

Statement of Standalone Audited Financial Results for the Half Year and Year ended March 31, 2017

(₹ in Lakhs)

Particulars	Half Year ended		Year ended	
	31.03.2017	31.03.2018	31.03.2017	31.03.2016
	Audited (Refer Note 8)	Audited (Refer Note 8)	Audited	Audited
I Revenue from Operations				
a. Sale of Products (including excise duty)	260,038	237,199	528,739	469,363
b. Other Operating Revenues	2,068	897	3,550	1,567
Total Revenue from Operations (I)	262,106	237,896	532,289	470,930
II Other Income	12,832	18,735	22,885	37,759
III Total Income (I+II)	274,938	256,631	555,154	508,689
IV Expenses				
Cost of materials consumed	44,309	39,371	93,193	81,891
Purchases of stock-in-trade	12,518	26,895	35,112	57,576
Changes in inventories of finished goods, stock-in-trade and work-in-progress	5,399	(817)	7,823	1,580
Employee benefits expense	23,202	22,537	48,555	43,982
Finance costs	8,321	2,317	14,763	2,493
Depreciation and amortisation expense	80,061	79,636	159,896	158,700
Other expenses	49,950	41,330	99,100	83,692
Total Expenses (IV)	223,780	211,469	458,244	429,914
V Profit before Tax (III-IV)	50,978	45,162	96,910	78,775
VI Tax Expense	10,208	9,325	21,067	16,208
VII Profit for the period (V-VI)	40,778	35,837	75,843	62,569
VIII Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss	(1,025)	(609)	(1,636)	(1,218)
Income tax relating to items that will not be reclassified to profit or loss	355	211	566	422
Total Other Comprehensive Income (VIII)	(670)	(398)	(1,070)	(796)
IX Total Comprehensive Income for the period (VII+VIII)	40,180	35,439	74,773	61,773
X Paid-up Equity Share Capital - Face Value ₹ 10 each	5	5	5	5
XI Paid-up Debt Capital (Non-convertible Debentures)	100,000	100,000	100,000	100,000
XII Reserves excluding revaluation reserves (including Debenture Redemption Reserve) as at Balance Sheet date			1,974,161	1,923,941
XIII Debenture Redemption Reserve	20,834	10,417	20,834	10,417
XIV Earnings Per Equity Share of ₹ 10 each (not annualised) ₹ (Basic and Diluted)	81,540	71,874	151,685	125,138
XV Debt Equity Ratio			1.1	1.5
XVI Debt Service Coverage Ratio	7.1	20.5	7.6	32.6
XVII Interest Service Coverage Ratio	7.1	20.5	7.6	32.6

See accompanying notes to the standalone audited financial results

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**Sun Pharma Laboratories Limited**

Registered Office: Sun House, CTS No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Tel.: +91 22 4324 4324.

CIN: U25200MH1997PLC240268

**Notes :**

**1 Standalone Audited Balance Sheet**

(₹ in Lakhs)		
Particulars	As at 31.03.2017 Audited	As at 31.03.2016 Audited
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	96,970	68,684
(b) Capital work-in-progress	22,008	22,489
(c) Intangible assets	1,070,335	1,223,989
(d) Investments in subsidiaries	150	125
(e) Investments in associates	706,256	379,946
(f) Financial assets		
(i) Investments	6,548	6,444
(ii) Loans	32	3,884
(iii) Other financial assets	1,451	1,279
(g) Income tax assets (Net)	45,081	40,996
(h) Other non-current assets	9,292	12,068
<b>Total non-current assets</b>	<b>1,958,123</b>	<b>1,759,904</b>
<b>(2) Current assets</b>		
(a) Inventories	49,930	54,415
(b) Financial assets		
(i) Investments	16,755	62,360
(ii) Trade receivables	62,369	38,248
(iii) Cash and cash equivalents	96	103
(iv) Bank balances other than (iii) above	262	329
(v) Loans	96,144	183,553
(vi) Other financial assets	323	413
(c) Other current assets	15,989	6,417
<b>Total current assets</b>	<b>241,868</b>	<b>345,838</b>
<b>TOTAL ASSETS</b>	<b>2,199,991</b>	<b>2,105,742</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	5	5
(b) Other equity	1,975,573	1,925,353
<b>Total equity</b>	<b>1,975,578</b>	<b>1,925,358</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
Borrowings	53,588	103,289
(b) Provisions	5,567	2,477
(c) Deferred tax liabilities (Net)	2,071	2,570
<b>Total non-current liabilities</b>	<b>61,226</b>	<b>108,336</b>
<b>(2) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	29,824	670
(ii) Trade payables	48,588	37,995
(iii) Other financial liabilities	56,872	12,113
(b) Other current liabilities	4,413	3,363
(c) Provisions	23,490	17,907
<b>Total current liabilities</b>	<b>163,187</b>	<b>72,048</b>
<b>Total liabilities</b>	<b>224,413</b>	<b>180,384</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,199,991</b>	<b>2,105,742</b>

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- 2 The above standalone audited financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 25, 2017.
- 3 The Board has recommended payment of dividend of ₹ 10 per preference share of ₹ 100 each and ₹ 40,000 per equity share of ₹ 10 each for the year ended March 31, 2017 subject to approval of the members at ensuing Annual General Meeting.
- 4 The Company has issued rated unsecured listed redeemable non-convertible debentures (NCDs) during December 2015, which have been rated "[ICRA]AAA(stable)" by ICRA Limited. These standalone audited financial results have been prepared pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Certain required ratios and additional disclosures have been presented in these standalone audited financial results.

