5
Less: Excise Duty		1,515.5	994.6
		80,171.9	28,287.9
Other Income	22A	2,115.8	1,777.6
<b>Total Revenue</b>		<b>82,287.7</b>	<b>30,065.5</b>
<b>Expenses</b>			
Cost of Materials Consumed	23	22,611.1	8,946.2
Purchases of Stock-in-Trade	32	9,342.2	1,850.4
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	3,181.0	(145.3)
Employee Benefits Expense	25	14,866.8	2,796.3
Finance Cost	22B	5,512.5	183.8
Depreciation and Amortisation Expense	11	6,606.8	1,019.4
Other Expenses	26	35,757.0	14,669.6
<b>Total Expenses</b>		<b>97,877.4</b>	<b>29,320.4</b>
<b>(Loss) / Profit Before Exceptional Item and Tax</b>		<b>(15,589.7)</b>	<b>745.1</b>
Exceptional Item	47	-	(28,756.0)
<b>Loss Before Tax</b>		<b>(15,589.7)</b>	<b>(28,010.9)</b>
<b>Tax Expense:</b>			
Current Tax	50	1,080.0	-
Deferred Tax / (Credit)		(1,928.4)	(848.4)
			274.3
<b>Loss for the Year</b>		<b>(14,741.3)</b>	<b>(28,285.2)</b>
<b>Earnings per Share (Face Value per Equity share - ₹ 1)</b>	39		
Basic (in ₹)		(6.1)	(13.7)
Diluted (in ₹)		(6.1)	(13.7)

**See accompanying notes forming part of the Financial Statements**

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

RAJESH K. HIRANANDANI  
Partner

Mumbai, 11th August, 2015

For and on behalf of the Board

DILIP S. SHANGHVI  
Managing Director

UDAY V. BALDOTA  
Chief Financial Officer

SUDHIR V. VALIA  
Wholetime Director

SUNIL R. AJMERA  
Company Secretary

SAILESH T. DESAI  
Wholetime Director

Mumbai, 11th August, 2015



# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss Before Tax	(15,589.7)	(28,010.9)
Adjustments for:		
Depreciation and Amortisation Expense	6,606.8	1,019.4
Loss on Sale of Fixed Assets (net)	64.8	21.1
Finance Costs	5,512.5	183.8
Interest Income	(849.8)	(890.6)
Dividend Income	(0.2)	(0.2)
Net Gain on Sale of Investments	(988.9)	(813.2)
Investment Written off	-	0.2
Provision for Doubtful Trade Receivable / Advances / Sundry balance written off (Net)	353.3	97.7
Expense on Employee Stock Option Scheme	205.0	-
Reversal for diminution in value of current investments	(70.3)	-
Provision for other-than-temporary diminution in value of non-current investment in an associate	306.4	-
Provision for other-than-temporary diminution in value of non-current investment in a subsidiary	467.4	-
Net Unrealised Foreign Exchange (Gain) / Loss	(5,771.1)	813.7
<b>Operating Loss Before Working Capital Changes</b>	<b>(9,753.8)</b>	<b>(27,579.0)</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (Increase) / Decrease in Operating Assets:</b>		
Inventories	4,242.7	(496.2)
Trade Receivables	2,795.0	(1,868.8)
Loans and Advances	(521.1)	(932.9)
Other Assets	28,356.5	(24,397.1)
<b>Adjustments for Increase / (Decrease) in Operating Liabilities:</b>		
Trade Payables	1,189.7	168.8
Other Liabilities	(22,978.2)	6,157.6
Provisions	89.9	26,384.7
<b>Cash Generated from Operations</b>	<b>3,420.7</b>	<b>(22,562.9)</b>
Net Income Tax Paid / (Refunded)	(1,934.8)	(1,487.7)
<b>Net Cash Flow from / (used in) Operating Activities (A)</b>	<b>1,485.9</b>	<b>(24,050.6)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on Fixed Assets, including Capital Advances	(10,279.8)	(4,343.2)
Proceeds from Sale of Fixed Assets	148.4	20.6
Loans / Inter Corporate Deposits		
Given / Placed	(1,411.5)	(6,694.1)
Received back / Matured	11,307.7	9,796.0
Received back / Matured from Subsidiary Companies	1,135.6	-
Purchase of Investments		
Subsidiary Companies	(3.1)	(6,162.2)
Others	(103,605.0)	(194,538.7)
Proceeds from Sale of Investments		
Subsidiary Companies	8,950.1	-

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Others	112,962.5	201,912.7
Net realisation from Investment in erstwhile Partnership Firms	-	2,697.4
Bank Balances not considered as Cash and Cash Equivalents		
Fixed Deposits Placed	(3,529.9)	(535.4)
Fixed Deposits Matured	4,964.2	1,971.6
Margin Money Placed	(7.4)	(7.4)
Margin Money Matured	3.5	17.5
Interest Received	892.6	1,056.4
Dividend Received	0.2	0.2
<b>Net Cash Flow from Investing Activities (B)</b>	<b>21,528.1</b>	<b>5,191.4</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from allotment of equity shares on exercise of stock options	748.7	-
Proceeds from Borrowings	49,296.3	24,002.0
Repayment of Borrowings	(65,805.3)	-
Net Decrease in Working Capital Borrowings	(4,028.0)	(343.2)
Finance Costs	(3,319.8)	(182.4)
Dividends Paid	(3,104.8)	(5,175.4)
Tax on Dividend	(528.0)	(880.0)
<b>Net Cash Flow used in Financing Activities (C)</b>	<b>(26,740.9)</b>	<b>17,421.0</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(3,726.9)</b>	<b>(1,438.2)</b>
Cash and Cash Equivalents at the Beginning of the Year	763.2	2,218.1
Pursuant to the Scheme of Amalgamation (Refer note 48)	4,879.3	-
Effect of Exchange Differences on Restatement of Foreign Currency Cash and Cash Equivalents	16.4	(16.7)
<b>Cash and Cash Equivalents at the end of the Year (Refer Note 18)</b>	<b>1,932.0</b>	<b>763.2</b>
<b>See accompanying notes forming part of the Financial Statements</b>		

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants

RAJESH K. HIRANANDANI  
Partner

Mumbai, 11th August, 2015

For and on behalf of the Board

DILIP S. SHANGHVI  
Managing Director

UDAY V. BALDOTA  
Chief Financial Officer

SUDHIR V. VALIA  
Wholetime Director

SUNIL R. AJMERA  
Company Secretary

SAILESH T. DESAI  
Wholetime Director

Mumbai, 11th August, 2015

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

1 SHARE CAPITAL	As at 31st March, 2015		As at 31st March, 2014	
	Number of Shares	₹ in Million	Number of Shares	₹ in Million
<b>Authorised</b>				
Equity Shares of ₹ 1 each	5,990,000,000	5,990.0	3,000,000,000	3,000.0
Cumulative Preference Shares of ₹ 100 each	100,000	10.0	-	-
	<b>5,990,100,000</b>	<b>6,000.0</b>	<b>3,000,000,000</b>	<b>3,000.0</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of ₹ 1 each (Refer Note 29)	2,071,163,910	2,071.2	2,071,163,910	2,071.2
	<b>2,071,163,910</b>	<b>2,071.2</b>	<b>2,071,163,910</b>	<b>2,071.2</b>

₹ in Million

2 RESERVES AND SURPLUS (*)	As at 31st March, 2015		As at 31st March, 2014	
	<b>Capital Reserve</b>			
Opening Balance	28,369.0		259.1	
Addition during the Year (Refer note 48 and 51)	8,291.2		28,109.9	
Closing Balance		36,660.2		28,369.0
<b>Capital Redemption Reserve</b>				
Opening Balance	-		154.5	
Less : Utilised for issue of bonus shares	-		154.5	
Closing Balance		-		-
<b>Securities Premium Account</b>				
Opening Balance	14,218.0		15,099.1	
Add: Pursuant to the Scheme of Amalgamation (Refer note 48)	3,079.7		-	
Add: Received during the year	594.2		-	
Add : Transferred from employee stock options outstanding account on exercise of options	328.4		-	
Less : Utilised for issue of bonus shares	-		881.1	
Closing Balance		18,220.3		14,218.0
<b>Debenture Redemption Reserve</b>				
Opening Balance	-		-	
Add: Transferred from General Reserve	750.0		-	
Closing Balance		750.0		-
<b>Share Options Outstanding Account</b>				
Opening Balance	-		-	
Add: Pursuant to the Scheme of Amalgamation (Refer note 48)	205.5		-	
Add: Amortisation during the year (Employee stock option expense, net of options forfeited and lapsed during the year)	205.0		-	
Less: Transferred to Securities premium on account of exercise of options	328.4		-	
Closing Balance		82.1		-

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
<b>Amalgamation Reserve</b>		
Opening Balance	-	-
Add: Pursuant to the Scheme of Amalgamation (Refer note 48)	43.8	-
Closing Balance	43.8	-
<b>General Reserve</b>		
Opening Balance	29,260.0	29,260.0
Add: Pursuant to the Scheme of Amalgamation (Refer note 48)	5,519.3	-
Less: Transferred to Debenture Redemption Reserve	750.0	-
Closing Balance	34,029.3	29,260.0
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	160.6	32,080.5
Add: Pursuant to the Scheme of Amalgamation (Refer note 51)	158,791.9	-
Add: Loss for the Year	(14,741.3)	(28,285.2)
Less: Dividend proposed to be distributed to equity Shareholders [₹ 3.0 (Previous Year ₹ 1.5) per Share]	7,219.5	3,106.7
Corporate Dividend Tax	1,469.7	528.0
Closing Balance	135,522.0	160.6
	<b>225,307.7</b>	<b>72,007.6</b>

(\*) Pursuant to the scheme of arrangement duly approved by the relevant Hon'ble High Courts, the debit balance in the Statement of Profit and Loss of ₹ 34,102.7 Million in the books of the Transferor Company on the close of 31st March, 2014 has been adjusted by the Transferor Company by reduction of its Capital Reserve and Securities Premium Account of ₹ 1,762.0 Million and ₹ 32,340.7 Million respectively. The remaining balance of ₹ 3,079.7 Million in the Securities Premium Account of the Transferor Company as at close of 31st March, 2014 has been taken over by the Company (Transferee Company) and included in Securities Premium Account, as on 1st April, 2014, being the appointed date of the amalgamation referred in Note 48.

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
<b>3 LONG-TERM BORROWINGS</b>		
<b>Secured</b>		
Term Loan from Department of Biotechnology (Secured by hypothecation of assets and goods pertaining to the project) [Repayable in 10 (Previous Year 10) half- yearly instalments of ₹ 7.7 Million (Previous Year ₹ 4.6 Million) each commencing from 31st March, 2017, Last installment is due on 31st December, 2021]	77.3	46.4
<b>Unsecured</b>		
Term Loans from Bank		
External Commercial Borrowing (ECBs) (Refer Note 57)	11,625.9	-
	<b>11,703.2</b>	<b>46.4</b>

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	As at 31st March, 2015		As at 31st March, 2014	
<b>4 DEFERRED TAX LIABILITIES (NET)</b>				
<b>Deferred Tax Liability</b>				
Depreciation on Fixed Assets	3,727.2		2,043.5	
Others	165.9	3,893.1	-	2,043.5
Less :				
<b>Deferred Tax Assets</b>				
Unpaid Liabilities Allowable on payment basis u/s 43B of the Income Tax Act, 1961	426.9		66.9	
Unabsorbed Depreciation / Carried forward Losses (*)	2,820.6		-	
Others	645.6	3,893.1	48.2	115.1
(*) restricted to the extent of deferred tax liability.		-		1,928.4
<b>5 OTHER LONG-TERM LIABILITIES</b>				
Interest accrued but not due on borrowings		3.4		2.8
Trade / Security Deposits Received		140.3		11.0
		<b>143.7</b>		<b>13.8</b>
<b>6 LONG-TERM PROVISIONS</b>				
Employee Benefits		1,610.6		95.4
MTM Loss on outstanding Forward Contracts / Derivative Instruments		212.5		1,984.6
Others (Refer Notes 47 and 58)		22,402.0		23,161.9
		<b>24,225.1</b>		<b>25,241.9</b>
<b>7 SHORT-TERM BORROWINGS</b>				
<b>Loans Repayable on Demand</b>				
<b>Secured</b>				
from Banks (*)		708.0		41.7
<b>Unsecured</b>				
from Bank		4,496.7		-
<b>Other Loans and Advances</b>				
<b>Secured</b>				
from Bank (*)		2,031.0		-
<b>Unsecured</b>				
from Bank		22,726.7		24,002.0
Commercial Paper		12,500.0		-
(*)Secured by first charge, on a pari passu basis by hypothecation of Inventories, Trade Receivables, Outstanding Money Receivables, Claims and Bills and Other receivables included under Loans and Advances and Other Assets.				
<b>Deposits (Unsecured)</b>				
Inter-corporate Deposit		65.7		-
		<b>42,528.1</b>		<b>24,043.7</b>

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
<b>8 TRADE PAYABLES</b>		
Due to Micro and Small Enterprises (Refer Note 37)	94.0	69.7
Other Payables	14,756.3	3,730.9
	<b>14,850.3</b>	<b>3,800.6</b>
<b>9 OTHER CURRENT LIABILITIES</b>		
Current maturities of Long term debt (Refer Note 57)	13,875.5	-
Interest Accrued but not due on borrowings	221.7	-
Investor Education and Protection Fund shall be credited by Unpaid Dividends (not due)	65.7	52.4
Statutory Remittances	1,196.4	295.0
Payables on Purchase of Fixed Assets	699.1	362.7
Advances from / Payable to Subsidiary Companies / Customers (Refer Note 38)	5,635.3	6,892.2
Others (*)	10,781.8	7.8
	<b>32,475.5</b>	<b>7,610.1</b>
(*) Includes product settlement, claims, recall charges and trade commitments		
<b>10 SHORT-TERM PROVISIONS</b>		
Employee Benefits	404.6	95.4
MTM Loss on outstanding Forward Contracts / Derivative Instruments	4,939.9	-
Dividend proposed to be distributed to equity Shareholders	7,219.5	3,106.7
Corporate Dividend Tax	1,469.7	528.0
Provision in respect of losses of subsidiaries	1,286.6	-
Others (Refer Notes 47 and 58)	5,346.6	3,150.2
	<b>20,666.9</b>	<b>6,880.3</b>

