



GAMARRA & GONZALES ASOCIADOS S.C.

April 30th, 2016

The Board of Directors,
Sun Pharmaceutical Industries Limited (Parent Company)
Mumbai, India.

On the basis of information provided and records verified, we hereby certify that for the year ended March 31, 2016:

- I. There has been due, material & substantive compliance with all the laws, orders, regulations and other legal requirements of the Central, State and other Government and Local Authorities concerning the business and affairs of the subsidiary Company namely RANBAXY PRP (PERU) SAC and in particular.
- II. All returns and forms have been filed and particulars furnished within the stipulated time to the Tax Administration and/or Authorities as required by the Corporation Act (Ley General de Sociedades) and the Rules made there under.
- III. The Company has not committed any default in preparing and filing the Annual Accounts and the Annual Returns with the Tax Administration and/or Authorities as required by the Corporation Act (Ley General de Sociedades) and the Rules made there under.

This Certificate is given by the undersigned with full knowledge that, on its faith and strength, reliance is placed by the Board of Directors of the parent Company.

For: Gamarra & Govzales-As iados S.C.

Sign: -

Name:
Designation

RANBAXY- PRP (PERU) S.A.C.

*REPORT ON FINANCIAL
STATEMENTS REVIEW AS ON
MARCH 31, 2016 - 2015*

RANBAXY- PRP (PERU) S.A.C.

FINANCIAL STATEMENTS AS ON MARCH 31, 2016-2015

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GAMARRA & GONZALES ASOCIADOS S.C.

REPORT OF INDEPENDENT AUDITORS

April 19, 2016

*To the Shareholders and Directors
Ranbaxy- PRP (PERU) S.A.C.*

We have audited the attached Balance Sheet of Ranbaxy - PRP (PERU) S.A. C., as on March 31, 2016 with the related Income Statement, Statement of Changes in Equity and Cash Flows for the year then ended; the arrangement of such Financial Statements are the Company's Management responsibility. Our responsibility is to express an opinion on these Financial Statements based on our audit.

Our audit was made in accordance with generally accepted Auditing Standards in Peru. Those standards require that we plan and perform our work in order to obtain reasonable guarantee that the Financial Statements are free of material misstatement. An audit includes an assessment based on selective evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles applied, and the significant estimates made by the Management; as well as evaluating an overall presentation of the Financial Statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the attached Financial Statements present fairly, in all material respects, the financial position of the company Ranbaxy - PRP (PERU) S.A.C. for the year ended March 31, 2016, the results of its operations and cash flows for the year then ended in accordance with the generally accepted Accounting Principles.

Independent Auditor

RANBAXY- PRP (PERU) S.A.C.

BALANCE SHEET

(Notes: 1 to 4)

As on March 31, 2016 and 2015

	March	March		March	March
	2016	2015		2016	2015
	S/.	S/.		S/.	S/.
ASSETS			CURRENT LIABILITY, DEFERRED PROFITS AND EQUITY		
CURRENT ASSETS			CURRENT LIABILITY		
Cash and Bank (note 05)	351,679	1,967,557	Trade Accounts Payable (note 09)	16,674	15,989
Trade Accounts Receivable (note 06)	2,412,752	225,676	Accounts Payable to related parties (note 10)	4,270,142	4,511,112
Other Accounts Receivable (note 07)	13,432	12,808	Other Accounts Payable	0	44,593
Stocks	0	74,256	Other Miscellaneous Accounts Payable (note 11)	2,156,175	1,918,275
			Total Current Liability	6,442,990	6,489,969
Total Current Assets	<u>2,777,8631</u>	2,280,2971	TOTAL LIABILITY	6,442,990	6,489,9691
Property, plant and equipment (Net of Accumulated Depreciation) (note 08)	61,979	11,416	EQUITY (note 12)		
			Equity Capital	4,342,017	4,342,017
Total Non-current Assets	<u>61,979</u>	<u>11,416</u>	Legal Reserves	103,698	103,698
			Retained Earnings	-8,048,862	-8,643,970
TOTAL ASSETS	<u>2,839,842</u>	2,291,713	TOTAL EQUITY	<u>-3,603,148</u>	<u>-4,198,256</u>
			TOTAL LIABILITY, DEFERRED PROFITS AND EQUITY	<u>2,839,842</u>	<u>2,291,713</u>