(i) Debt Equity Ratio = (Long-term Borrowings + Short-term Borrowings) / (Equity Share Capital + Other Equity excluding Capital Reserve)

(ii) Debt Service Coverage Ratio = Earnings before Interest Expense (Finance Costs) and Tax / (Interest Expense (Finance Costs) + Principal Repayment made during the period for long-term borrowings)

(iii) Interest Service Coverage Ratio = Earnings before Interest Expense (Finance Costs) and Tax / Interest Expense (Finance Costs)

(iv) Asset cover available as on March 31, 2017 is 7.9 times. Asset Cover = (Total Assets - Intangible Assets - Current Liabilities excluding Short-term Borrowings and current maturities of Long-term Borrowings) / (Long-term Borrowings + Short-term Borrowings).

(v) Details of due dates of payment of interest and repayment of principal:

Particulars	Rated Unsecured Listed Redeemable Non-Convertible Debentures Series 1	Rated Unsecured Listed Redeemable Non-Convertible Debentures Series 2
Previous due date for payment of interest (has been paid on due date)	December 23, 2018	December 23, 2016
Next due date for payment of interest	December 22, 2017	December 26, 2017
Amount of interest (₹ in Lakhs)	3,970	3,970
Due Date for the Repayment of Principal	December 22, 2017	March 22, 2019
Redemption Amount (₹ in Lakhs)	50,000	50,000

(vi) The Company has 4,000,000 10% redeemable non-cumulative preference shares of ₹ 100 each outstanding as on March 31, 2017 amounting to ₹ 4,000 Lakhs, which are held by the Holding Company, Sun Pharmaceutical Industries Limited (SPIL).

(vii) Net worth of the Company as on March 31, 2017 is ₹ 119,035 Lakhs excluding Capital Reserve of ₹ 1,856,543 Lakhs.

- 5 The Company has adopted Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, from April 01, 2018 and accordingly, these standalone audited financial results (including figures for the half year and year ended March 31, 2016) have been prepared in accordance with the recognition and measurement principles laid down in Ind AS and other accounting principles generally accepted in India.
- 6 The Company has only one reportable segment namely 'Pharmaceuticals'.
- 7 Reconciliation of profit for the half year and year ended March 31, 2016 and reconciliation of Equity as at March 31, 2016 as reported under previous Generally Accepted Accounting Principles in India (Previous GAAP) and as per Ind AS is as under:

Particulars	Profit Reconciliation		Equity Reconciliation
	Half Year ended 31.03.2016	Year ended 31.03.2016	As at 31.03.2016
Profit for the period / Equity as per Previous GAAP	36,694	67,048	1,903,567
Add/ (Less): Adjustments for GAAP Differences			
Effect of measuring investments at fair value through profit or loss	453	(5,050)	693
Effect of measuring investment at amortised cost	45	68	(96)
Remeasurement of defined benefit obligation recognised in OCI under Ind AS	609	1,216	-
Redeemable preference shares classified as liability under Ind AS	(140)	(274)	(3,289)
Provision for expected credit losses	(58)	(58)	(107)
Proposed dividend (including corporate dividend tax)	-	-	24,553
Impact of tax on Ind AS adjustments	(1,766)	(404)	37
Profit for the period / Equity as per Ind AS	35,837	62,569	1,925,358

- 8 The figures for the half year ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures for the half year ended September 30, 2016. The figures for the half year ended March 31, 2016 are the balancing figures between the audited figures in respect of the full financial year and the unaudited figures for the half year ended September 30, 2015 which were submitted by the Company to SPIL for the purpose of preparation of the consolidated financial results by SPIL pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which were subjected to limited review by the Statutory Auditors of the Company.

For and on behalf of the Board

  
Sedhir V. Valia  
Director

Mumbai, May 25, 2017



**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
SUN PHARMA LABORATORIES LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **SUN PHARMA LABORATORIES LIMITED** ("the Company"), for the year ended March 31, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/ IMD/DF1/69/2016 dated August 10, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone Ind AS financial statements.

2. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/ IMD/DF1/69/2016 dated August 10, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2017.

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4. The Statement includes the results for the half year ended March 31, 2017 being the balancing figure between audited figures in respect of the full financial year and the published figures for the half year ended September 30, 2016 which were subject to limited review by us.

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



Rajesh K. Hiranandani  
Partner  
(Membership No. 36920)

MUMBAI, May 25, 2017