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## 11 FIXED ASSETS

Description of Assets	Gross Block (At cost)			Depreciation / Amortisation / Impairment			Net Block	
	As at 01.04.2014	Pursuant to Amalgamation #	As at 31.03.2015	As at 01.04.2014	Pursuant to Amalgamation #	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>A. TANGIBLE ASSETS</b>								
Freehold Land	192.1	250.0	530.9	-	-	-	530.9	192.1
	(188.7)	(3.4)	(192.1)	(-)	(-)	(-)	(188.7)	(192.1)
Leasehold Land	137.8	478.7	609.7	11.5	28.9	6.9	562.4	126.3
	(137.8)	(-)	(137.8)	(9.4)	(-)	(2.1)	(126.3)	(128.4)
Buildings	3,298.1	6,177.8	11,204.0	742.2	1,610.9	2,791.7	8,571.5	2,555.9
	(3,090.8)	(-)	(3,298.1)	(652.9)	(-)	(742.2)	(2,555.9)	(2,437.9)
Buildings - Leased *	24.5	-	24.5	7.1	-	0.5	16.9	17.4
	(24.5)	(-)	(24.5)	(6.6)	(-)	(0.5)	(17.4)	(17.9)
Plant and Equipment	14,573.8	23,944.9	41,454.0	5,535.9	10,867.3	354.4	19,955.9	9,037.9
	(12,770.5)	(-)	(14,573.8)	(4,741.6)	(-)	(832.4)	(9,037.9)	(8,028.9)
Plant and Equipment - Leased *	25.3	-	25.3	4.1	-	1.8	19.4	21.2
	(25.3)	(-)	(25.3)	(2.9)	(-)	(1.2)	(21.2)	(22.4)
Vehicles	289.7	514.0	1,640.0	83.5	167.1	70.4	466.2	206.2
	(225.6)	(-)	(289.7)	(66.3)	(-)	(21.9)	(206.2)	(159.3)
Office Equipment	416.2	538.4	1,123.5	231.7	209.8	315.2	386.7	184.5
	(351.3)	(-)	(416.2)	(204.7)	(-)	(27.3)	(184.5)	(146.6)
Furniture and Fixtures	421.1	813.4	1,395.5	187.0	372.7	16.2	643.0	234.1
	(382.2)	(-)	(421.1)	(164.7)	(-)	(22.4)	(234.1)	(217.5)
<b>Total Tangible Assets (A)</b>	<b>19,378.6</b>	<b>32,717.2</b>	<b>57,127.2</b>	<b>6,803.0</b>	<b>13,256.7</b>	<b>461.2</b>	<b>31,152.9</b>	<b>12,575.6</b>
Previous Year	(17,196.7)	-	(19,378.6)	(5,849.1)	-	(43.2)	(12,575.6)	-
<b>B. INTANGIBLE ASSETS</b>								
Computer Software	-	1,499.7	1,429.0	-	865.1	184.9	591.8	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Trademarks, Designs and Other Intangible Assets	356.7	795.7	1,184.1	260.6	769.4	46.1	108.0	96.1
	(54.7)	(227.0)	(356.7)	(44.4)	(193.9)	(22.3)	(96.1)	(10.3)
<b>Total Intangible Assets (B)</b>	<b>356.7</b>	<b>2,295.4</b>	<b>3.2</b>	<b>260.6</b>	<b>1,634.5</b>	<b>231.0</b>	<b>699.8</b>	<b>96.1</b>
Previous Year	(54.7)	(227.0)	(356.7)	(44.4)	(193.9)	(22.3)	(96.1)	(96.1)
<b>Total Fixed Assets (A) + (B)</b>	<b>19,735.3</b>	<b>35,012.6</b>	<b>59,950.7</b>	<b>7,063.6</b>	<b>14,891.2</b>	<b>463.6</b>	<b>31,852.7</b>	<b>12,671.7</b>
Previous Year	(17,251.4)	(227.0)	(19,735.3)	(5,893.5)	(193.9)	(43.2)	(12,671.7)	-

### Footnotes:

- Buildings include ₹ 8,620 towards cost of shares in a Co-operative Housing Society and includes ₹ 1.1 Million (Previous Year - Nil) and ₹ 1,133.0 Million (Previous Year - Nil) towards cost of non-convertible Preference shares of face value of ₹ 10/- each and compulsorily convertible Debentures of face value of ₹ 10,000/- each respectively in a Company.
- Includes impairment of ₹ 400.1 Million (Previous Year ₹ 29.1 Million) including impairment of ₹ 371.0 Million on fixed assets acquired pursuant to the Scheme of amalgamation (Refer Note 48).
- Freehold land includes land valued at ₹ 25.5 Million pending registration in the name of the Company.
- Include Leasehold improvements
- Deletions / Adjustments during the year includes refund received from authorities in respect of dismantling charges.
- Previous Year figures are in brackets

\* Refer Note 42(a)

# Refer Note 48

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
<b>12 NON-CURRENT INVESTMENTS</b>		
<b>Long-term Investments (*)</b>		
<b>A) Trade Investments</b>		
<b>a) In Equity Instruments</b>		
<b>Quoted</b>		
Zenotech Laboratories Limited an Associate (**)	2,463.5	-
Less : Provision for other than temporary Diminution in Value of Non Current Investment	(2,463.5)	-
16,127,293 (Previous Year Nil) Shares of ₹ 10 each fully paid	-	-
<b>Unquoted</b>		
<b>a) In Equity Instruments</b>		
<b>i) In Subsidiary Companies / Associates</b>		
Sun Pharmaceutical Industries Inc (formerly known as Caraco Pharmaceutical Laboratories Ltd.)	304.2	304.2
8,387,666 (Previous Year 8,387,666) fully paid Common Shares of no Par Value		
Sun Pharma Global Inc. BVI	-	9,628.9
Nil (Previous Year 2,471,515) Shares of US \$ 1 each fully paid		
Sun Farmaceutica Do Brazil Ltda (formerly known as TKS Farmaceutica Ltda.)	18.3	18.3
829,288 (Previous Year 829,288) quota of Capital Stock of Real (R\$) 1 each fully paid		
Sun Pharma De Mexico, S.A. DE C.V.	3.3	3.3
750 (Previous Year 750) Common Shares of no Face Value		
Sun Pharmaceutical (Bangladesh) Ltd.		
434,469 (Previous Year 434,469) Ordinary Shares of 100 Takas each	36.5	36.5
Share Application Money	31.6	31.6
Sun Pharmaceutical Peru S.A.C.	0.0	0.0
[₹ 21,734 (Previous Year ₹ 21,734)]		
149 (Previous Year 149) Ordinary Shares of Soles 10 each fully paid		
SPIL DE Mexico SA DE CV	0.2	0.2
100 (Previous Year 100)		
Nominative and free Shares of \$500 Mexican Pesos each fully paid		
OOO "Sun Pharmaceutical Industries" Ltd	8.8	8.8
Par value stock of 5,249,500 Rubbles (Previous Year 5,249,500 Rubbles) fully paid		
Green Eco Development Centre Ltd	1.0	1.0
100,000 (Previous Year 100,000) Shares of ₹ 10 each fully paid		



## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
Sun Pharma De Venezuela, C.A.	0.5	0.5
1,000 (Previous Year 1,000) Shares of Bolivars (Bs.F.) 100 each,		
Bolivars (Bs.F.) 50 per share paid		
Sun Pharma Laboratories Limited	1.5	1.5
50,000 (Previous Year 50,000) Shares of ₹ 10 each fully paid		
Faststone Mercantile Company Pvt Ltd	0.1	0.1
10,000 (Previous Year 10,000) Shares of ₹ 10 each fully paid		
Neetnav Real Estate Pvt Ltd.	0.1	0.1
10,000 (Previous Year 10,000) Shares of ₹ 10 each fully paid		
Realstone Multitrade Private Limited	0.1	0.1
10,000 (Previous Year 10,000) Shares of ₹ 10 each fully paid		
Skisen Labs Pvt Ltd.	0.1	0.1
10,000 (Previous Year 10,000) Shares of ₹ 10 each fully paid		
Softdeal Trading Private Limited	0.1	0.1
10,000 (Previous Year 10,000) Shares of ₹ 10 each fully paid		
Sun Pharma Holdings (formerly Nogad Holdings)	54,031.5	-
855,199,716 (Previous Year Nil) Shares of USD 1 Share Application Money	3.1	-
Vidyut Investments Limited	250.1	-
Less: Provision for other-than-temporary diminution in value of non-current investment	(239.0)	-
25,008,400 (Previous Year Nil) Shares of ₹ 10 each fully paid	11.1	-
Ranbaxy Drugs Limited	31.0	-
3,100,020 (Previous Year Nil) Shares of ₹ 10 each fully paid		
Gufic Pharma Limited	535.2	-
4,900 (Previous Year Nil) Shares of ₹ 100 each fully paid		
Ranbaxy (Netherlands) B.V.	39,839.4	-
5,473,340 (Previous Year Nil) Ordinary Shares of Euro 100 each fully paid		
Ranbaxy Pharmacie Generiques SAS	4,709.1	-
Less: Provision for other-than-temporary diminution in value of non-current investment	(4,709.1)	-
24,116,505 (Previous Year Nil) Ordinary Shares of Euro 1 each fully paid	-	-

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
Ranbaxy Malaysia Sdn. Bhd.	36.6	-
3,189,248 (Previous Year Nil) Ordinary Shares of RM 1 each fully paid		
Ranbaxy Nigeria Limited	7.4	-
13,070,648 (Previous Year Nil) Ordinary Shares of Naira 1 each fully paid		
Daiichi Sankyo (Thailand) Limited an Associate (formerly known as Ranbaxy Unichem Co. Ltd.)	21.2	-
206,670 (Previous Year Nil) Ordinary Shares of Bahts 100 each fully paid		
<b>ii) In Other Companies</b>		
Enviro Infrastructure Co. Ltd.	1.0	1.0
100,000 (Previous Year 100,000) Shares of ₹ 10 each fully paid		
Shimal Research Laboratories Limited	934.0	-
Less: Provision for other-than-temporary diminution in value of non-current investment	(934.0)	-
9,340,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	-	-
Shivalik Solid Waste Management Limited	0.2	-
20,000 (Previous Year Nil) Shares of ₹ 10 each fully paid		
Biotech Consortium India Limited	0.5	-
Less: Provision for other-than-temporary diminution in value of non-current investment	(0.5)	-
50,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	-	-
Nimbua Greenfield (Punjab) Limited	1.4	-
140,625 (Previous Year Nil) Shares of ₹ 10 each fully paid		
<b>b) In Preference Shares</b>		
<b>In Subsidiary Companies</b>		
Sun Pharma Laboratories Limited		
4,000,000 (Previous Year 4,000,000) 10% Redeemable Preference Shares of ₹ 100 each fully paid	400.0	400.0
Ranbaxy Drugs Limited		
250 (Previous Year Nil) Non Convertible Redeemable Preference Shares of ₹ 10 each fully paid. (₹ 2,500)	0.0	-
Alkalodia Chemical Company Zrt.	402.6	8,052.0
150,000 (Previous Year 3,000,000) 2% Redeemable Preference Shares of \$ 15 each fully paid at a premium of \$ 35 per share		

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	As at 31st March, 2015		As at 31st March, 2014	
Sun Pharma Holdings (formerly Nogad Holdings)	162,094.2		-	
2,565,593,148 (Previous Year Nil) 2% Preference Share of USD 1				
Sun Pharma Global Inc. BVI				
Nil (Previous Year 83,750,000) 2% Redeemable Optionally Convertible Preference Shares of \$ 1 each fully paid	-		3,805.7	
Nil (Previous Year 700,000,000) 5% Redeemable Cumulative Preference Shares of \$ 1 each fully paid	-		38,535.0	
Share Application Money	-	162,896.8	111.0	50,903.7
<b>c) In Government Securities</b>				
National Savings Certificates ₹ 10,000 (Previous Year ₹ 10,000)	0.0		0.0	
(Deposited with Government Authorities)				
<b>Total (A)</b>	<b>257,822.3</b>		<b>60,940.0</b>	
<b>B) Other Investments</b>				
a) In Debentures				
Quoted				
Housing Development Finance Corporation Ltd - 9.9% Secured Redeemable NCD 23DC18	-		250.0	
Nil (Previous Year 250) Debentures of ₹ 1,000,000 each fully paid				
b) In Bonds				
Quoted				
National Highways Authority of India	-		61.8	
Nil (Previous Year 61,809) Bonds of ₹ 1,000 each fully paid				
Power Finance Corporation Ltd Tax Free Bonds	-		142.4	
Nil (Previous Year 142,393) Bonds of ₹ 1,000 each fully paid				
Indian Railway Finance Corporation Ltd -8/8.15 LOA 23FB22	-		163.1	
Nil (Previous Year 163,131) Bonds of ₹ 1,000 each fully paid			-	367.3
<b>Total (B)</b>	<b>-</b>		<b>617.3</b>	
<b>Total (A+B)</b>	<b>257,822.3</b>		<b>61,557.3</b>	
<b>Aggregate Value of Investments</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>
Quoted	2,463.5	729.8	617.3	639.7
Unquoted	263,704.9		60,940.0	
Provision for diminution in value	8,346.1		-	
(*) At Cost less provision for other than temporary diminution in value, if any.				
(**) The shares of this entity are thinly traded and therefore, this has not been considered for the purpose of assessment of other than temporary diminution in the value of its non-current investment in Zenotech Laboratories Limited.				