RANBAXY - PRP (PERU) S.A.C.
INCOME STATEMENT

NOTES 1 AND 2

As on March 31, 2016 and 2015

	March 2016	March 2015
	<i>S/.</i>	<i>S/.</i>
Net Sales		
To third parties	2,381,174	691,326
To subsidiaries (or head office) and affiliates		
Other operations by discount and rebate		
To third parties		
To subsidiaries (or head office) and affiliates		
TOTAL GROSS INCOME	2,381,174	691,326
Sales Cost		
To third parties	(1,149,361)	(613,010)
To subsidiaries (or head office) and affiliates		
GROSS PROFIT Selling	1,231,813	78,316
expenses Administrative	(63,615)	(355,446)
expenses	(191,398)	(2,409,797)
RESULTS FROM OPERATIONS	976,800	(2,686,927)
Other income and expenses		
Dividends		
Financial income	247,602	424
Other income	57,198	47,243
Financial expenses	(587,194)	(393,539)
Other expenses	(99,299)	(4,340)
PROFITS BEFORE PARTICIPATION IN PROFITS & DEDUCTIONS AND INCOME TAX	595,108	(3,037,139)
Employee Participation		
Income Tax		
PROFITS BEFORE EXTRAORDINARY ITEMS	595,108	(3,037,139)
Extraordinary items. net income tax (applicable of Sfprevious year Sf)		
PROFIT (OR LOSS) FOR THE YEAR	595,108	(3,037,139)

The accompanying notes are part of the Financial Statements

RANBAXY- PRP (PERU) S.A.C.

STATEMENT OF CHANGES IN EQUITY

For the years ended on March 31, 2016

NOTES 1 and 2

Expressed in Nuevas Soles

	Equity Capital	Additional Capital	Revaluation Surplus	Retained Earnings	Legal Reserves	TOTAL
	5/.	5/.	5/.	5/.	5/.	5/.
Opening balance as on January 1, 2016	4,342,017	0	0	-8,643,971	103.698	-4,198,256
Prior year adjustments	0			0		0
Accumulated Reserves	0			0		0
Application of transfers to deferred charges	0			0		0
Capitalization of equity items	0			0		0
Complementing cash contribution	0			0		0
Net Income (Loss) of the previous year	0			0		0
Net Income (Loss) of the year	0			595,258		595.258
Cancellation of subscribed and unpaid shares	0			0		0
BALANCE AS ON DECEMBER 31, 2015	4,342,017	0	0	8,048,713	103,698	-3,602,998

The accompanying notes are an integral part of the Financial Statements

RANBAXY- PRP (PERU) SAC

Statement of Cash Flows (Note 2)

For the years ended as of March 31, 2016 and 2015

	2016	2015
	S/.	S/.
OPERATING ACTIVITIES		
Collection from clients		
Other cash receipts related to the activity	4,263,110	1,345,623
Payments to suppliers	-16,674	-837,477
Payments to employees and social benefits	-19,302	-483,665
Tax payments	-774,679	-151,379
Interest payments and maintenance		
Other payments related to the activity		
Net cash provided by operating activities	3,452,455	-126,898
INVESTING ACTIVITIES		
Sales of furniture and equipment		
Purchase of other assets		
Purchase of furniture and equipment		
Net Cash used in investing activities		
FINANCING ACTIVITIES		
Increased bank loans	-5,068,333	
Bank loan amortization		
Net cash provided by (used in) financial activities	-5,068,333	
Cash balance at the beginning of year	1,967,557	2,094,455
Cash balance at the end of the year	351,679	1,967,557

The accompanying notes are part of the Financial Statements

RANBAXY- PRP (PERU) S. A. C.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2016- 2015

03. OBJECTIVE, ACTIVITIES AND LEGAL ASPECT

RANBAXY- PRP (PERU) S.A.C. was incorporated on January; 5, 2000 in compliance with the legal formalities and in accordance with the General Law of Commercial Companies duly registered on the Register of Legal Entities of Lima, on January; 5, 2000 on item No. 11145794 and amendments.

