

Sun Pharma Holdings
(previously known as Nagad Holdings)

Financial statements

31 March 2015

Sun Pharma Holdings (previously known as Nogad Holdings)

Financial statements
for the year ended 31 March 2015

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Sun Pharma Holdings (previously known as Nogad Holdings)

Corporate data

Directors: Rajesh Khushalchand Shah
Harin Mehta

Registered office: St Louis Business Centre
Cnr Desroches & St Louis Streets
Port Louis
Republic of Mauritius

Auditors: Lancasters
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Republic of Mauritius

Banker: Credit Agricole
13th Floor Maze Tower
Sh. Zayed Road, Next To Emirates Tower Metro Station
Dubai
United Arab Emirates

Auditors' report to the shareholder of Sun Pharma Holdings
(previously known as Nogad Holdings)

Report on the Financial Statements

We have audited the financial statements of Sun Pharma Holdings, which comprise of the statement of financial position at 31 March 2015, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's shareholder and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Management's Responsibility for the Financial Statements

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 management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 auditors consider the internal control relevant to the company'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 company'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 the financial statements.

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

Auditors' report to the shareholder of Sun Pharma Holdings (continued)
(previously known as Nogad Holdings)

Basis of Qualified Opinion

The Company has several subsidiaries and has not prepared consolidated financial statements. However, the ultimate holding company will prepare consolidated financial statements under Indian GAAP. This is not in compliance with IFRS 10, "Consolidated Financial Statements" which requires consolidated financial statements to be prepared under IFRS.

Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the separate financial statements on pages 4 to 29 give a true and fair view of the financial position of the Company at 31 March 2015 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Mauritius

Pasram Bissessur FCCA, MBA (UK)
Licensed by FRC

Date:

Sun Pharma Holdings (previously known as Nogad Holdings)

Statement of profit or loss and other comprehensive income

for the year ended to 31 March 2015

	Note	01.04.14 31.03.15 USD	29.01.13 31.03.14 USD
Revenue	7	2,770,805	63,257
Expenses		(46,676)	(10,207)
Profit before taxation		2,724,129	53,050
Creditors written off		-	5,150
Profit before taxation		2,724,129	58,200
Taxation	8	-	-
Profit for the year/period		2,724,129	58,200
Other comprehensive income		2,770,507	-
Total comprehensive income for the year/period		5,494,636	58,200

The notes on pages 9 to 29 form part of these financial statements

Sun Pharma Holdings (previously known as Nogad Holdings)

Statement of financial position

as at 31 March 2015

	Note	2015 USD	2014 USD
Assets			
Non-current assets			
Available-for-sale financial assets	9	10,330,900	-
Investment in subsidiaries	10	3,416,064,533	-
Receivables	11	-	2,992,673,358
Loan receivable	12	-	428,117,506
Total non-current assets		3,426,395,433	3,420,790,864
Current assets			
Other receivables	13	1,792	64,625
Cash and cash equivalents		55,975	-
Total current assets		57,767	64,625
Total assets		3,426,453,200	3,420,855,489
Equity and liabilities			
Stated capital	14	855,199,716	2,000
Preference share capital	15	2,565,593,148	-
Loan from holding company	16	-	3,420,790,864
Fair value reserve		2,770,507	-
Share application monies		50,000	-
Revenue reserve		2,782,329	58,200
Total equity		3,426,395,700	3,420,851,064
Liabilities			
Current liabilities			
Loan from subsidiary	17	50,000	-
Loan from holding company	16	-	2,425
Other payables	18	7,500	2,000
Total liabilities		57,500	4,425
Total equity and liabilities		3,426,453,200	3,420,855,489

Approved by the Board on

.....
Director

.....
Director

The notes on pages 9 to 29 form part of these financial statements

Sun Pharma Holdings (previously known as Nogad Holdings)

Statement of changes in equity
for the year ended to 31 March 2015

	Stated capital USD	Preference share capital USD	Loan from holding company USD	Fair value reserve USD	Share application monies USD	Revenue reserve USD	Total USD
Transaction with owners of the Company recognised directly in equity							
<i>Contribution by and distributions to owners of the Company</i>							
Issue of shares	2,000	-	-	-	-	-	2,000
Movement during the period	-	-	3,420,790,864	-	-	-	3,420,790,864
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	58,200	58,200
Other comprehensive income	-	-	-	-	-	-	-
Balance at 31 March 2014	2,000	-	3,420,790,864	-	-	58,200	3,420,851,064