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	As at 31st March, 2015	As at 31st March, 2014
<b>13 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured – Considered Good unless stated otherwise)		
Capital Advances	2,827.6	2,438.3
Security Deposits	427.8	138.0
Loans and Advances to Related Parties (Refer Notes 38 and 44)	4.4	441.1
Loans and Advances to Employees / Others		
Secured	40.3	-
Unsecured	115.8	46.3
Prepaid Expenses	61.1	15.8
Advance Income Tax [Net of Provisions ₹ 10,894.5 Million (Previous Year ₹ 2,600.7 Million)]	6,589.5	3,885.4
MAT Credit Entitlement (Refer Notes 50)	7,517.0	-
Advance Fringe Benefit Tax	0.2	0.2
Balances with Government Authorities	839.6	649.8
Others Loans and Advances	529.0	-
	<b>18,952.3</b>	<b>7,614.9</b>
<b>14 OTHER NON-CURRENT ASSETS</b>		
(Unsecured – Considered Good)		
Receivable towards forward contracts / derivative instruments	418.5	-
Deposits Account - Pledged with Government Authorities	1.0	-
Unamortised Premium on Investments	-	1.1
	<b>419.5</b>	<b>1.1</b>
<b>15 CURRENT INVESTMENTS</b>		
<b>A) Current Portion of Long-term Investments (At Cost)</b>		
<b>a) In Mutual Funds (Unquoted) (*)</b>		
Units of Face Value of ₹ 10 Each		
Axis Mutual Fund- AXIS Fixed Term Plan - Series 34 (392) Days Direct Growth	-	200.0
Nil (Previous Year 20,000,000) Units		
Birla Sun Life Fixed Term Plan-Series HL(366 days)-Growth Direct	-	250.0
Nil (Previous Year 25,000,000) Units		
Baroda Pioneer Mutual Fund- Baroda Pioneer FMP- Series B Plan B (378 Days)-Growth Plan	-	100.0
Nil (Previous Year 10,000,000) Units		
Deutsche Mutual Fund-DWS Fixed Maturity Plan- Series - 26 Direct Plan-Growth	-	400.0
Nil (Previous Year 40,000,000) Units		
DSP BlackRock Mutual Fund -DSP BlackRock FMP -Series 88-12.5M-Direct-Growth	-	500.0
Nil (Previous Year 50,000,000) Units		
DSP BlackRock Mutual Fund -DSP BlackRock -FMP - Series 89 -12M-Direct-Growth	-	500.0
Nil (Previous Year 50,000,000) Units		

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	As at 31st March, 2015	As at 31st March, 2014
DSP BlackRock Mutual Fund -DSP BlackRock -FMP - Series 110 -12M-Reg-Growth	-	250.0
Nil (Previous Year 25,000,000) Units		
HSBC Global Asset Management-HSBC Fixed Term Series 90-Growth Direct Plan- Tenure 375 DAYS	-	100.0
Nil (Previous Year 10,000,000) Units		
HSBC Global Asset Management-HSBC Fixed Term Series 94-Growth Direct Plan- Tenure 371 DAYS	-	150.0
Nil (Previous Year 15,000,000) Units		
ICICI Prudential Mutual Fund-ICICI Prudential FMP Series 66 - 420 Days Plan A Direct Plan Cumulative	-	250.0
Nil (Previous Year 25,000,000) Units		
JP Morgan Asset Management -JP Morgan India Fixed Maturity Plan Series 16-Direct Growth	-	350.0
Nil (Previous Year 35,000,000) Units		
Kotak Mutual Fund-Kotak FMP Series 97 -Direct Growth	-	500.0
Nil (Previous Year 50,000,000) Units		
L&T Mutual Fund-L&T FMP - VII (March 381D A) Direct Plan Growth	-	200.0
Nil (Previous Year 20,000,000) Units		
Reliance Mutual Fund-Reliance Fixed Horizon Fund -XXIII- Series 5-Direct Plan-Growth Plan - 8MAG	-	1,000.0
Nil (Previous Year 100,000,000) Units		
Religare Invesco Mutual Fund- Religare Fixed Maturity Plan - Series XVII - Plan A (17 months)-Direct Plan-Growth	-	140.0
Nil (Previous Year 14,000,000) Units		
Religare Invesco Mutual Fund- Religare Fixed Maturity Plan - Series XVII - Plan F (392 days)-Direct Plan-Growth	-	250.0
Nil (Previous Year 25,000,000) Units		
Religare Invesco Mutual Fund- Religare Fixed Maturity Plan - Series XVIII - Plan B (386 days)-Direct Plan-Growth	-	160.0
Nil (Previous Year 16,000,000) Units		
SBI Mutual Fund-SBI Debt Fund Series - 13 Months -15-Direct Plan-Growth	-	250.0
Nil (Previous Year 25,000,000) Units		
Tata Mutual Fund- TATA Fixed Maturity Plan Series 42 Scheme B-Direct Plan-Growth	-	200.0
Nil (Previous Year 20,000,000) Units		
BNP Paribas Mutual Fund- 618DG/BNP Paribas Fixed Term Fund Series 26 C DirectPlan Growth	-	150.0
Nil (Previous Year 15,000,000) Units		
Deutsche Mutual Fund-DWS Fixed Maturity Plan- Series - 32 Direct Plan-Growth	-	400.0
Nil (Previous Year 40,000,000) Units		

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	As at 31st March, 2015	As at 31st March, 2014		
HDFC Mutual Fund-HDFC FMP 370D Aug 2013 (3) series 27-Regular -Growth Nil (Previous Year 50,000,000) Units	-	500.0		
ICICI Prudential Mutual Fund-ICICI Prudential FMP Series 69 - 366 Days Plan G Direct Plan Cumulative Nil (Previous Year 25,000,000) Units	-	250.0		
JP Morgan Asset Management -JP Morgan India Annual Interval Fund-Direct Growth Nil (Previous Year 15,000,000) Units	-	150.0		
Reliance Mutual Fund-Reliance Fixed Horizon Fund -XXIV- Series 11-Growth Plan -9GAG Nil (Previous Year 25,000,000) Units	-	250.0		
Religare Invesco Mutual Fund- Religare Fixed Maturity Plan - Series XIX - Plan F (370 days)-Direct Plan-Growth Nil (Previous Year 30,000,000) Units	-	300.0		
Units of Face Value of ₹ 1,000 each				
Pramerica Mutual Fund-Pramerica Fixed Duration Fund- Series 5-Direct Plan-Growth Option Nil (Previous Year 150,000) Units	-	150.0		
<b>b) In Deposits (Unquoted)</b>		7,900		
Housing Development Finance Corporation Ltd	-	500.0		
<b>Total (A)</b>	-	<b>8,400.0</b>		
<b>B) Other Current Investments</b>				
<b>In Equity Instruments (Quoted)</b>				
Krebs Biochemicals and Industries Limited 1,050,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	89.3	-		
<b>In Mutual Funds (Unquoted)</b>				
<b>Units of Face Value of ₹ 100 each</b>				
ICICI Prudential Mutual Fund-ICICI Prudential Money Market Fund- Direct Plan-Growth 1,810,104 (Previous Year Nil) Units	350.0	-		
<b>Units of Face Value of ₹ 1,000 each</b>				
Deutsche Mutual Fund-DWS Insta Cash Plus Fund-Super Institutional Plan-Growth Nil (Previous Year 1,203,192) Units	-	200.0		
Pramerica Mutual Fund-Pramerica Liquid Fund-Direct Plan- Growth Option 335,039 (Previous Year Nil) Units	500.0	-		
	939.3	200.0		
<b>Total (B)</b>	<b>939.3</b>	<b>200.0</b>		
<b>Total (A+B)</b>	<b>939.3</b>	<b>8,600.0</b>		
<b>Aggregate Value of Investments</b>	<b>Book Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>Market Value</b>
Quoted	89.3	93.4	-	-
Unquoted	850.0		8,600.0	

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million			
	As at 31st March, 2015		As at 31st March, 2014	
<b>16 INVENTORIES</b>				
Raw Materials and Packing Materials	9,565.7		5,110.1	
Goods-in-Transit	323.4	9,889.1	6.3	5,116.4
Work-in-Progress		6,118.9		2,715.5
Finished Goods	4,175.5		963.6	
Goods-in-Transit	15.7	4,191.2	-	963.6
Stock in trade	1,326.7		-	
Goods-in-Transit	61.8	1,388.5	-	-
Other Materials and Consumables		304.8		388.3
		<b>21,892.5</b>		<b>9,183.8</b>
<b>17 TRADE RECEIVABLES</b>				
(Unsecured – Considered Good unless stated otherwise)				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered Good	2,592.1		1,097.8	
Doubtful	532.3		139.1	
	3,124.4		1,236.9	
Less: Provision for Doubtful Trade Receivables	532.3	2,592.1	139.1	1,097.8
Other Trade Receivables		15,436.1		8,703.7
		<b>18,028.2</b>		<b>9,801.5</b>
<b>18 CASH AND CASH EQUIVALENTS</b>				
Balances that meet the definition of Cash and Cash Equivalents as per AS3 Cash Flow Statements				
Cash on Hand		7.9		4.1
Cheques on Hand		40.0		-
Balances with Banks				
In Current Accounts	1,624.8		116.9	
In Deposit Accounts with Original Maturity less than 3 Months	13.7		-	
In EEFC Accounts	245.6	1,884.1	642.2	759.1
		1,932.0		763.2
<b>Other Bank Balances</b>				
In Deposit Accounts (*)	2,104.0		538.3	
In Earmarked Accounts				
Unpaid Dividend Accounts	58.6		47.2	
Balances held as Margin Money or Security against Guarantees and Other Commitments (Refer Footnote)	70.0	2,232.6	66.1	651.6
		<b>4,164.6</b>		<b>1,414.8</b>
(*) Other Bank Balances include Deposits amounting to Nil (Previous Year ₹ 275.1 Million) and Margin Monies amounting to ₹ 70.0 Million (Previous Year ₹ 66.1 Million) which have an Original Maturity of more than 12 Months but residual maturity of less than 12 Months.				

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	As at 31st March, 2015		As at 31st March, 2014	
<b>19 SHORT-TERM LOANS AND ADVANCES</b>				
(Unsecured – Considered Good unless stated otherwise)				
Loans and Advances to Related Parties (Refer Notes 38 and 44)				
Unsecured	238.4		-	
Considered Doubtful	274.0		-	
	512.4		-	
Less: Provision for Doubtful Loans and Advances	274.0	238.4	-	-
Loans and Advances to Employees / Others		158.7		-
Secured	13.6		252.4	
Unsecured	323.0		81.0	
Considered Doubtful	4.5		4.5	
	341.1		337.9	
Less: Provision for Doubtful Loans and Advances	4.5	336.6	4.5	333.4
Prepaid Expenses		716.0		88.5
Security Deposits		60.6		-
Balances with Government Authorities		4,530.7		2,196.4
Advances for Supply of Goods and Services				
Unsecured	925.9		474.9	
Considered Doubtful	185.1		-	
	1,111.0		474.9	
Less: Provision for Doubtful Loans and Advances	185.1	925.9	-	474.9
		<b>6,966.9</b>		<b>3,093.2</b>
<b>20 OTHER CURRENT ASSETS</b>				
(Unsecured – Considered Good)				
Interest Accrued on Investments / Balances with Banks		73.2		150.3
Interest accrued and due on loans (Refer Notes 38 and 44)		114.4		-
Unamortised Premium on Investments		-		0.2
Receivable towards forward contracts / derivative instruments		772.9		-
Export Incentives receivable		1,500.3		681.2
Insurance claim receivables		6.6		-
Fixed Assets held for sale		34.4		-
Cenvat Credit available on payment		-		67.4
Others (Refer Note 47)		9.5		24,002.0
		<b>2,511.3</b>		<b>24,901.1</b>



# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million			
	Year ended 31st March, 2015		Year ended 31st March, 2014	
<b>21 REVENUE FROM OPERATIONS</b>				
Sale of Products		78,824.7		28,237.7
Other Operating Revenues		2,862.7		1,044.8
		<b>81,687.4</b>		<b>29,282.5</b>
<b>22A OTHER INCOME</b>				
Interest Income on:				
Deposits with Banks	340.0		77.2	
Loans and Advances	302.7		352.5	
Current Investments	-		222.6	
Long-term Investments	42.5		220.5	
Others	164.6	849.8	17.8	890.6
Dividend Income on Long-term Investments		0.2		0.2
Net Gain on Sale of:				
Current Investments	172.0		393.4	
Long-term Investments	816.9	988.9	419.8	813.2
Insurance Claims		4.1		1.0
Lease Rental and Hire Charges		170.3		26.4
Miscellaneous Income		102.5		46.2
		<b>2,115.8</b>		<b>1,777.6</b>
<b>22B FINANCE COSTS</b>				
Interest Expense		1,738.0		161.3
Other borrowing costs		1,250.7		22.5
Net loss on foreign currency transactions and translation		2,523.8		-
		<b>5,512.5</b>		<b>183.8</b>
<b>23 COST OF MATERIALS CONSUMED</b>				
Raw and Packing Materials				
Inventories at the beginning of the year		5,116.4		4,933.3
Pursuant to the Scheme of Amalgamation (Refer Note 48)		5,653.1		-
Purchases during the year		21,730.7		9,129.3
Inventories at the end of the year		(9,889.1)		(5,116.4)
		<b>22,611.1</b>		<b>8,946.2</b>
<b>24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>				
Inventories at the beginning of the year		3,679.1		3,533.8
Pursuant to the Scheme of Amalgamation (Refer Note 48)		11,200.6		-
Inventories at the end of the year		(11,698.7)		(3,679.1)
		<b>3,181.0</b>		<b>(145.3)</b>
<b>25 EMPLOYEE BENEFITS EXPENSE</b>				
Salaries and Wages		12,791.6		2,348.7
Contribution to Provident and Other Funds		974.1		136.2
Expense on Employee Stock Option Scheme		205.0		-
Staff Welfare Expenses		896.1		311.4
		<b>14,866.8</b>		<b>2,796.3</b>

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million			
	Year ended 31st March, 2015		Year ended 31st March, 2014	
<b>26 OTHER EXPENSES</b>				
Consumption of Materials, Stores and Spare Parts		3,454.9		1,849.3
Conversion and Other Manufacturing Charges		1,930.4		711.3
Power and Fuel		3,825.2		1,158.0
Rent		518.6		29.6
Rates and Taxes		556.5		109.2
Insurance		380.4		94.7
Selling and Distribution		3,798.1		141.0
Commission and Discount		528.3		354.1
Repairs and maintenance				
Buildings	193.8		89.3	
Machinery	861.8		542.6	
Others	950.4	2,006.0	240.0	871.9
Printing and Stationery		176.1		53.6
Travelling and Conveyance		605.4		117.8
Overseas Travel and Export Promotion		4,346.6		1,805.9
Communication		402.4		81.2
Provision / Write off for Doubtful Trade Receivables / Advances				
Provision for Doubtful Trade Receivables	388.7		7.5	
Sundry Balances / Trade Receivables written off (Net)	74.4		90.5	
Less: Adjusted out of Provision of earlier year	85.9	377.2	0.3	97.7
Professional, Legal and Consultancy	(*)	8,256.6		2,114.7
Donations		49.0		5.8
Loss on Sale of Fixed Assets (Net)		64.8		21.1
(Decrease) / Increase of Excise Duty on Inventory		(126.6)		4.1
Net Loss on Foreign Currency Transactions and Translation		1,065.9		2,203.7
Payments to Auditors (Net of Service Tax)				
As Auditors @	15.5		8.3	
For Other Services	1.5		2.0	
Reimbursement of Expenses	0.1	17.1	0.1	10.4
@ includes ₹ 1.8 Million in respect of previous year				
Provision for other-than-temporary diminution in value of non-current investment in an associate		306.4		-
Provision for other-than-temporary diminution in value of non-current investment in a subsidiary		467.4		-
Miscellaneous Expenses (Refer Note 47)		3,726.4		3,510.8
		36,733.1		15,345.9
<b>Less :</b>				
Receipts from Research Activities		(976.1)		(676.3)
		<b>35,757.0</b>		<b>14,669.6</b>
(*) Includes fees to the statutory auditors of erstwhile Ranbaxy Laboratories Ltd as auditors - ₹ 27.0 Million				

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>NOTE: RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDED IN THE STATEMENT OF PROFIT AND LOSS</b>		
Salaries and Wages	2,363.8	781.9
Contribution to Provident and Other Funds	177.0	36.9
Staff Welfare Expenses	173.0	88.7
Consumption of Materials, Stores and Spare Parts	2,572.1	1,137.4
Conversion and Other Manufacturing Charges	93.5	-
Power and Fuel	439.0	64.4
Rent	136.6	0.1
Rates and Taxes	4.9	11.5
Insurance	36.0	3.4
Repairs		
Buildings	15.0	8.9
Machinery	119.7	40.9
Others	237.8	44.6
Printing and Stationery	34.5	14.5
Travelling and Conveyance	186.8	57.8
Communication	51.7	15.2
Professional and Consultancy	1,061.6	985.2
Loss on Sale of Fixed Assets (Net)	-	10.7
Miscellaneous Expenses	599.9	450.2
	<b>8,302.9</b>	<b>3,752.3</b>
Less :		
Net Interest Income [net of Interest expense on borrowings ₹ 1.1 Million (Previous year ₹ 1.4 Million)]	2.7	1.1
Receipts from Research Activities	976.1	676.3
Miscellaneous Income	14.0	87.8
	<b>992.8</b>	<b>765.2</b>
	<b>7,310.1</b>	<b>2,987.1</b>

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## 27 SIGNIFICANT ACCOUNTING POLICIES

### I Basis of Accounting

These financial statements are prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### II Use of estimates

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

### III Fixed Assets and Depreciation / Amortisation

Fixed Assets including intangible assets are stated at historical cost (net of cenvat credit) less accumulated depreciation/ amortisation thereon and impairment losses, if any. Depreciation on tangible assets is provided on straight line method on the basis of useful lives of fixed assets as indicated in Part C of Schedule II of the Companies Act, 2013 and amendment thereto vide notification dated August 29, 2014 issued by Ministry of Corporate Affairs. Assets costing ₹ 5,000/- or less are charged off as expense in the year of purchase. Intangible assets consisting of trademarks, designs, technical knowhow, non-compete fees and other intangible assets, including computer software, are amortised on straight line method from the date they are available for use, over the useful life of the assets (5-20 years), as estimated by the Management considering the terms of agreement. Leasehold land is amortised over the period of lease.