The main activity of the company is devoted to the commercialization of pharmaceutical products.

Within the corporate purpose acts related to the activities described in the preceding paragraphs that contribute to its goals achievement are included. To comply with the corporate purpose, the company may perform all legal nets and contracts without restriction or limitation.

The activity of RANBAXY - PRP (PERU) S.A.C., is governed by the New General Law of Commercial Companies and as provided in the ARTICLES and rules of incorporation and amendments.

04. ACCOUNTING PRINCIPLES AND POLICIES

The principles and significant accounting policies applied for registration of operations and arrangement of Financial Statements are as follows:

- a) *Financial Statements are arranged in accordance with generally accepted Accounting Principles in Peru, which comprise the applicability of international Accounting Standards (IAS) from the date specified and, unless specifically stated otherwise, it is not retroactive. These qualitative characteristics of Financial Statements are the attributes that make the information contained in Financial Statements useful in terms of understanding, relevance, reliability and comparability. Being the main standards supported by the National Accounting Standards Board from IAS 1 to IAS 39. The following is a brief summary of the NICs, they were NOT applied by the company in 2010, 2011 and 2012: IAS 1; Presentation of Financial Statements for general purposes, IAS 2; Inventories, IAS 7; Cash Flow Statement, IAS 12; Income Taxes, IAS 16; Property, plant and equipment, IAS 18; Revenues recognition, IAS 21; Effect of changes in Exchange Rates, IAS 33; Earnings per Share.*

b) *The company is expecting IFRS adoption, according to the rules that determine the application of listed companies and those exceeding the 3,000 UIT.*

a) The Financial Statements have been adjusted to reflect the effect of variations in the Peruvian currency's purchasing power, using for this purpose the methodology established in Resolution No. 2, 3 and amendments of the National Accounting Standards Board as detailed:

- The adjusted balances correspond to the balances of historical values which have been corrected to express these in currency with the same purchasing power as the closing date, by applying the coefficients obtained, national Wholesale Price Indexes (WPI) (Indexes published by the National Institute of Statistics and Informatics INEI, for its acronym in Spanish).

- Items of Profit and Loss, except for the depreciation of property, plant and equipment (which was determined based on the adjusted amount of these assets) and exchange differences are not adjusted, they have been corrected by applying to the monthly amounts or historical values, the indexes for these months.

- Non-monetary foreign currency items have not been adjusted as they have been expressed in Nuevas Soles at the exchange rate for the closing date; the value thus determined corresponds to the purchasing power of the currency that date.

- Likewise, for a better presentation of Inflation-adjusted Financial Statements, information must be obtained from the trial balance, where the amount of adjustment is shown with the codes and extended denomination.

b) The depreciation of property plant and equipment was not calculated, but shall apply the straight-line method based on the useful life of such assets, although there is not a real physical inventory. Disbursements for repairs and maintenance are affected.

c) *Balances in foreign currency are expressed in Nuevas Soles at the exchange-rates prevailing at the year-end date, exchange profit or loss from transactions in foreign currency affect Income for the year in which it originates, except when they are directly related to the procurement of fixed assets, in which case they are added to the cost of these goods.*

d) In order to arrange the Cash Flow Statement, the Company has not considered applying for now as it is engaged in an investment process, but if applied in the following years, it would be as cash, cash and bank balances.

05. CASH AND BANKS.

This item consists of:

FOR THE YEARS ENDED
 31 MARCH 2016
 In Nuevas Soles

DETAIL	2016	2015
Cash	1,270	500
Bank	350,409	1'967,057
	351,679	1'967.057

06. TRADE ACCOUNTS RECEIVABLE

This item includes:

FOR THE YEARS ENDED
 31 MARCH 2016
 In Nuevas Soles

DETAIL	<u>2016</u>	2015
<i>Trade Accounts Receivable:</i>		
Portfolio issued Invoices (National currency)	4'223,586	2'036,510
<i>Minus:</i>		
Allowance for Doubtful Accounts Receivable	-1'810,834	-1'810,834
	2'412.752	225,676

07. OTHER ACCOUNTS RECEIVABLE

This item includes:

