

**M/S. SUN PHARMA GLOBAL INC.
BRITISH VIRGIN ISLAND
INTERNATIONAL TRUST BUILDING
PO BOX 659, ROAD TOWN
TORTOLA, BRITISH VIRGIN ISLAND**

**STATEMENT OF ACCOUNTS
AS AT 31ST DECEMBER 2014**



INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS

M/S. SUN PHARMA GLOBAL INC. BRITISH VIRGIN ISLAND
International Trust Building
P. O. Box 659, Road Town
Tortola, British Virgin Island

We have audited the accompanying Financial Statements of **M/S. SUN PHARMA GLOBAL INC. BRITISH VIRGIN ISLAND** as of 31st December 2014 which have been prepared under the historical and replacement cost convention and in accordance with International Financial Reporting Standards.

MANAGEMENT RESPONSIBILITY FOR THE FINAL STATEMENT

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing and other statutory requirements. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

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

OPINION

In our opinion, the accompanying Balance Sheet and Income Statement read with notes (1) to (17) give a true and fair view of the Company's financial position as at 31st December 2014 and have been properly prepared in accordance with the international Financial Reporting standards and accounting policies.

H.C. SHAH & CO.

Chartered Accountants

Muscat, Oman
February 4, 2015

Sun Pharma Global INC
BALANCE SHEET AS AT 31ST DECEMBER 2014

Particulars	Note No	As At 31st Dec 2014		As At 31st March, 2014	
		in USD	in USD	in USD	in USD
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	6	786,221,515		786,221,515	
Reserves and Surplus	7	2,652,535,998		2,652,583,445	
Money received against Share Warrants			3,438,757,513		3,438,804,960
Share Application Money Pending Allotment			-		2,067,572
Minority Interest					
Non-Current Liabilities					
Long-Term Borrowings		-		-	
Deferred Tax Liabilities (Net)		-		-	
Other Long-Term Liabilities		-		-	
Long-Term Provisions		-	-	-	-
Current Liabilities					
Short-Term Borrowings		-		-	
Trade Payables	8	10,102		9,045	
Other Current Liabilities		-		-	
Short-Term Provisions		-	10,102	-	9,045
TOTAL			3,438,767,615		3,440,881,577
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets		-		-	
Intangible Assets		-		-	
Capital Work-In-Progress		-		-	
Intangible Assets Under Development		-		-	
Fixed Assets Held for Sale		-		-	
Godwill on Consolidation		-		-	
Non-Current Investments	9	3,420,792,864		7,446	
Deferred Tax Assets (Net)		-		-	
Long-Term Loans and Advances	10	17,974,751		20,083,267	
Other Non-Current Assets		-	3,438,767,615	-	20,090,713
Current Assets					
Current Investments		-		-	
Inventories		-		-	
Trade Receivables	11	-		3,420,790,864	
Cash and Cash Equivalents		-		-	
Short-Term Loans and Advances		-		-	
Other current assets		-	-	-	3,420,790,864
TOTAL			3,438,767,615		3,440,881,577

See accompanying notes forming part of the Financial Statements

In terms of our report of even date attached

For and on behalf of the Board

SURENDRA C JOSHI
Director

For H C Shah & Co.
Chartered Accountants

RAJESH K SHAH
Director

H.C.Shah
4th FEB 2015

4th FEB 2015

Sun Pharma Global INC
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST DECEMBER, 2014

Particular	Note No	Year ended 31st Dec 2014		Period ended 31st March, 2014	
		in USD	in USD	in USD	in USD
Income					
Revenue from Operations (Gross)		-	-	-	-
Less: Excise Duty		-	-	-	-
Revenue from Operations (Net)			-		-
Other Income	12		8,554		2,513,482,646
Total Revenue			8,554		2,513,482,646
Expenses					
Cost of Materials Consumed			-		-
Purchase of Stock-in-Trade			-		-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade			-		-
Employee Benefits Expense			-		-
Finance Costs			-		-
Depreciation/Amortisation/Impairment Expense			-		-
Other Expenses	13		56,001		108,461
Research and Development Expenditure			-		-
Total Expenses			56,001		108,461
Profit Before Exceptional Items and Tax			(47,447)		2,513,374,185
Exceptional Items					
Profit Before Tax			(47,447)		2,513,374,185
Tax Expense:					
Current Tax			-		-
Deferred Tax			-		-
Profit / (Loss) from the Perid from Continuing Operations			(47,447)		2,513,374,185
Profit / (Loss) from Discontinuing Operations Before Tax					
Tax Expense of Discontinuing Operations					
Profit / (Loss) from Discontinuing Operations			-		-
Profit / (Loss) for the Year			(47,447)		2,513,374,185
Minority Interest					
Profit / (Loss) for the Year After Minority Interest			(47,447)		2,513,374,185
Earning Per Equity Share					
Basic and Diluted (`) Face Value per Equity share - ` ...			(0.02)		1,016.94