### IV Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

### V Revenue Recognition

Sale of products is recognised when risks and rewards of ownership of the products are passed on to the customers, which is generally on despatch of products. Export sales are recognised on the basis of Bill of lading / Airway bill. Sales include delayed payment charges and are stated net of returns including provision made on account of estimated breakages and expiry date based on past experience, applicable discounts, and VAT / Sales Tax, if any. Other operating income is recognised on an accrual basis or in accordance with the terms of the relevant agreements, if any.

### VI Investments

Investments are classified into Current and Long Term Investments. Current Investments are valued at lower of cost and fair value. Long Term Investments are stated at cost less provision, if any, for other than temporary diminution in value.

### VII Inventories

Inventories consisting of raw and packing materials, other materials and consumables including R&D materials, work-in-progress, stock-in-trade and finished goods are stated at lower of cost and net realisable value. The cost is determined based on weighted average method, except in case of certain raw and packing materials specific identification method is applied and in respect of certain other materials and consumables FIFO method is applied.

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## VIII Research and Development

The research and development cost is accounted in accordance with Accounting Standard (AS) 26 'Intangible Assets'. All related revenue expenditure incurred on original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding up to the time when it is possible to demonstrate probable future economic benefits, is recognised as research expenses and charged off to the Statement of Profit and Loss, as incurred. All subsequent expenditure incurred for product development on the application of research findings or other knowledge upon demonstration of probability of future economic benefits, prior to the commencement of production, to the extent identifiable and possible to segregate are accumulated and carried forward as development expenditure under Intangible assets under development, to be capitalised as an intangible asset on completion of the project. In case a project does not proceed as per expectations / plans, the same is abandoned and the amount classified as development expenditure under Intangible assets under development is charged off to the Statement of Profit and Loss.

## IX Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate that approximates the actual rate prevailing at the date of the transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. Non monetary items which are carried in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of transactions. In respect of monetary items, which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. The exchange differences arising on settlement / translation are recognised in the Statement of Profit and Loss.

## X Derivative Accounting:

Derivative Instruments entered into for hedging the foreign currency fluctuation risk / interest rate risk are accounted for on the principles of prudence as enunciated in Accounting Standard (AS) 1 "Disclosure of Accounting Policies". Pursuant to this, losses, if any, on Mark to Market basis, are recognised in the Statement of Profit and Loss and gains are not recognised.

## XI Taxes on Income

Provision for tax comprises of Current Tax and Deferred Tax. Current Tax provision is made on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences of items other than unabsorbed depreciation and accumulated losses only to the extent that there is a reasonable certainty that the assets can be realised in future. However, if there is unabsorbed depreciation or carry forward of losses deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed as at each Balance sheet date for their realisability.

Minimum Alternate Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

## XII Employee Benefits

- (a) The Company's contribution in respect of provident fund and other funds is charged to the Statement of Profit and Loss each year. With respect to certain employees contribution is made to the provident fund trust maintained by the Company. Provident fund liability for the trust is as determined on actuarial basis by the independent valuer is charged to the Statement of Profit and Loss.

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (b) With respect to gratuity liability, Company contributes to Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy except for certain employees, the gratuity benefit of retirement plan where contribution is made to a gratuity fund established as a trust. Gratuity liability as determined on actuarial basis by the independent valuer is charged to the Statement of Profit and Loss.
- (c) Pension plan, a defined benefit retirement plan, provides for lump sum payment to eligible employees at retirement. The pension liability, determined on actuarial basis by an independent valuer, is charged to the Statement of Profit and Loss.
- (d) Liability for accumulated compensated absences of employees being other long term employee benefit is ascertained for on actuarial valuation basis and provided for as per the Company rules.

## XIII Employee Stock Option based Compensation

With respect to employee stock option, the fair value of the options is calculated by using Black Scholes pricing model, in respect of the number of options that are expected to ultimately vest. Such cost is recognised on a straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The cost recognised at any date at least equals the fair value of the vested portion of the option at the date. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Statement of Profit and Loss of that period. In respect of vested options that expire unexercised, the cost is reversed in the Statement of Profit and Loss of that period.

## XIV Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets upto the date of capitalisation of such assets are capitalised and added to the cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

## XV Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

## XVI Government Grants / Subsidy

Government grants, if any, are accounted when there is reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital subsidy in nature of government grants related to specific fixed assets is accounted for where collection is reasonably certain and the same is shown as a deduction from the gross value of the asset concerned in arriving at its book value and accordingly the depreciation is provided on the reduced book value.

## XVII Impairment of Assets

The Company assesses, at each Balance Sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the lower of

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recoverable amount and the carrying amount that would have been determined had no impairment loss being recognised. Such reversal of impairment loss is recognised in the Statement of Profit and Loss.

		₹ in Million	
		As at 31st March, 2015	As at 31st March, 2014
<b>28</b>	<b>CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</b>		
<b>i</b>	<b>Contingent Liabilities</b>		
a	Claims against the Company not acknowledged as debts	26.0	24.0
b	Guarantees :		
	Guarantees given by the bankers on behalf of the Company	436.6	374.2
	Corporate Guarantees	-	86.0
c	Liabilities Disputed - Appeals filed with respect to :		
	Income Tax on account of Disallowances / Additions	11,087.7	4,927.8
	Sales Tax on account of Rebate / Classification	37.9	48.5
	Excise Duty on account of Valuation / Cenvat Credit	164.5	93.6
	ESIC Contribution on account of applicability	0.2	0.2
	Service tax on certain services performed outside India under reverse charge basis.	156.0	-
	Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit, enjoyed by the Company	3,248.0	14.0
	Demand by JDGFT import duty with respect to import alleged to be in excess of entitlement as per the Advanced License Scheme	15.4	14.6
	Fine imposed for anti-competitive settlement agreement by European Commission.	689.1	-
	Octroi demand on account of rate difference.	171.0	-
	Other matters - employee / worker related cases, State electricity board, Punjab Land Preservation Act related matters etc.	237.4	-
	<b>Legal Proceedings</b>		
	The Company and / or its subsidiaries are involved in various legal proceedings including product liability, contracts, employment claims and other regulatory matters relating to conduct of its business. The Company carries product liability insurance / is contractually indemnified by the manufacturer, for an amount it believes is sufficient for its needs. In respect of other claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defences the ultimate disposition of these matters will not have material adverse effect on its Financial Statements.		
d	Others		
	Letters of Credit for Imports	1,020.5	2,103.2
	Trade commitments	530.6	-
	Letter of comfort on behalf of subsidiaries, to the extent of limits	2,873.1	-

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

		₹ in Million	
		As at 31st March, 2015	As at 31st March, 2014
<b>ii</b>	<b>Commitments</b>		
a	Estimated amount of contracts remaining to be executed on capital account [net of advances].	2,535.8	6,279.2
b	Uncalled liability on partly paid investments	0.5	0.5
c	Derivative related Commitments - Forward Foreign Exchange Contracts	11,250.0	4,200.0
d	Non cancellable lease commitments	161.7	-

### 29 DISCLOSURES RELATING TO SHARE CAPITAL

#### i Rights, Preferences and Restrictions attached to Equity Shares

The Equity Shares of the Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

#### ii Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
<b>Equity shares of ₹ 1 each</b>				
Opening Balance	2,071,163,910	2,071.2	1,035,581,955	1,035.6
Add : Bonus shares issued during the year	-	-	1,035,581,955	1,035.6
Closing Balance	<b>2,071,163,910</b>	<b>2,071.2</b>	<b>2,071,163,910</b>	<b>2,071.2</b>

iii 1,035,581,955 (upto the end of previous year 1,035,581,955) Equity Shares of ₹ 1 each have been allotted as fully paid up bonus shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

iv Number of stock options against which equity shares to be issued by the Company upon vesting and exercise of those stock options by the option holders as per the relevant scheme (Refer Note 56)

v Equity shares held by each shareholder holding more than 5 percent Equity Shares (excluding share suspense account) in the Company are as follows:

Name of Shareholders	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dilip Shantilal Shanghvi	231,140,480	11.2	231,140,480	11.2
Viditi Investments Pvt. Ltd.	201,385,320	9.7	201,385,320	9.7
Tejaskiran Pharmachem Industries Pvt. Ltd.	195,343,760	9.4	195,343,760	9.4
Family Investment Pvt. Ltd.	182,927,440	8.8	182,927,440	8.8
Quality Investment Pvt. Ltd.	182,868,640	8.8	182,868,640	8.8



## NOTES

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	₹ in Million	
	Year ended March 31, 2015	Year ended March 31, 2014
<b>30 RESEARCH AND DEVELOPMENT EXPENDITURE</b>		
Revenue (Excluding Depreciation)	7,310.1	2,987.1
Capital	789.4	471.6
<b>Total</b>	<b>8,099.5</b>	<b>3,458.7</b>

	₹ in Million			
	Year ended March 31, 2015		Year ended March 31, 2014	
<b>31 INFORMATION RELATING TO CONSUMPTION OF MATERIALS</b>				
Raw and Packing Materials				
Raw Materials		18,814.0		7,075.0
Packing Materials		3,797.1		1,871.2
<b>Total</b>		<b>22,611.1</b>		<b>8,946.2</b>
None of the items individually account for more than 10% of total consumption.				
Imported and Indigenous	%		%	
Raw and Packing Materials				
Imported	46.29	10,466.6	46.89	4,195.0
Indigenous	53.71	12,144.5	53.11	4,751.2
<b>Total</b>	<b>100.00</b>	<b>22,611.1</b>	<b>100.00</b>	<b>8,946.2</b>
Stores and Spare Parts and Other Materials				
Imported	22.57	779.9	28.19	521.3
Indigenous	77.43	2,675.0	71.81	1,328.0
<b>Total</b>	<b>100.00</b>	<b>3,454.9</b>	<b>100.00</b>	<b>1,849.3</b>

	₹ in Million	
	Year ended March 31, 2015	Year ended March 31, 2014
<b>32 INFORMATION RELATING TO PURCHASES OF STOCK-IN-TRADE</b>		
Formulations	8,429.8	1,843.8
Bulk Drugs	905.0	4.9
Others	7.4	1.7
<b>Total</b>	<b>9,342.2</b>	<b>1,850.4</b>

<b>33 INFORMATION RELATING TO SALE OF PRODUCTS</b>		
Formulations	60,516.0	20,326.5
Bulk Drugs	18,285.2	7,827.9
Others	23.5	83.3
<b>Total</b>	<b>78,824.7</b>	<b>28,237.7</b>

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₹ in Million

	As at 31st March, 2015			As at 31st March, 2014		
	Stock in Trade	Finished Goods	Work-in Progress	Stock in Trade	Finished Goods	Work-in- Progress
<b>34 INFORMATION RELATING TO INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>						
Formulations	1,269.7	2,543.2	1,527.8	-	214.7	488.7
Bulk Drugs	118.8	1,648.0	4,591.1	-	748.9	2,226.8
<b>Total</b>	<b>1,388.5</b>	<b>4,191.2</b>	<b>6,118.9</b>	<b>-</b>	<b>963.6</b>	<b>2,715.5</b>

₹ in Million

	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>35 INCOME/EXPENDITURE IN FOREIGN CURRENCY</b>		
Income		
Exports (FOB basis)	46,235.0	22,713.3
Interest	176.4	-
Royalty	541.6	50.3
Others	1,752.5	404.4
Expenditure		
Raw Materials (CIF basis)	6,323.2	2,894.7
Packing Materials (CIF basis)	1,510.9	900.8
Capital Goods (CIF basis)	3,636.6	1,489.4
Spares and Components (CIF basis)	758.4	493.8
Professional, Legal and Consultancy Charges	4,732.2	1,747.3
Overseas Travel	50.3	116.8
Interest	801.6	158.2
Royalty	224.0	-
Others	7,526.3	4,827.6

**36** The net Exchange Loss of ₹ 3,861.1 Million (Previous Year Loss of ₹ 1,740.0 Million) is included in Revenue from Operations, Cost of Materials Consumed, Finance Cost and Other Expenses in the Statement of Profit and Loss, as applicable.

**37 DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:**

- An amount of ₹ 94.0 Million (Previous Year ₹ 69.7 Million) and ₹ NIL (Previous Year ₹ NIL) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- No interest was paid during the year.
- No interest is payable at the end of the year under Micro, Small and Medium Enterprises Development Act, 2006.
- No amount of interest was accrued and unpaid at the end of the accounting year.  
The above information and that given in Note 8 "Trade Payables" regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## NOTES

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### 38 RELATED PARTY DISCLOSURE (AS-18) - AS PER ANNEXURE 'A'

	₹ in Million	
	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>39 ACCOUNTING STANDARD (AS-20) ON EARNINGS PER SHARE</b>		
Loss after tax - used as Numerator for calculating Earnings per share ₹ in Million	(14,741.3)	(28,285.2)
Weighted Average number of Shares used in computing Basic Earnings Per Share (taking into account 334,769,181 Shares with respect to Share Suspense Account)	2,404,936,420	2,071,163,910
Add: Dilution effect of Employee Stock Options	1,193,174	-
Weighted Average number of Shares used in computing Diluted Earnings Per Share	2,406,129,594	2,071,163,910
Nominal Value Per Share (in ₹)	1	1
Basic Earnings Per Share (in ₹)	(6.1)	(13.7)
Diluted Earnings Per Share (in ₹)	(6.1)	(13.7)

Since the Company has loss after tax during the current year, the impact of employee stock option is anti dilutive. Therefore the basic and diluted earnings per share are the same.