FOR THE YEARS ENDED
 31 MARCH 2016
 In Nuevas Soles

<i>DETAIL</i>	<u>2016</u>	<u>2015</u>
<i>Other accounts receivable:</i>		
<i>Advance rental payment guarantee (Miraflores premises)</i>	2,747	0
<i>Payment guarantee (Mirajlores premises)</i>	8,274	12,808
<i>Exchange-rate difference</i>	<u>2,411</u>	<u>0</u>
	13,432	12,808

08. PROPERTY, PLANT AND EQUIPMENT

An important part of the Financial Statements that consists of

VALUES ADJUSTED FOR INFLATION

31 MARCH 2016
 In Nuevas Soles

<i>TYPE OF ASSETS</i>	<i>COSTS</i>	<i>CUMULATIVE DEPRECIATION</i>	<u>2016</u>	<u>2015</u>
			<i>NET VALUE</i>	<i>NET VALUE</i>
	0			
<i>Transport units</i>	60,845	7,099	53,746	0
<i>Furniture and Fixtures</i>	12,175	11,866	309	1,097
<i>Diverse equipment</i>	68,589	60,665	7,924	10,319
	<u>141,609</u>	<u>-79,630</u>	<u>61,979</u>	<u>11,416</u>

9. TRADE ACCOUNTS PAYABLE

Formed by:

*FOR THE YEARS ENDED
 31 MARCH, 2016
 In Nuevas Soles*

DETAIL	<u>2016</u>	2015
Bills payable in national currency	16,674	15,989
	16,674	15,989

10. ACCOUNTS PAYABLE RELATED

Formed by:

*FOR THE YEARS ENDED
 31 MARCH, 2016
 In Nuevas Soles*

DETAIL	<u>2016</u>	<u>2015</u>
<i>Foreign entities:</i>		
Ranbaxy Laboratories Ltd. 2013	448,681	0
Ranbaxy Laboratories Ltd. 2014	2'351,745	0
Ranbaxy Laboratories Ltd. 2015	711,829	4'511,112
Ranbaxy Laboratories Ltd. 2016	757,887	<u>0</u>
	4'270.142	4'511.112

11. OTHER ACCOUNTS PAYABLE DIVERSE

This item consists of

FOR THE YEARS ENDED
31 MARCH, 2016
In Nuevas Soles

DETAIL	2016	2015
<i>RNBVloans:</i>		
General Sales Tax payments	-181,512	0
Customs duties payments	4,311	0
Payments to Public Institutions	-309	1,011
Payments to Pension Fund Administrators	-593	1,908
Bonus	-2,446	6,494
Vacation pay	-12,069	26,307
Employee Social Welfare Payments	-2,228	6,314
Payments to Shareholders, Directors and Managers	-1,849,650	1'702,800
Miscellaneous Accounts Payable payments	-111,679	173,441
	2'156,175	1'918.275

12. EQUITY

Formed by:

FOR THE YEARS ENDED
31 MARCH, 2016
In Nuevas Soles

DETAIL	2016	2015
Equity Capital	4'342,017	4'342,017
Legal Reserves	103,698	103,698
Retained Earnings	-8'643,971	-8'643,970
Net Income	595,108	<u>0</u>
	-3'603.148	-4'198.255

At the time of its founding, in 2000, the Company had S/4'342,017 Nuevas Soles as Equity, which after its Accounting formalization, and according to the 2014 Balance Sheet, still remained at S / 4'342,017 Nuevas Soles, representing 4'342,017 units of common shares and a nominal value of one Nuevo Sol (S / .1.00) for each share.

According to the 2015 Balance Sheet the Equity is still comprised of S / 4'342,017 soles, representing 4'342,017 units of common shares with a nominal value of one Nuevo Sol (S / .1.00) for each share as the company has had losses since the period 2015 and 2016.

15. INCOME TAX

Through the Consolidated Text of Income Tax Law, Supreme Decree No. 179-2004-EF and amendments, rules are established as approved by Supreme Decree No. 054-99-EF, hereinafter TUO (for its acronym in Spanish) and related standards regulating the Income Tax, as amended by Law No. 27356, 27386 and 27394 and Law No. 27513 and 27615. This standard has been regulated by Supreme Decree No. 122-94-EF, modified by SO 194-99-EF and S.D. 045-2001-EF.