See accompanying notes forming part of the Financial Statements

In terms of our report of even date attached

For and on behalf of the Board

SURENDRA C JOSHI
Director

For H C Shah & Co.
Chartered Accountants

RAJESH K SHAH
Director

H.C.Shah
 4th FEB 2015

4th FEB 2015

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST DECEMBER 2014**LEGAL STATUS**

SUN PHARMA GLOBAL INC. is an International Business Company incorporated on 1st February 1996 under the International Business Companies Act, Cap. 291 of British Virgin Islands.

The Shareholder and their shareholding in the company is as under :

<u>Name of the Shareholder</u>	<u>No. of Share Held</u>	<u>No. of Share Held</u>
Sun Pharmaceuticals Industries Ltd.	2,471,515	2,471,515
TOTAL	2,471,515	2,471,515

The Directors of the company are as under :

<u>Name of the Director</u>	<u>Nationality</u>
Mr. Rajesh K Shah	Indian
Mr. Surendra M. Joshi	Indian
Mr. Harin Mehta	Indian

ACTIVITY

The Company had been engaged in Investment activities and Sale and Distribution of Pharmaceutical Products, Marketing Authorisation. The Company has assigned its Pharmaceutical Products, Marketing Authorisation to its wholly owned subsidiary company Sun Pharma Global (FZE) with effect from 1st December, 2008.

PRINCIPAL ACCOUNTING POLICIES**(i) Statement of Compliance**

These financial statements are prepared under Historical cost Convention on an accrual basis in accordance with the Generally Accepted Accounting Principles.

(ii) Basis of preparation

These financial statements have been prepared on the historical cost accounting rules. The accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

(iii) Investments

Investments are classified into Current and Long Term Investments. Current Investments are valued at lower of cost and net realisable value. Long Term Investments are stated at cost less provision, if any, for permanent diminution in their value.

	31.12.2014	31.03.2014
Details Trade Investments (Unquoted)Related Company	Amt in USD	Amt in USD
Name of Company		
Sun Universal ME LTD	-	2,723
Nil Shares of AED 100 (Previous Year 100)		
Khyati Realty Ltd	-	2,723
Nil Shares of AED 100 (Previous Year 100)		
Sun Pharma Holdings (Formely known as Nogad Holdings)		
855199716 Ordinary shares of USD 1 (Previous Year 2000)	855,199,716	2,000
2565593148 5% Optionally Convertible Preference Shares of USD 1 (Previous Year Nil)	2,565,593,148	-
Total	3,420,792,864	7,446

(iv) Fixed Assets

Fixed Assets including tangible assets and are stated at historical cost less accumulated depreciation/amortisation thereon and impairment losses, if any. Depreciation on tangible assets is provided on Straight Line Method.

(v) Inventories

Inventories are stated at cost or net realisable value whichever is lower on FIFO basis.

(vi) **Advances & Accruals**

Trade and other receivable are stated at their cost less impairment losses, if any.

(vii) **Cash and Cash equivalents**

Cash and cash equivalents comprise cash balances and bank deposits.

(viii) **Dividend**

Dividends are recognised as a liability in the period in which they are declared.

(ix) **Impairment**

The carrying amounts of the Company's assets, other than inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. As impairment loss is recognised in the profit and loss account whenever the carrying amounts of an asset exceeds its recoverable amount.

(x) **Provisions**

A provision is recognised in the balance sheet when the company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligations. If the effect is material, provisions are determined by discounting the expected future cash flows at the pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the

(xi) **Payable and accruals**

Payable and accruals are stated at cost.

(xii) **Revenue**

Revenue from the sale of goods/services is recognised in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyers. Sales are recorded net of Returns, Rebates & rate differences, if any .

(xiii) **Foreign Currencies**

Transactions denominated in foreign currencies are translated to United State Dollars at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to United State Dollar at exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

(xiv) **Hedging**

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 forward contracts. The exchange difference arising on settlement / translation are recognised in the revenue accounts.

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FINANCIAL INSTRUMENTS

(a) **EXCHANGE RATE RISK**

There are no significant exchange rate risks as most of the financial assets and liabilities are denominated in United State Dollars, except certain Forward Contracts which are underlying linked to Indian Rupees.

(b) **FAIR VALUE INFORMATION**

Fair value represents the amount at which an asset could be exchanged, or a liability settled, in an arm's length transaction. In respect of company's all financial assets and liabilities, in the opinion of the management, the book value approximates to their carrying value.