	₹ in Million	
	Year ended 31st March, 2015	Year ended 31st March, 2014
<b>40 ACCOUNTING STANDARD (AS-17) ON SEGMENT REPORTING</b>		
(a) Primary Segment		
The Company has identified "Pharmaceuticals" as the only primary reportable business segment.		
(b) Secondary Segment (by Geographical Segment)		
India	30,515.5	4,742.7
Outside India	48,309.2	23,495.0
<b>Sale of Products</b>	<b>78,824.7</b>	<b>28,237.7</b>

In view of the interwoven/intermix nature of business and manufacturing facility, other segmental information is not ascertainable.

### 41 ACCOUNTING STANDARD (AS-15) ON EMPLOYEE BENEFITS

Contributions are made to Recognised Provident Fund, Family Pension Fund, ESIC and other Statutory Funds which covers all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 377.8 Million (Previous year ₹ 118.5 Million)

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	₹ in Million	
	Year ended 31st March, 2015	Year ended 31st March, 2014
Contribution to Provident Fund	265.4	110.5
Contribution to Employees State Insurance Scheme (ESIC) and Employees Deposit Linked Insurance (EDLI)	112.3	7.9
Contribution to Labour Welfare Fund	0.1	0.1

In respect of Gratuity, Contributions are made to LIC's Recognised Group Gratuity Fund Scheme based on amount demanded by LIC of India. Provision for Gratuity is based on actuarial valuation done by independent actuary as at the year end. Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 244.6 Million (Previous Year ₹ 41.9 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

The Company had a obligation towards pension, a define benefit retirement plan with respect to certain employees, who had already retired before March 01, 2013 will continue to receive the pension as per the pension plan.

Category of Plan Assets : The Company's Plan Assets in respect of Gratuity are funded through the Group Scheme of the LIC of India except for certain employees for whom contribution is made to a fund administered under Trust.

	₹ in Million					
	Year ended 31st March, 2015			Year ended 31st March, 2014		
	Pension Fund (Unfunded)	Provident Fund (Funded)	Gratuity (Funded)	Pension Fund (Unfunded)	Provident Fund (Funded)	Gratuity (Funded)
<b>Reconciliation of liability / (asset) recognised in the Balance sheet</b>						
Present value of commitments (as per Actuarial Valuation)	-	4,810.2	1,792.3	-	-	305.7
Fair value of plan assets	-	(4,806.5)	(1,569.3)	-	-	(248.2)
Net liability / (asset) in the Balance sheet	-	3.7	223.0	-	-	57.5
<b>Movement in net liability / (asset) recognised in the Balance sheet</b>						
Net liability / (asset) as at the beginning of the year	-	-	57.5	-	-	7.6
Pursuant to the Scheme of Amalgamation (Refer Note 48)	-	-	(137.7)	-	-	-
Net plan assets transferred	-	-	16.0	-	-	47.9
Net expense recognised in the Statement of Profit and Loss	-	178.1	330.6	-	-	39.8
Contribution during the year	-	(174.4)	(43.4)	-	-	(37.8)
Net liability / (asset) in the Balance sheet	-	3.8	223.0	-	-	57.5

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

₹ in Million

	Year ended 31st March, 2015			Year ended 31st March, 2014		
	Pension Fund (Unfunded)	Provident Fund (Funded)	Gratuity (Funded)	Pension Fund (Unfunded)	Provident Fund (Funded)	Gratuity (Funded)
<b>Expense recognised in the Statement of Profit and Loss</b>						
Current service cost	-	180.8	117.2	-	-	29.8
Interest cost	82.1	480.0	120.1	-	-	21.2
Expected return on plan assets	-	(395.8)	(128.3)	-	-	(20.6)
Actuarial loss	21.7	31.8	221.6	-	-	9.4
Recognition of unrecognized assets of earlier years	-	(118.7)	-	-	-	-
Expense charged to the Statement of Profit and Loss	103.8	178.1	330.6	-	-	39.8
<b>Return on plan assets</b>						
Expected return on plan assets	-	395.8	128.3	-	-	20.6
Actuarial (gain) / loss	-	(29.0)	3.6	-	-	0.1
Actual return on plan assets	-	366.8	131.9	-	-	20.7
<b>Reconciliation of defined-benefit commitments</b>						
Commitments as at the beginning of the year	-	-	305.7	-	-	256.9
Pursuant to the Scheme of Amalgamation (Refer Note 48)	957.0	4,280.8	1,134.1	-	-	-
Commitments transferred	-	68.5	16.0	-	-	8.6
Current service cost	-	180.8	117.2	-	-	29.8
Employees contribution during the year	-	412.1	-	-	-	-
Interest cost	82.1	480.0	120.1	-	-	21.2
Paid benefits	(86.0)	(614.8)	(126.0)	-	-	(20.3)
Actuarial loss	21.7	2.8	225.2	-	-	9.5
Commitments as at the year end	974.8	4,810.2	1,792.3	-	-	305.7
<b>Reconciliation of plan assets</b>						
Plan assets as at the beginning of the year	-	-	248.2	-	-	249.3
Pursuant to the Scheme of Amalgamation (Refer Note 48)	-	4,399.5	1,271.8	-	-	-
Plan assets transferred	-	68.5	-	-	-	(39.3)
Expected return on plan assets	-	395.8	128.3	-	-	20.6
Contributions during the year	-	174.4	43.4	-	-	37.8
Employee Contributions during the year	-	412.1	-	-	-	-
Paid benefits	-	(614.8)	(126.0)	-	-	(20.3)
Actuarial gain / (loss)	-	(29.0)	3.6	-	-	0.1
Plan assets as at the year end	-	4,806.5	1,569.3	-	-	248.2

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FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

The actuarial calculations used to estimate commitments and expenses in respect of pension fund, provident fund, compensated absences and gratuity are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense:

	Pension Fund (Unfunded)	Provident Fund (Funded)	Gratuity (Funded)	Pension Fund (Unfunded)	Provident Fund (Funded)	Gratuity (Funded)
Discount rate	7.80%	7.80%	In range of 7.80% to 7.94%	-	-	9.31%
Expected return on plan assets	N.A.	9% to 9.03%	In range of 7.94% to 9.00%	-	-	9.31%
Expected rate of salary increase	N.A.	N.A.	8.00%	-	-	7.00%
Interest rate guarantee	N.A.	8.75%	N.A.	-	-	-
Expected average remaining working life of employees (years)	N.A.	20.91 - 26.72	20.91 - 26.72	-	-	23.00
Mortality			Indian Assured Lives Mortality (2006-08) Ultimate			Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal	15% - 18%	15% - 18%	3% - 18%	-	-	1%
Retirement Age	58 and 60 years	58 and 60 years	58 and 60 years	-	-	60 years
The major categories of plan assets as a percentage of total plan assets are as under						
Central government securities		22%	2%		-	-
State government securities		16%	1%		-	-
Bonds and securities of public sector / financial institutions		60%	14%		-	-
Insurer managed funds		-	83%		-	100%
Surplus fund lying uninvested		2%	-		-	-

The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

₹ in Million

	Year ended				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
Experience adjustment (Gratuity)					
On plan liabilities	181.1	45.2	20.2	25.2	17.5
On plan assets	3.6	0.1	4.7	6.4	3.3
Present value of benefit obligation	1,792.3	305.7	256.9	299.2	248.3
Fair value of plan assets	(1,569.3)	(248.2)	(249.3)	(333.4)	(274.2)
Excess of obligation over plan assets / (plan assets over obligation)	223.0	57.5	7.6	(34.2)	(25.9)

The contribution expected to be made by the Company for gratuity, during financial year ending 31st March, 2016 is ₹ 177.2 Million (Previous Year ₹ 83.3 Million).

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	₹ in Million	
	31st March, 2015	
Amounts for the current year are as follows: (*)	Pension plan	Provident fund
Experience adjustment		
On plan liabilities	4.9	(23.5)
On plan assets	-	(127.9)
Present value of benefit obligation	974.8	(4,810.2)
Fair value of plan assets	-	4,806.5
Excess of obligation over plan assets / (plan assets over obligation)	-	(3.7)
(*) Pursuant to the Scheme of Amalgamation (Refer Note 48)		

Further during the current year, the erstwhile RLL has recognised an expense of ₹ 111.5 Million pertaining to portion of employers' contribution paid to the statutory authorities and provided fund administration charges, which is included in "Employee benefits expense".

#### 42 ACCOUNTING STANDARD (AS-19) ON LEASES

- (a) The Company has given certain premises and Plant and Machinery under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 10 years under leave and licence, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has received refundable interest free security deposits where applicable in accordance with the agreed terms. (b) The Company has obtained certain premises for its business operations (including furniture and fittings, therein as applicable) under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 10 years under leave and licence, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. (c) Lease receipts / payments are recognised in the Statement of Profit and Loss under "Lease Rental and Hire Charges" & "Rent" in Note 22A and 26 respectively. (d) The future minimum lease payments in respect of non cancellable operating leases as at March 31, 2015 are as under

	₹ in Million	
	31st March, 2015	31st March, 2014
i Not later than one year	64.0	-
ii later than one year and not later than five years	91.4	-
iii later than five years	6.3	-
<b>Total</b>	<b>161.7</b>	-

- 43 Miscellaneous Expenses includes Nil (Previous year ₹ 433.9 Million) towards Product Settlement Expense.

	₹ in Million			
	As at 31st March, 2015	Maximum Balance 2014-15	As at 31st March, 2014	Maximum Balance 2013-14
<b>44 LOANS / ADVANCES DUE FROM SUBSIDIARIES / ASSOCIATES</b>				
<b>a Loans / Advances due from Subsidiaries</b>				
Green Eco Development Centre Ltd	4.4	4.4	4.4	4.4
Skisen Labs Private Limited	-	356.0	356.0	356.0
Sun Pharma Drugs Private Limited	-	-	-	1,865.5
Sun Pharma Medication Private Limited	-	-	-	831.8
Neetnav Real Estate Private Limited	0.4	148.6	-	-

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	₹ in Million			
	As at 31st March, 2015	Maximum Balance 2014-15	As at 31st March, 2014	Maximum Balance 2013-14
Ranbaxy Drugs Limited (Interest bearing with no specified payment schedule) *	25.6	314.5	-	-
Ranbaxy (Netherlands) BV The Netherlands (Interest bearing with specified payment schedule)	-	9,642.7	-	-
<b>Advances: Share Application Money to</b>				
Sun Pharma De Mexico, S.A. DE C.V.	-	161.4	80.7	80.7
	<b>30.4</b>		<b>441.1</b>	
<b>b Loans / Advances due from Associates</b>				
<b>Loans</b>				
<b>Interest bearing with specified payment schedule:</b>				
Zenotech Laboratories Limited, India *				
Considered good	326.8	600.8	-	-
Considered doubtful	274.0		-	-
	600.8		-	-
Less: Provision for doubtful loans / advances	274.0		-	-
	<b>326.8</b>		<b>-</b>	

\* includes interest accrued and due on loans amounting to ₹ 114.4 Million

These loans have been granted to the above entities for the purpose of their business.

- 45** Consequent to the amalgamation of erstwhile RLL into the Company as referred in Note 48, Zenotech Laboratories Limited ('Zenotech') became an associate of the Company. The erstwhile RLL had granted certain loans to Zenotech which were outstanding and inherited by the Company. The Company has not granted any further loans to Zenotech post effective date i.e. March 24, 2015. The balance of this inherited outstanding loan is ₹ 512.0 Million. The Company is in process of evaluating various options in relation to recovery of the outstanding loans and interest thereon of ₹ 88.8 million.
- 46** Intangible assets consisting of trademarks, designs, technical knowhow, non compete fees and other intangible assets are stated at cost of acquisition based on their agreements and are available to the Company in perpetuity. The amortisable amount of intangible assets is arrived at based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Company.
- 47** On 11th June, 2013, Sun Pharma Global FZE (SPG), a wholly owned subsidiary has entered into settlement agreement for USD 550.0 Million [including USD 44.0 Million borne by Sun Pharmaceutical Industries Inc (formerly known as Caraco Pharmaceutical Laboratories Ltd.)] with Pfizer Inc., USA; Wyeth LLC USA and Nycomed GmbH, Germany in settlement of the claim of patent infringement litigation related to generic version of "Protonix". SPG has entered into an agreement with a third party in terms of which the said party has agreed to bear damages on account of patent infringement to the extent of USD 400.0 Million (equivalent to ₹ 24,002.0 Million) in consideration of SPG agreeing to sell them pharmaceutical products at a negotiated discounted price for a specified period. Accordingly, a provision of USD 16.5 Million (Previous year USD 438.5 Million) equivalent to ₹ 1,031.7 Million (Previous Year ₹ 26,312.2 Million) [including other related expected discount and incidental expenses of USD 16.5 Million (Previous Year USD 38.5 Million) equivalent to ₹ 1,031.7 Million (Previous Year ₹ 2,310.2 Million)] towards estimated expected liability on this account, has been accounted for and given effect in these financial statements. The above charge of USD Nil (Previous year USD 506.0 Million) equivalent to Nil (Previous Year ₹ 28,756.0 Million) has been considered as exceptional item and ₹ 1,031.7 Million (Previous Year ₹ 2,381.2 Million) has been included in miscellaneous expenses.



## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- 48** Pursuant to the Scheme of Arrangement u/s 391 to 394 of the Companies Act 1956 for amalgamation of erstwhile Ranbaxy Laboratories Ltd (RLL) with the Company as sanctioned by the Hon'ble High Court of Gujarat and Hon'ble High Court of Punjab and Haryana on March 24, 2015 (effective date) all the assets, liabilities and reserves of RLL were transferred to and vested in the Company with effect from 1st April 2014, the appointed date. RLL along with its subsidiaries and associates was operating as an integrated international pharmaceutical organisation with business encompassing the entire value chain in the production, marketing and distribution of pharmaceutical products. The scheme has accordingly been given effect to in these financial statements.

The amalgamation has been accounted for under the "Pooling of Interest Method" as prescribed under Accounting Standard 14- "Accounting for Amalgamations" (AS 14) issued by the Institute of Chartered Accountants of India and as notified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies Accounts Rules 2014. Accordingly and giving effect in compliance of the Scheme of Arrangement all the assets, liabilities and reserves of RLL, now considered a division of the Company, were recorded in the books of the Company at their carrying amounts and the form as at the appointed date in the books of RLL.

On April 10, 2015, In terms of the Scheme of Arrangement 0.80 equity share of ₹ 1 each (Number of Shares 334,956,764 including 187,583 Shares held by ESOP trust) of the Company has been allotted to the shareholders of RLL for every 1 share of ₹ 5 each (Number of Shares 418,461,476 including 234,479 shares held by ESOP trust) held by them in the share capital of RLL, after cancellation of 6,967,542 shares of RLL. These shares have been considered for the purpose of calculation of earnings per share appropriately. An amount of ₹ 1,792.4 Million being the excess of the amount recorded as share capital to be issued by the Company over the amount of the share capital of erstwhile RLL has been credited to Capital Reserve.

- 49** RLL had early adopted Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement" and AS 31 "Financial Instruments: Presentation" for accounting of derivative instruments which are outside the scope of Accounting Standard 11 'The Effects of Changes in Foreign Exchange Rates' such as forward contracts to hedge highly probable forecast transactions, option contracts, currency swaps, interest rate swaps etc. In order to align with the Company's policy, derivative instruments are now accounted for in accordance with the announcement issued by the Institute of Chartered Accountants of India dated March 28, 2008. On the principles of prudence as enunciated in Accounting Standard 1 "Disclosure of Accounting Policies" which requires to provide losses in respect of all outstanding derivative instruments at the balance sheet date by marking them to market. Accordingly, the unrealized MTM gain of ₹ 905.4 Million as at April 1, 2014 has been reversed and MTM gain as at March 31, 2015 amounting to ₹ 1,121.0 Million has not been recognized in these financial statements
- 50** Out of a MAT credit of ₹ 8,222.7 Million which was written down by the erstwhile RLL during the quarter ended December 31, 2014, an amount of ₹ 7,517.0 Million has been recognized by the Company, on a reassessment by the Management at the year-end, based on convincing evidence that the combined amalgamated entity would pay normal income tax during the specified period and would therefore be able to utilize the MAT credit so recognised. Current tax for the year also includes ₹ 284.7 Million pertaining to earlier years.
- 51** Pursuant to the Scheme of Amalgamation u/s 391 to 394 of the Companies Act, 1956 and u/s 52 of the Companies Act, 2013 for amalgamation of erstwhile Sun Pharma Global Inc.(Transferor Company) with the Company, with effect from January 1, 2015 (appointed date), as sanctioned by the Hon'ble High Court of Gujarat, filed with the Registrar of Companies on August 6, 2015 (effective date), all the assets, liabilities, reserves and surplus of Transferor Company were transferred to and vested in the Company without any consideration, on going concern basis. Transferor Company is a wholly owned subsidiary of the company and was engaged in the business activities of strategic and non-strategic investments and financing mainly to its group subsidiary or

# NOTES

## FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

associate companies worldwide. The amalgamation has been accounted for under the “Pooling of Interest Method” as prescribed under Accounting Standard 14- “Accounting for Amalgamations” (AS 14) issued by the Institute of Chartered Accountants of India and as notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies Accounts Rules 2014. The scheme has been given effect to in these financial statements and accordingly; (i) The Financial Statements for the year ended March 31, 2015 which were earlier approved by Board of Directors on May 29, 2015 and audited by the statutory auditors of the Company have been revised. (ii) All the assets, liabilities, reserves and surplus of Transferor Company were recorded in the books of the Company at their carrying amounts and in the same form as at the appointed date. Transferor Company being a wholly owned subsidiary of the Company neither any shares are required to be issued nor any consideration is paid. The Equity Share Capital, Preference Share Capital, Share application money pending allotment and securities premium account of the Transferor Company and the carrying value of investment in Equity Shares, Preference Shares and Share application money of the Transferor Company in the books of the Transferee Company stands cancelled. Accordingly the difference of ₹ 6,498.8 Million between the amount of share capital of the Transferor Company and the consideration being Nil, after adjusting for the carrying value of Investments in the books of the Company is credited to Capital Reserve.

- 52** With regard to tangible assets, the Company has adopted the useful life of fixed assets as indicated in Part C of Schedule II of the Companies Act, 2013 and amendment thereto vide notification dated August 29, 2014 issued by the Ministry of Corporate Affairs. Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014, have been fully depreciated and an amount of ₹ 491.8 Million has been charged to the Statement of Profit and Loss. The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 3,069.9 Million consequent to the change in the useful life of the assets.
- 53** In March 2014, the US FDA issued an import alert to the Company for its cephalosporin facility located at Karkhadi, Gujarat in India. The warning letter pertaining to this import alert was issued by the US FDA in May 2014. The letter identifies practices at the facility which are non-compliant with current Good Manufacturing Practice (cGMP) regulations. The Company remains fully committed to compliance and corrective steps are on-going to address the observations made by the US FDA. The Company is committed to working co-operatively and expeditiously with the US FDA to resolve the matters indicated in its letter. Until these matters are resolved to the satisfaction of the US FDA, the US FDA may, in the near term, withhold approval of pending new drug applications from this facility. The contribution of this facility to Company's revenues is not significant.
- 54** The US FDA had, on January 23, 2014, prohibited from manufacturing and distributing APIs from its Toansa manufacturing facility and finished drug products containing APIs manufactured at this facility into the USA regulated market. Consequentially, the Toansa manufacturing facility is subject to certain terms of the Consent decree of permanent injunction entered into by the Company in January 2012.

In addition, the Department of Justice of the USA ('US DOJ'), United States Attorney's Office for the District of New Jersey had also issued an administrative subpoena dated March 13, 2014 seeking information primarily related to Toansa manufacturing facility for which a Form 483 containing findings of the US FDA was issued in January 2014. The Company is fully cooperating with this information request and is in dialogue with the US DOJ for submission of the requisite information.

- 55** In the absence of net profits in the Company for the year ended March 31, 2015 remuneration to the Managing Director and a Whole-time Director of the Company for the year ended March 31, 2015 is in excess of the limits specified under Schedule V of the Companies Act, 2013 by ₹ 20.7 Million. In this regard the Company has made necessary applications to the Central Government for approving of the amounts of maximum remuneration payable, which includes the excess amounts already paid / provided. Consequent to giving effect to the scheme of arrangement for the merger of Specified Undertaking of Sun Pharma Global FZE into the Company effective from May 1, 2013, resulting in the absence of net profits in the Company for the previous year ended March 31, 2014 (i) remuneration to the Managing Director and the Whole-time Directors of the Company has exceeded the limits specified under Schedule XIII to the Companies Act, 1956 by ₹ 44.7 Million; and (ii) commission of ₹ 6.4 Million for the previous year ended

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### FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

March 31, 2014, to the Non-Executive Directors of the Company is in excess, since there is absence of net profits for the previous year under section 309(4) read with section 309(5) of the Companies Act, 1956. The Company has made necessary applications to the Central Government for the waiver of the excess remuneration and commission for the previous year ended March 31, 2014. The Company has obtained approval from the shareholders of the Company in respect of the aforesaid remuneration and commission, as applicable for the years March 31, 2014 and 2015. The approval from the Central Government of India is awaited in respect of the said applications.

#### 56 EMPLOYEE SHARE-BASED PAYMENT PLANS

Erstwhile Ranbaxy Laboratories Limited had the Employee Stock Option Schemes (“ESOSs”) for the grant of stock options to its eligible employees and Directors of the Company and of its subsidiaries. The ESOSs are used to be administered by the Compensation Committee (“Committee”). Options are used to be granted at the discretion of the Committee to the selected employees depending upon certain criterion. As at 31 March 2015, there were two ESOSs, namely, “ESOS 2005” and “ESOP 2011”. ESOS II discontinued on January 17, 2015.

ESOS II provided that the grant price of options would be determined at the average of the daily closing price of the erstwhile RLL's equity shares on the NSE during a period of 26 weeks preceding the date of the grant. ESOS 2005 provided that the grant price of options would be the latest available closing price on the stock exchange on which the shares of the erstwhile RLL were listed, prior to the date of the meeting of the Committee in which the options were granted. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered. The options vested evenly over a period of five years from the date of grant. Options lapse, if they were not exercised prior to the expiry date, which was ten years from the date of grant.

During the year ended December 31, 2011, a new ESOS scheme was introduced by erstwhile RLL viz “ESOP 2011” with effect from July 01, 2011. ESOP - 2011 provides that the grant price will be the face value of the equity share i.e. ₹ 5 per share. The options vested evenly over a period of three years from the date of grant. Options lapsed, if they were not exercised prior to the expiry date, which was three months from the date of the vesting. An ESOP Trust had been formed to administer ESOP-2011 scheme. Shares issued to the ESOP Trust were allocated to the eligible employees upon exercise of stock options from time to time. As per the opinion of the Expert Advisory Committee (EAC) of The Institute of Chartered Accountants of India, as on the reporting date, the shares issued to an ESOP Trust but yet to be allocated to the employees be shown as a deduction from the Share Capital with a corresponding adjustment to the loan receivable from ESOP Trust. Accordingly, the Company has adjusted shares held by the ESOP Trust on the reporting date as a deduction from the Share Suspense Account.

Pursuant to the Scheme of Amalgamation, Sun Pharmaceutical Industries Limited (‘transferee company’) formulated two Employee Stock Option Schemes namely (i) SUN Employee Stock Option Scheme-2015 (ii) SUN Employee Stock Option Plan-2015 (ESOS Schemes) among other things to grant to the eligible employees of erstwhile RLL (‘transferor company’) stock options. Further, the number of transferee options issued shall equal to the product of number of transferor options outstanding on effectiveness of Scheme multiplied by the Share exchange ratio (0.80) and each transferee option shall have an exercise price per equity share equal to transferor option exercise price per equity shares divided by the share exchange ratio (0.80) and fractions rounded off to the next higher whole number. The terms and conditions of ESOS Schemes of Sun Pharma are not less favourable than those of ESOS Schemes of erstwhile RLL. Under the ESOS Schemes of Sun Pharma, stock options have been issued to the eligible employees of erstwhile RLL.

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The Shareholders' Committee of erstwhile RLL have approved issuance of options under the ESOS as per details given below:

Date of approval	No. of options approved
June 25, 2003	4,000,000
June 30, 2005	4,000,000
May 09, 2011	3,000,000

In accordance with the above approval of issuance of options, stock options have been granted from time to time.

The stock options outstanding as on June 30, 2005 are proportionately adjusted in view of the sub-Division of equity shares of the erstwhile RLL from the face value of ₹ 10 each into 2 equity shares of ₹ 5 each

The movement of the options (post split) granted under ESOS II and ESOS 2005 for the current year is given below:

	Stock options (numbers)	Range of exercise prices (₹)	Weighted- average exercise prices (₹)	Weighted-average remaining contractual life (years)
Pursuant to the Scheme of Amalgamation (Refer Note 48)	3,579,582	216.00-561.00	426.2	3.4
Forfeited during the year	(21,578)	450.00 - 450.00	450.0	-
Exercised during the year *	(1,434,434)	216.00 - 538.50	419.2	-
Lapsed during the year	(661,639)	216.00 - 538.50	506.4	-
Outstanding at the end of the year \$ (refer to note 1 below)	1,461,931	216.00 - 561.00	396.3	3.3
Exercisable at the end of the year \$ (refer to note 1 below)	1,461,931	216.00 - 561.00	396.3	3.3
<b>Note 1- Pursuant to scheme of Amalgamation</b>				
Outstanding at the end of the year \$ ^	1,169,545	270.00-702.00	496.0	-
Exercisable at the end of the year \$ ^	1,169,545	270.00-702.00	496.0	-

\$ Includes options exercised, pending allotment.

\* Weighted average share price on the date of exercise ₹ 637.7

The movement of the options (post split) granted under ESOP - 2011 for the current year is given below:

	Stock options (numbers)	Range of exercise prices (₹)	Weighted- average exercise prices (₹)	Weighted-average remaining contractual life (years)
Pursuant to the Scheme of Amalgamation (Refer Note 48)	986,905	5.0	5.0	0.9
Granted during the year	481,766	5.0	5.0	-
Forfeited during the year	(202,133)	5.0	5.0	-
Exercised during the year# **	(675,123)	5.0	5.0	-
Lapsed during the year	(29,628)	5.0	5.0	-
Outstanding at the end of the year @ (refer to note 2 below)	561,787	5.0	5.0	1.7
Exercisable at the end of the year @ (refer to note 2 below)	52,434	5.0	5.0	0.2
<b>Note 2- Pursuant to scheme of Amalgamation</b>				
Outstanding at the end of the year @ ^	449,430	6.25	6.25	-
Exercisable at the end of the year @ ^	41,948	6.25	6.25	-

@ Includes options exercised, pending allotment

# Shares allotted by the ESOP Trust against these exercises

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FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

\*\* Weighted average share price on the date of exercise ₹ 621.36

^ Number of shares and exercise price are adjusted in accordance with the Share exchange ratio (0.8:1) as per the Scheme.

During the current year, the Company has recorded a Stock-based employee compensation expense of ₹ 205.02 Million. The amount has been determined under a fair value method wherein the fair value of the options is calculated by using Black Scholes pricing model using the following assumptions:

The following table summarizes the assumptions used in calculating the grant date fair value for instrument granted in the period March 31, 2015: @@

Particulars	Year ended 31 March, 2015
Grant Date	08-May-14
Dividend yield	0.43%
Expected life of options from the date(s) of grant	1.25, 2.25 and 3.25 years
Risk free interest rate	8.57% (1.25 years)
	8.65% (2.25 years)
	8.71% (3.25 years)
Expected volatility	40.47%
Grant date fair value	₹ 462.39 (1.25 years)
	₹ 460.79 (2.25 years)
	₹ 459.16 (3.25 years)

@@ Assumptions used are as applicable at the date of grant in the context of erstwhile RLL

The Black - Scholes option-pricing model was developed for estimating fair value of trade options that have no vesting restrictions and are fully transferable. Since options pricing models require use of subjective assumptions, changes therein can materially affect fair value of the options. The options pricing models do not necessary provide a reliable measurable of fair value of options. The volatility in the share price is based on volatility of historical stock price of the erstwhile RLL for last 60 months.

The company has changed its policy with respect to accounting for employee stock options. The erstwhile RLL calculated cost of employee stock options based on the intrinsic value method i.e. the excess of market price over the exercise price of such options as of the date of the grant of options over the exercise price of such options. As explained above, the Company have accounted for employee stock options based on the fair value method. The impact of change in this accounting policy is not significant.

### 57 DETAILS OF LONG TERM BORROWINGS AND CURRENT MATURITIES OF LONG TERM DEBT (included under Other Current Liabilities)

- (l) External Commercial Borrowings (ECBs) has 6 loans of USD 288.0 Million equivalent to ₹ 18,001.4 Million (Previous Year Nil) [(included in long term borrowings ₹ 11,625.9 Million (Previous Year Nil) and ₹ 6,375.5 Million (Previous Year Nil) in current maturity of long term debt.)] For the loans outstanding as at March 31, 2015, the terms of repayment for borrowings are as follows:
- USD 100 Million equivalent to ₹ 6,250.5 Million (Previous Year Nil). The loan was taken on June 4, 2013 and is repayable on June 3, 2018.
  - USD 50 Million equivalent to ₹ 3,125.3 Million (Previous Year Nil). The loan was taken on September 20, 2012 and is repayable on September 19, 2017.