FINANCIAL INSTRUMENTS : RECOGNITION & MEASUREMENT

The account receivable, Deposits and advances are for business and carry same value as stated in the financial statements.

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Earnings Per Share

	31.12.2014	31.03.2014
Net Profit for the Year	(47,447)	2,513,374,185
Number of Share used in computing basic earning per share	2,471,515	2,471,515
Basic Earning / (Loss) Per Share	(0.02)	1,016.94

Sun Pharma Global INC
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Note No	As At 31st Dec 2014		As At 31st March, 2014	
		Number of Shares	in USD	Number of Shares	in USD
6 Share Capital					
Authorised Capital					
Equity Shares of USD 1.00 each		100,000,000	100,000,000	100,000,000	100,000,000
Preference Shares of USD 1 each		900,000,000	900,000,000	900,000,000	900,000,000
		<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, Subscribed and Fully Paid					
Equity Shares of USD 1.00 each		2,471,515	2,471,515	2,471,515	2,471,515
Preference Shares of ₹ ___ each		783,750,000	783,750,000	783,750,000	783,750,000
		<u>786,221,515</u>	<u>786,221,515</u>	<u>786,221,515</u>	<u>786,221,515</u>
7 Reserve and Surplus					
Securities Premium Account					
Opening Balance		139,209,260		139,209,260	
Add: Addition During the Year					
Less: Utilised / Transfer During the Year		-			
Closing Balance		<u>139,209,260</u>		<u>139,209,260</u>	
Surplus / Deficit in statement of Profit and Loss					
Opening Balance		2,513,374,185		454,544,125	
Add: Profit / (Loss) for the Year		(47,447)		2,513,374,185	
Transfer from General Reserve					
Proposed Dividend and Dividend Tax Written back					
Less: Per scheme of arrangement with 100% subsidiary		-		(454,544,125)	
Corporate Dividend Tax					
Closing Balance		<u>2,513,326,738</u>		<u>2,513,374,185</u>	
		<u>2,652,535,998</u>		<u>2,652,583,445</u>	
8 Trade Payables					
Acceptances		-		-	
Other than Acceptances		10,102	10,102	9,045	9,045
		<u>10,102</u>	<u>10,102</u>	<u>9,045</u>	<u>9,045</u>
9 Non-Current Investment					
Trade investment (At Cost)					
Investment in Equity Instruments		-		-	
Other Investment (At Cost) { Refer Note 3 (iii) for details }					
Investment in Equity Instruments		-		-	
Investment In Subsidiary Company		3,420,792,864		7,446	
Investment in Preference Shares		-		-	
Investment in Government or Trust Securities		-		-	
Investment in Debentures or Bonds		-		-	
Investment in Mutual Fund		-		-	
Investment in Partnership Firm		-		-	
Other Non-Current Investments (specify nature)		-		-	
		<u>3,420,792,864</u>		<u>7,446</u>	
		<u>3,420,792,864</u>		<u>7,446</u>	
10 Long-Term Loans and Advances					
(Unsecured, Considered Good unless otherwise stated)					
Loans and Advances to Subsidiary Company					
<u>Capital Advance</u>					
Considered Good		-		-	
Considered Doubtful		-		-	
Less: Provision for Doubtful Advances		-		-	
<u>Security Deposit</u>					
Considered Good		-		-	
Considered Doubtful		-		-	
Less: Provision for Doubtful Deposits		-		-	
Loans and Advances to Subsidiary Company		-	17,974,751	-	20,083,267
Loans and Advances to Employees		-		-	
Inter-Corporate Deposits		-		-	
Prepaid Expenses		-		-	
Advance Income-Tax [Net of Provisions ₹ ___ million (Previous Year ₹ ___ million)]		-		-	
MAT Credit Entitlement		-		-	
Balance with Government Authorities		-		-	
Other Loans and Advances (Specify nature)					
1		-		-	
2		-		-	
3		-		-	
		<u>17,974,751</u>		<u>20,083,267</u>	