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- (c) USD 30 Million equivalent to ₹ 1,875.2 Million (Previous Year Nil). The loan was taken on June 30, 2011 and is repayable in 3 equal installments at the end of 4th year, 5th year and 6th year.
- (d) USD 30 Million equivalent to ₹ 1,875.2 Million (Previous Year Nil). The loan was taken on September 9, 2010 and is repayable on September 8, 2015.
- (e) USD 50 Million equivalent to ₹ 3,125.3 Million (Previous Year Nil). The loan was taken on August 12, 2010 and is repayable on August 11, 2015.
- (f) USD 28 Million equivalent to ₹ 1,750.1 Million (Previous Year Nil). Loan amounting to USD 40 Million equivalent to ₹ 2,500.2 Million (Previous Year Nil) was taken on March 25, 2011 and is repayable fully by March 24, 2017 in 3 installments viz., 30% each of the drawn amount at the end of 4th year and 5th year each and 40% of the drawn amount at the end of the 6th year. First installment of USD 12 Million equivalent to ₹ 747.91 Million (Previous Year Nil) has been repaid in current year. The Company has not defaulted on repayment of loan and interest during the year.
- (II) ₹ 5,000 Million (Previous Year Nil) redeemable non-convertible debentures issued by erstwhile RLL on November 23, 2012 for a period of 36 months at a coupon rate of 9.20% p.a. Such debentures are secured by a pari-passu first ranking charge on the Company's specified fixed assets so as to provide a fixed asset cover of 1.25x and are listed on the National Stock Exchange.
- (III) Loan of ₹ 2,500 Million (Previous Year Nil). The loan is repayable on October 2, 2015. The Company has not defaulted on repayment of loan and interest during the year.
- 58** In respect of any present obligation as a result of past event that could lead to a probable outflow of resources, provisions has been made, which would be required to settle the obligation. The said provisions are made as per the best estimate of the management and disclosure as per Accounting Standard (AS) 29 - Provisions, Contingent Liabilities & Contingent Assets has been given below :

	₹ in Million	
	As at 31st March, 2015	As at 31st March, 2014
At the commencement of the year	26,312.2	-
Add :Pursuant to the Scheme of amalgamation (Refer Note 48)	609.1	-
Add: Provision for the year	1,657.4	26,312.2
Add : Foreign Currency Exchange Fluctuation	1,056.4	-
Less: Utilisation / Settlement	1,886.6	-
At the end of the year	27,748.5	26,312.2

(The above balances includes provision for trade commitments, product returns, rebates, discounts)

- 59** Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 11.0 Million.

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FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- 60 a The following are the outstanding contracts of derivative instruments entered into by the Company as on 31st March, 2015

	Currency	Buy/Sell	Cross Currency	Amount in Million	
				31st March, 2015	31st March, 2014
Forward contract for receivables	USD	Sell	INR	\$350.0	\$240.0
Forward contracts for loans	USD	Buy	INR	\$170.0	-
Currency swaps	USD	Buy	INR	\$30.0	-
Currency Options	USD	Buy	INR	\$100.0	-
Currency options ** @	USD	Sell	INR	\$71.0	-
Currency cum interest rate swaps	USD	Buy	INR	\$100.0	-
Forward contracts	ZAR	Sell	INR	ZAR 42.5	-

\*\* Structured Options @ 2.00 to 2.50 times

@ Cumulative mark to market loss, on above instruments, of ₹ 3,499.3 Million which has been determined based on valuation provided by banks i.e. counter party.

- b The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

- i Amounts receivable in foreign currency on account of the following :

	Currency	As at 31st March, 2015		As at 31st March, 2014	
		Amount in Million	Amount in Million	Amount in Million	Amount in Million
Exports of Goods and Services	US Dollar	-	-	\$354.6	₹ 21,279.0
	Euro	€ 17.3	₹ 1,159.9	€ 6.0	₹ 492.0
	British Pound	£2.0	₹ 181.1	£0.5	₹ 46.1
CHF 15,000	Swiss Franc	CHF 0.0	₹ 1.0	-	-
	Russian Ruble	RUB 1,156.5	₹ 1,240.4	RUB 414.9	₹ 760.3
	Bangladesh Taka	BDT 191.1	₹ 152.9	BDT 152.2	₹ 117.8
	South African Rand	ZAR 70.8	₹ 362.2	-	-
	Australian Dollar	AUD 4.4	₹ 210.9	-	-
	Swedish Kroner	SEK 0.5	₹ 3.3	-	-
	New Zealand Dollar	\$0.3	₹ 15.4	-	-
	Malaysian Ringet	MYR 2.5	₹ 42.0	-	-
	Japanese Yen	¥14.3	₹ 7.4	-	-
	Nigerian Naira	NGN 22.7	₹ 7.2	-	-
	Canadian Dollar	CAD 1.9	₹ 91.9	-	-
	Mexican Peso	MXN 1.1	₹ 4.6	-	-
	Polish Zloty	PLN 1.3	₹ 21.7	-	-

- ii Amounts payable in foreign currency on account of the following :

Import of Goods and Services	US Dollar	\$257.0	₹ 16,029.2	\$11.0	₹ 662.4
	Euro	€ 26.2	₹ 1,757.8	€ 1.3	₹ 110.6
	British Pound	£1.6	₹ 148.9	£0.1	₹ 10.1
CHF 26,694 (Previous Year CHF 19,961)	Swiss Franc	CHF 0.0	₹ 1.7	CHF 0.0	₹ 1.4
	Israel Shakerl	ILS 0.6	₹ 9.0	ILS 0.6	₹ 9.5
	Japanese Yen	¥5.1	₹ 2.5	-	-
CAD 385 (Previous Year CAD 16,012)	Canadian Dollar	CAD 0.0	₹ 0.0	CAD 0.0	₹ 0.9

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FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

	Currency	As at 31st March, 2015		As at 31st March, 2014	
		Amount in Million		Amount in Million	
	Russian Ruble	RUB 59.0	₹ 63.4	RUB 0.3	₹ 0.4
(Previous Year SEK 2,745, ₹ 25,227)	Swedish Kroner	-	-	SEK 0.0	₹ 0.0
	South African Rand	ZAR 0.2	₹ 1.1	ZAR 0.4	₹ 2.2
(Previous Year AUD 9,260)	Australian Dollar	AUD 0.4	₹ 18.9	AUD 0.0	₹ 0.5
SGD 1,346 (Previous Year SGD-Nil)	Singapore Dollar	SGD 0.0	₹ 0.1	-	-
	UAE Dinar	AED 0.8	₹ 12.8	-	-
	Kazakhstani Tenge	KZT 27.4	₹ 9.2	-	-
	Central African Franc	CFR 404.1	₹ 41.7	-	-
	Vietnamese Dong	VND 1,430.5	₹ 4.2	-	-
	Others		₹ 10.5	-	-
Commission Payable	US Dollar	\$5.8	₹ 361.1	\$5.9	₹ 351.8
	Euro	€ 0.9	₹ 62.4	€ 0.8	₹ 65.2
Loans	US Dollar	\$70.0	₹ 4,375.0	\$400.0	₹ 24,002.0
(include interest accrued but not due on borrowings)	US Dollar @@	\$257.8	₹ 16,111.7	-	-

@@ -Net of forward contracts of USD 170 Million, currency swaps of USD 30 million, currency options of USD 100 Million and currency cum interest rate swaps of USD 100 million.

- 61 Previous year figures are regrouped wherever necessary. In view of the amalgamation as referred in Note 48 and Note 51 the figures for the current year are not comparable with the corresponding figures of the previous year.

## ANNEXURE "A"

### ACCOUNTING STANDARD (AS-18) "RELATED PARTY DISCLOSURE"

#### Names of related parties and description of relationship as on 31st March, 2015

1	Subsidiaries
	Green Eco Development Centre Ltd.
	Sun Pharma Global Inc. (Since amalgamated into the Company on January 1, 2015)
	Sun Pharmaceutical (Bangladesh) Ltd.
	Sun Pharmaceutical Industries, Inc. (Formerly Known as Caraco Pharmaceutical Laboratories Ltd)
	Sun Farmaceutica Do Brasil Ltda (Formerly Known as TKS Farmaceutica Ltda)
	Sun Pharma De Mexico S.A. DE C.V.
	SPIIL De Mexico S.A. DE C.V.
	Sun Pharmaceutical Peru S.A.C.
	OOO "Sun Pharmaceutical Industries" Ltd.
	Sun Pharma de Venezuela, CA.
	Sun Pharma Laboratories Limited
	Faststone Mercantile Company Private Limited
	Neetnav Real Estate Private Limited
	Realstone Multitrade Private Limited
	Skisen Labs Private Limited
	Softdeal Trading Company Private Limited



# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## ANNEXURE “A”

### ACCOUNTING STANDARD (AS-18) “RELATED PARTY DISCLOSURE”

#### Names of related parties and description of relationship as on 31st March, 2015

Ranbaxy Pharmacie Generiques SAS
Ranbaxy Drugs Limited
Vidyut Investments Limited
Gufic Pharma Limited
Ranbaxy Malaysia Sdn. Bhd.
Ranbaxy Nigeria Limited
Ranbaxy (Netherlands) B.V.
Caraco Pharma Inc
Chattem Chemicals Inc
Taro Development Corporation
Alkaloida Chemical Company Zrt.
Sun Pharmaceutical UK Ltd.
Sun Pharmaceutical Industries (Australia) Pty. Ltd.
Aditya Acquisition Company Ltd.
Sun Pharmaceutical Industries (Europe) B.V.
Sun Pharmaceuticals Italia S.R.L.
Sun Pharmaceutical Spain, S.L.U
Sun Pharmaceuticals Germany GmbH
Sun Pharmaceuticals France
Sun Pharma Global (FZE)
Sun Pharmaceuticals (SA) (Pty) Ltd.
Sun Global Canada Pty. Ltd.
Sun Pharma Philippines Inc.
Sun Pharmaceuticals Korea Ltd.
Sun Global Development FZE
Caraco Pharmaceuticals Pvt. Ltd
Sun Pharma Japan Ltd
Sun Pharma HealthCare FZE
*** Sun Pharma MEA JLT
Morley and Company Inc
Sun Laboratories FZE
Taro Pharmaceutical Industries Ltd.
Taro Pharmaceuticals Inc.
Taro Pharmaceuticals U.S.A., Inc.
Taro Pharmaceuticals North America, Inc.
Taro Pharmaceuticals Europe B.V.
Taro Pharmaceuticals Ireland Ltd.
Taro International Ltd.
Taro Pharmaceuticals UK Ltd.
Taro Hungary Intellectual Property Licensing LLC.
3 Skyline LLC
One Commerce Drive LLC

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## ANNEXURE “A”

### ACCOUNTING STANDARD (AS-18) “RELATED PARTY DISCLOSURE”

#### Names of related parties and description of relationship as on 31st March, 2015

**	Tarochem Ltd.
	Taro Pharmaceutical Laboratories Inc
	Taro Pharmaceuticals Canada Ltd.
****	Taro Pharmaceutical India Private Ltd.
**	Orta Ltd.
**	Sun Universal Ltd
**	Khyati Realty ME Ltd
**	Aditya Pharma Private Limited
	Alkaloida Sweden AB
	Dusa Pharmaceuticals Inc
	Dusa Pharmaceuticals New York Inc
	Sirius Laboratories Inc
	URL Pharma Inc
	AR Scientific.Inc
	Mutual Pharmaceutical Company, Inc.
	United Research Laboratories, Ltd.
	Dungan Mutual Associates, LLC
	URL PharmPro, LLC
	Universal Enterprises (Pvt) Ltd.
	Sun Pharma Switzerland Ltd.
	Sun Pharma Holdings (Formerly Known as Nogad Holdings)
	Silverstreet Developers LLP
*	Sun Pharma East Africa Limited
*	Pharmalucence Inc.
*	PI Real Estate Ventures, LLC
	Ranbaxy Australia Proprietary Ltd.
	Ranbaxy Belgium N.V.
	Ranbaxy Farmaceutica Ltda.
	Ranbaxy Pharmaceuticals Canada Inc.
	Ranbaxy Egypt (L.L.C.)
	Rexcel Egypt (L.L.C.)
	Office Pharmaceutique Industriel et Hospitalier SARL
	Basics GmbH
	Ranbaxy GmbH
	Ranbaxy Ireland Limited
	Ranbaxy Italia S.p.A
	Ranbaxy PRP (Peru) SAC.
	Ranbaxy Poland S.P. Zoo
****	Ranbaxy Portugal - Com E Desenvolv DeProd Farmaceuticos Unipessoal Lda
	S.C Terapia S.A.

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## ANNEXURE “A”

### ACCOUNTING STANDARD (AS-18) “RELATED PARTY DISCLOSURE”

#### Names of related parties and description of relationship as on 31st March, 2015

	ZAO Ranbaxy	
	Ranbaxy South Africa Proprietary Limited	
	Ranbaxy Pharmaceuticals (Pty) Ltd. (Formerly known as Be-Tabs Pharmaceuticals (Proprietary) Ltd.	
	Be-Tabs Investments (Proprietary) Ltd.	
	Sonke Pharmaceuticals (Proprietary) Ltd.	
	Laboratorios Ranbaxy, S.L.	
	Ranbaxy (UK) Limited.	
	Ranbaxy Holdings (UK) Ltd.	
	Ranbaxy Europe Limited	
	Ranbaxy Inc.	
	Ranbaxy Pharmaceuticals, Inc.	
	Ranbaxy (Thailand) Co., Limited	
	** Ranbaxy USA, Inc.	
	Ohm Laboratories, Inc.	
	Ranbaxy Laboratories, Inc.	
	Ranbaxy Signature LLC	
	Ranbaxy Morocco LLC	
	Ranbaxy Pharmaceuticals Ukraine LLC	
	Solrex Pharmaceuticals Company	
<b>2</b>	<b>Associates</b>	
	Zenotech Laboratories Limited	
	Daiichi Sankyo (Thailand) Limited, Thailand	
<b>3</b>	<b>Key Management Personnel</b>	
	Mr. Dilip S. Shanghvi	Managing Director
	Mr. Sudhir V. Valia	Wholetime Director
	Mr. Sailesh T. Desai	Wholetime Director
<b>4</b>	<b>Relatives of Key Management Personnel</b>	
	Mr. Aalok Shanghvi	Son of Managing Director
	Ms. Vidhi Shanghvi	Daughter of Managing Director
<b>5</b>	<b>Enterprise under significant influence of Key Management Personnel or their relatives</b>	
	Sun Petrochemicals Pvt Ltd	
	Navjivan Rasayan (Gujarat) Pvt Ltd	
	Sun Pharma Advanced Research Company Ltd	

\* Incorporated / Acquired during the year

\*\* Dissolved / liquidated during the year

\*\*\* Merged with Sun Pharma Global FZE.