Sun Pharma Global INC
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As At 31st Dec 2014		As At 31st March, 2014	
	in USD	in USD	in USD	in USD
11 Trade Receivables				
(Unsecured – Considered Good unless stated otherwise)				
Over Six Months				
Considered Good	-	-	-	-
Doubtful	-	-	-	-
Less: Provision for Doubtful Trade Receivables	-	-	-	-
Other Trade Receivables				
Considered Good	-	-	3,420,790,864	-
Doubtful	-	-	-	-
Less: Provision for Doubtful Trade Receivables	-	-	-	3,420,790,864
				<u>3,420,790,864</u>
				<u>3,420,790,864</u>
The above includes Debts due from Director and other officer of the company` -----				
				<u>-</u>
				<u>-</u>
12 Other Income				
<u>Interest on</u>				
Deposits with Banks	-	-	-	-
Loans and Advances	-	-	-	-
Other Current Investments	-	-	-	-
Other Long-Term Investment	-	-	-	-
Loan to Subsidiary Company	-	-	11,040,170	-
Others	-	-	764,203	11,804,373
Dividend Income - Other Long-Term Investments	-	-	-	-
<u>Net Gain on Sales of:</u>				
Current Investments	-	-	-	-
Long-Term investments	-	-	2,501,678,273	2,501,678,273
Net Gain on Foreign Currency Transactions and Translation (Other than considered as Finance Cost)	-	-	-	-
Profit on Sale of Fixed Assets (Net)	-	-	-	-
Sundry Balances Written Back (Net)	-	-	-	-
Insurance Claims	-	-	-	-
Lease Rental and Hire Charges	-	-	-	-
Other Non-Operating Income	-	8,554	-	-
		<u>8,554</u>		<u>2,513,482,646</u>
13 Other Expenses				
Consumption of Stores and Spare Parts	-	-	-	-
Conversion and Other Manufacturing Charges	-	-	-	-
Power and Fuel	-	-	-	-
Rent	-	-	-	-
Rates and Taxes	-	-	-	-
Insurance	-	-	-	-
Selling and Distribution	-	-	-	-
Commission and Discount	-	-	-	-
<u>Repairs</u>				
Building	-	-	-	-
Plant and Machinery	-	-	-	-
Others	-	-	-	-
Printing and Stationery	-	-	-	-
Travelling and Conveyance	-	-	-	-
Overseas Travel and Export Promotion	-	-	-	-
Communication	-	-	-	-
<u>Provision for Doubtful Trade and Other Receivables / Loans and Advances</u>				
Provision for Doubtful Debts	-	-	-	-
Sundry Balances / Bad Debts Written Off	35,304	-	-	-
Less: Adjusted out of Provision for earlier years	-	35,304	-	-
Professional and Consultancy	-	9,696	-	35,211
Donations	-	-	-	-
Loss on Fixed Assets Sold / Written Off / Scrapped (Net)	-	-	-	-
<u>Net loss on Sale of Investments</u>				
From Current Investments	-	-	-	-
From Long-Term Investments	-	-	-	-
Net loss on Foreign Currency Transactions and Translation (Other than considered as Finance Cost)	-	-	-	-
Increase / (Decrease) of Excise Duty on Inventory	-	-	-	-
<u>Payment to Auditors</u>				
Audit Fees	5,000	-	3,500	-
Taxation Matters	-	-	-	-
Company Law Matter	-	-	-	-
Management Service	-	-	-	-
Other Services	-	-	-	-
For Reimbursement Expenses	-	5,000	-	3,500
Miscellaneous Expenses	-	6,001	-	69,750
		<u>56,001</u>		<u>108,461</u>
		<u>56,001</u>		<u>108,461</u>

14 The Board of Directors of the Company have in their meeting held on 13th November 2014 approved the Scheme of Amalgamation for the amalgamation of the Company., as a going concern into Sun Pharmaceutical Industries Limited, an Indian Company incorporated under the Companies Act, 1956 and having its Registered Office at Sun Pharma Advanced Research Centre, Tandalja, Vadodara, Gujarat-390020, India (hereinafter referred to as the "Transferee Company"), pursuant to the provisions of 174 of the British Virgin Island Business Companies Act, 2004 (as amended) ("the "BVI Act") and Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and also the provisions of the Companies Act, 2013 (Indian Companies Act) as may be notified from time to time for the Transferee Company and such other laws as may be applicable to the Company with effect from 1st January 2015 ("Appointed Date").

Consequent to the coming into effect of the Scheme, the entire assets and liabilities pertaining to the Company shall, without any further act, instrument or deed, shall stand transferred to and / or vested in or be deemed to have been transferred to or vested in the Transferee Company as a going concern with effect from the Appointed Date.

The scheme is subject to necessary approvals of the concerned Authorities in BVI & India.

15 **EVENTS OCCURRED AFTER THE BALANCE SHEET DATE**

No significant events have occurred from the date of Balance Sheet till the date of Auditor's report.

16 Previous year's figures are for the period from 01-4-2013 to 31-03-2014 and current period's figures are for the period from 1-4-2014 to 31-12-2014 and hence are not comparable.

17 The figures have been regrouped wherever necessary to conform to current year's presentation