\*\*\*\* Under liquidation

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

ANNEXURE "A"

ACCOUNTING STANDARD (AS-18) "RELATED PARTY DISCLOSURE"

Particulars	Subsidiaries		Associates		Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant Influence of Key Management Personnel or their relatives		Total	
	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14
<b>Purchases of goods</b>	<b>1,980.0</b>	<b>1,961.0</b>	<b>37.3</b>	-	-	-	-	-	<b>0.3</b>	-	<b>2,017.6</b>	<b>1,961.0</b>
Alkalioida Chemical Company Zrt	243.9	234.2	-	-	-	-	-	-	-	-	243.9	234.2
Sun Pharma Laboratories Ltd.	468.4	1,725.5	-	-	-	-	-	-	-	-	468.4	1,725.5
Solirex Pharmaceuticals Company, India (a Partnership firm)	946.3	-	-	-	-	-	-	-	-	-	946.3	-
Ohm Laboratories, Inc., USA	228.5	-	-	-	-	-	-	-	-	-	228.5	-
Others	92.9	1.3	37.3	-	-	-	-	-	0.3	-	130.5	1.3
<b>Purchase of Fixed Assets</b>	<b>1,134.1</b>	<b>3.9</b>	-	-	-	-	-	-	-	-	<b>1,134.1</b>	<b>3.9</b>
Neetnav Real Estate Pvt Ltd.	1,134.1	-	-	-	-	-	-	-	-	-	1,134.1	-
Sun Pharma Laboratories Ltd.	-	3.9	-	-	-	-	-	-	-	-	-	3.9
<b>Purchase of Undertaking</b>	<b>980.0</b>	-	-	-	-	-	-	-	-	-	<b>980.0</b>	-
Sun Pharma Laboratories Ltd.	980.0	-	-	-	-	-	-	-	-	-	980.0	-
<b>Sale of goods</b>	<b>30,297.7</b>	<b>16,361.1</b>	<b>392.9</b>	-	-	-	-	-	<b>15.5</b>	<b>16.7</b>	<b>30,706.1</b>	<b>16,377.8</b>
Sun Pharmaceutical Industries Inc (formerly known as Caraco Pharmaceutical Laboratories Ltd.)	2,199.2	7,110.9	-	-	-	-	-	-	-	-	2,199.2	7,110.9
Sun Pharma Global (FZE)	3,648.6	4,463.4	-	-	-	-	-	-	-	-	3,648.6	4,463.4
Sun Pharma Laboratories Ltd.	3,891.9	2,688.1	-	-	-	-	-	-	-	-	3,891.9	2,688.1
Ohm Laboratories, Inc., USA	7,306.6	-	-	-	-	-	-	-	-	-	7,306.6	-
Others	13,251.4	2,098.7	392.9	-	-	-	-	-	15.5	16.7	13,659.8	2,115.4
<b>Sale of Fixed Assets</b>	<b>74.8</b>	<b>4.5</b>	-	-	-	-	-	-	<b>0.4</b>	<b>0.4</b>	<b>75.2</b>	<b>4.9</b>
Alkalioida Chemical Company Zrt	-	4.4	-	-	-	-	-	-	-	-	-	4.4
Sun Pharma Laboratories Ltd.	13.7	0.1	-	-	-	-	-	-	-	-	13.7	0.1
Solirex Pharmaceuticals Company, India (a Partnership firm)	20.5	-	-	-	-	-	-	-	-	-	20.5	-
ZAO Ranbaxy, Russia	38.4	-	-	-	-	-	-	-	-	-	38.4	-
Others	2.2	-	-	-	-	-	-	-	0.4	0.4	2.6	0.4
<b>Receiving of Service</b>	<b>1,710.1</b>	<b>37.5</b>	<b>0.5</b>	-	-	-	-	-	<b>167.8</b>	<b>5.2</b>	<b>1,878.4</b>	<b>42.7</b>
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	167.8	5.2	167.8	5.2
Aditya Acquisition Company Ltd	73.1	37.5	-	-	-	-	-	-	-	-	73.1	37.5
Ranbaxy Europe Limited, UK	309.9	-	-	-	-	-	-	-	-	-	309.9	-
S.C.Terapia S.A., Romania	461.7	-	-	-	-	-	-	-	-	-	461.7	-
Others	865.4	-	0.5	-	-	-	-	-	-	-	865.9	-
<b>Reimbursement of Expenses</b>	<b>1,066.0</b>	<b>366.0</b>	<b>0.3</b>	-	-	-	-	-	-	<b>9.0</b>	<b>1,066.3</b>	<b>375.0</b>
Sun Pharmaceutical Industries Inc (formerly known as Caraco Pharmaceutical Laboratories Ltd.)	614.7	213.8	-	-	-	-	-	-	-	-	614.7	213.8
Sun Pharmaceutical Industries (Europe) BV.	152.0	51.5	-	-	-	-	-	-	-	-	152.0	51.5
Sun Pharma Global (FZE)	133.1	-	-	-	-	-	-	-	-	-	133.1	-
Sun Pharma Laboratories Ltd.	-	56.4	-	-	-	-	-	-	-	-	-	56.4
Others	166.2	44.3	0.3	-	-	-	-	-	9.0	166.5	53.3	-
<b>Rendering of Service</b>	<b>1,750.0</b>	<b>606.6</b>	-	-	-	-	-	-	<b>185.8</b>	<b>0.2</b>	<b>1,935.8</b>	<b>606.8</b>
Sun Pharma Laboratories Ltd.	399.6	536.1	-	-	-	-	-	-	-	-	399.6	536.1
Ranbaxy Pharmaceuticals, Inc., USA	370.4	-	-	-	-	-	-	-	-	-	370.4	-
Ranbaxy Inc., USA	435.0	-	-	-	-	-	-	-	-	-	435.0	-
Others	545.0	70.5	-	-	-	-	-	-	185.8	0.2	730.8	70.7

# NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

ANNEXURE "A"

ACCOUNTING STANDARD (AS-18) "RELATED PARTY DISCLOSURE"

Particulars	₹ in Million										
	Subsidiaries		Associates		Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Key Management Personnel or their relatives		Total
	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15
<b>Particulars</b>	<b>31-03-15</b>	<b>31-03-14</b>	<b>31-03-15</b>	<b>31-03-14</b>	<b>31-03-15</b>	<b>31-03-14</b>	<b>31-03-15</b>	<b>31-03-14</b>	<b>31-03-15</b>	<b>31-03-14</b>	<b>31-03-15</b>
Reimbursement of Expenses	692.1	195.4	-	-	-	-	-	-	55.2	47.7	747.3
Sun Pharma Global (FZE)	176.3	182.4	-	-	-	-	-	-	-	-	176.3
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	55.2	47.7	55.2
Sun Pharma Laboratories Ltd.	475.8	1.5	-	-	-	-	-	-	-	-	475.8
Others	40.0	11.5	-	-	-	-	-	-	-	-	40.0
<b>Finance (including loans, investment and equity contributions)</b>											
Capital Contribution / (Withdrawal)	-	6,162.1	-	-	-	-	-	-	-	-	6,162.1
Sun Pharma Global (FZE)	-	6,153.4	-	-	-	-	-	-	-	-	6,153.4
Others	-	8.7	-	-	-	-	-	-	-	-	8.7
<b>Loans given / Share Application Money / Deposit</b>	<b>1,287.5</b>	<b>356.1</b>	<b>74.5</b>	-	-	-	-	-	-	<b>311.0</b>	<b>1,362.0</b>
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	-	311.0	311.0
Sun Pharma Global (FZE) [Acquired pursuant to arrangement (refer Note 51)]	1,133.2	-	-	-	-	-	-	-	-	-	1,133.2
Neetnav Real Estate Pvt Ltd.	148.6	-	-	-	-	-	-	-	-	-	148.6
Skisen Labs Pvt Ltd.	-	356.1	-	-	-	-	-	-	-	-	356.1
Others	5.7	-	74.5	-	-	-	-	-	-	-	80.2
<b>Loans / Share Application Money received back</b>	<b>18,944.9</b>	<b>0.1</b>	-	-	-	-	-	-	-	<b>1,049.4</b>	<b>18,944.9</b>
Alkaloids Chemical Company Zrt	7,649.4	-	-	-	-	-	-	-	-	-	7,649.4
Sun Pharma Advanced Research Company Ltd	9,237.0	-	-	-	-	-	-	-	-	-	9,237.0
Ranbaxy (Netherlands) BV, The Netherlands	2,058.5	0.1	-	-	-	-	-	-	-	-	2,058.5
Others	65.7	-	-	-	-	-	-	-	-	-	65.7
<b>Inter Corporate Deposit</b>	<b>65.7</b>	-	-	-	-	-	-	-	-	-	<b>65.7</b>
Neetnav Real Estate Pvt Ltd.	65.7	-	-	-	-	-	-	-	-	-	65.7
<b>Corporate Guarantees Given / (Released) on behalf of</b>											
Sun Pharma Laboratories Ltd.	-	(558.7)	-	-	-	-	-	-	-	-	(558.7)
Sun Pharmaceuticals Italia S.R.L.	-	41.3	-	-	-	-	-	-	-	-	41.3
Sun Pharma Laboratories Ltd.	-	(600.0)	-	-	-	-	-	-	-	-	(600.0)
<b>Interest Income</b>	<b>208.3</b>	-	<b>61.9</b>	-	-	-	-	-	-	<b>53.8</b>	<b>270.2</b>
Sun Pharma Advanced Research Company Ltd	157.9	-	-	-	-	-	-	-	-	53.8	157.9
Ranbaxy (Netherlands) BV, The Netherlands	-	-	61.9	-	-	-	-	-	-	-	61.9
Zenotech Laboratories Limited, India	50.4	-	-	-	-	-	-	-	-	-	50.4
Others	3.6	-	-	-	-	-	-	-	-	-	3.6
Neetnav Real Estate Pvt Ltd.	3.6	-	-	-	-	-	-	-	-	-	3.6
<b>Interest Expense</b>	<b>18.9</b>	<b>13.2</b>	-	-	-	-	-	-	-	<b>1.5</b>	<b>20.4</b>
Sun Pharma Laboratories Ltd.	18.9	13.2	-	-	-	-	-	-	-	1.5	20.4
Navjivan Rasayan (Gujarat) Pvt Ltd	-	-	-	-	-	-	-	-	-	1.5	1.5
Others	0.4	-	-	-	-	-	-	-	-	-	0.4
Neetnav Real Estate Pvt Ltd.	0.4	-	-	-	-	-	-	-	-	-	0.4
<b>Director's Remuneration</b>											
Mr. Dilip S. Shanghvi	-	-	-	-	73.8	63.3	-	-	-	-	73.8
Mr. Sudhir V. Valia	-	-	-	-	31.5	28.3	-	-	-	-	31.5
Mr. Sailesh T. Desai	-	-	-	-	31.3	25.6	-	-	-	-	31.3
Others	-	-	-	-	11.0	9.4	-	-	-	-	11.0

## NOTES

FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

## ANNEXURE "A"

## ACCOUNTING STANDARD (AS-18) "RELATED PARTY DISCLOSURE"

Particulars	₹ in Million													
	Subsidiaries			Associates			Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Key Management Personnel or their relatives		Total	
	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	31-03-14	31-03-15	
<b>Apprenticeship Stipend / Remuneration</b>	-	-	-	-	-	-	-	6.8	3.5	-	-	-	6.8	3.5
Mr. Aalok Shanghvi	-	-	-	-	-	-	-	6.0	2.9	-	-	-	6.0	2.9
Ms. Vidhi Shanghvi	-	-	-	-	-	-	-	0.8	0.6	-	-	-	0.8	0.6
<b>Outstanding Corporate Guarantee to Bank</b>	-	247.8	-	-	-	-	-	-	-	-	-	-	-	247.8
Sun Pharmaceuticals Italia S.R.L. (Actual Utilised Nil (Previous Year ₹ 86.0 Million))	-	247.8	-	-	-	-	-	-	-	-	-	-	-	247.8
<b>Letter of comforts given on behalf of subsidiaries</b>	336.0	-	-	-	-	-	-	-	-	-	-	-	336.0	-
S.C.Terapia S.A., Romania	336.0	-	-	-	-	-	-	-	-	-	-	-	336.0	-
<b>Withdrawal of letter of comforts given on behalf of subsidiaries</b>	3,541.5	-	-	-	-	-	-	-	-	-	-	-	3,541.5	-
Ranbaxy (Netherlands) BV, The Netherlands	1,250.1	-	-	-	-	-	-	-	-	-	-	-	1,250.1	-
S.C.Terapia S.A., Romania	1,980.9	-	-	-	-	-	-	-	-	-	-	-	1,980.9	-
Ranbaxy Pharmacie Generiques SAS, France	310.5	-	-	-	-	-	-	-	-	-	-	-	310.5	-
<b>Outstanding Letter of Comforts issued on behalf of entities</b>	2,873.1	-	-	-	-	-	-	-	-	-	-	-	2,873.1	-
Ranbaxy Malaysia Sdn. Bhd., Malaysia	556.2	-	-	-	-	-	-	-	-	-	-	-	556.2	-
Ranbaxy Pharmacie Generiques SAS, France	336.0	-	-	-	-	-	-	-	-	-	-	-	336.0	-
Ranbaxy (Netherlands) BV, The Netherlands	414.8	-	-	-	-	-	-	-	-	-	-	-	414.8	-
Ranbaxy Nigeria Limited, Nigeria	576.3	-	-	-	-	-	-	-	-	-	-	-	576.3	-
Ranbaxy Egypt (L.L.C.), Egypt	406.3	-	-	-	-	-	-	-	-	-	-	-	406.3	-
S.C.Terapia S.A., Romania	398.5	-	-	-	-	-	-	-	-	-	-	-	398.5	-
Others	185.0	-	-	-	-	-	-	-	-	-	-	-	185.0	-
<b>Outstanding Receivables / (Payables) (Net) as on</b>	(8,142.3)	(2,283.4)	320.4	-	(16.4)	(18.7)	(1.2)	(0.7)	23.0	61.3	(7,816.5)	(2,241.5)	(3,366.7)	1,442.8
Sun Pharmaceutical Industries Inc (formerly known as Caraco Pharmaceutical Laboratories Ltd.)	(3,366.7)	1,442.8	-	-	-	-	-	-	-	-	-	-	(3,366.7)	1,442.8
OOO "Sun Pharmaceutical Industries" Ltd	506.8	770.8	-	-	-	-	-	-	-	-	-	-	506.8	770.8
Sun Pharma Global (FZE)	496.1	(4,007.5)	-	-	-	-	-	-	-	-	-	-	496.1	(4,007.5)
Sun Pharma Laboratories Ltd.	390.6	(1,514.8)	-	-	-	-	-	-	-	-	-	-	390.6	(1,514.8)
Ranbaxy Pharmaceuticals, Inc., USA	(8,590.4)	-	-	-	-	-	-	-	-	-	-	-	(8,590.4)	-
Ohm Laboratories, Inc., USA	(1,442.7)	-	-	-	-	-	-	-	-	-	-	-	(1,442.7)	-
ZAO Ranbaxy, Russia	799.0	-	-	-	-	-	-	-	-	-	-	-	799.0	-
Others (net of provision ₹ 332.4 Million)	3,065.0	1,025.3	320.4	-	(16.4)	(18.7)	(1.2)	(0.7)	23.0	61.3	(3,366.7)	1,442.8	3,390.8	1,067.2