The notes on pages 9 to 29 form part of these financial statements

Sun Pharma Holdings (previously known as Nogad Holdings)

Statement of changes in equity (continued)

for the year ended to 31 March 2015

	Stated capital	Preference share capital	Loan from holding company	Fair value reserve	Share application monies	Revenue reserve	Total
	USD	USD	USD	USD	b	USD	USD
At 01 April 2014	2,000	-	3,420,790,864	-	-	58,200	3,420,851,064
Transaction with owners of the Company recognised directly in equity							
<i>Contribution by and distributions to owners of the Company</i>							
Movement during the year	855,197,716	2,565,593,148	(3,420,790,864)	-	50,000	-	50,000
Total comprehensive income for the year							
Profit for the year	-	-	-	-	-	2,724,129	2,7124,129
Other comprehensive income	-	-	-	2,770,507	-	-	2,770,507
Balance at 31 March 2015	855,199,716	2,565,593,148	-	2,770,507	50,000	2,782,329	3,426,395,700

The notes on pages 9 to 29 form part of these financial statements

Sun Pharma Holdings (previously known as Nogad Holdings)

Statement of cash flows

for the year ended to 31 March 2015

	01.04.14	29.01.13
	31.03.15	31.03.14
		USD
Cash flows from operating activities		
Profit for the year/period	2,724,129	58,200
Adjustment for:		
Interest received	(2,770,805)	(63,257)
	-----	-----
Operating loss before changes in working capital	(46,676)	(5,057)
Change in other receivables	(424)	(1,368)
Change in other payables	5,500	2,000
	-----	-----
Net cash used in operating activities	(41,600)	(4,425)
	-----	-----
Cash flows from financing activities		
Issue of stated capital	-	2,000
Share application monies	50,000	-
Loan from subsidiary	50,000	-
Repayment of loan from holding company	(38,750)	-
Proceeds from loan from holding company	36,325	2,425
	-----	-----
Net cash from financing activities	97,575	4,425
	-----	-----
Net movements in cash and cash equivalents	55,975	-
Cash and cash equivalents at 01 April/29 January	-	-
	-----	-----
Cash and cash equivalents at 31 March	55,975	-
	=====	=====

The notes on pages 9 to 29 form part of these financial statements

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

1. General information

The Company was incorporated on 29 January 2013. The principal activity of the Company is that of investment holding. On 23 June 2014, it was decided by way of a written resolution, to change the name of the company from Nogad Holdings to Sun Pharma Holdings.

2. Reporting period

The accounts have been prepared for the whole year and therefore comparative amounts in the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and related notes, which had been prepared for the period from 29 January 2013, date of incorporation, to 31 March 2014, are not comparable.

3. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except where stated otherwise.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (USD) which is the Company’s functional and presentation currency. All amounts have been rounded to the nearest USD, unless otherwise indicated.

(d) Use of the estimates and judgement

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

3. Basis of preparation (continued)

(d) Use of the estimates and judgement (continued)

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties (if any) that have a significant risk of resulting in a material adjustment in the year ending 31 March 2015 is included in the relevant notes as follows:

- Recognition of deferred tax assets: availability of future taxable profit against which carry forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

4. Application of new and revised International Financial Reporting Standards (IFRSs)

4.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the current year

During the current year, the Company has applied a number of amendments to IFRSs and new interpretation issued by the International Accounting Standards Board (IASB) that are mandatorily effective for accounting periods beginning on or after 01 April 2014.

Amendments to IFRS 10, IFRS 12 and IAS 27

The amendments define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

As the Company is not an investment entity, the application of the amendments has had no impact on the amounts recognised in the financial statements.

Amendments to IAS 32

The amendments to IAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The Company has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments has had no impact on the amounts recognised in the financial statements.

Amendments to IAS 36

The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the CGU.

Furthermore, the amendments introduce additional disclosure requirements applicable when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosures required by IFRS 13 fair value measurements.

The application of the above amendments has had no material impact on the disclosures in the financial statements.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

4. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

4.1 Amendments to IFRSs and the new interpretation that are mandatorily effective for the current year (continued)

Amendments to IAS 39

The amendments to IAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness.

As the Company does not have any derivatives that are subject to novation, the application of these amendments has had no impact on the disclosures or on the amounts recognised in the financial statements.

4.2 Standards issued but not yet adopted

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not effective for the year ended 31 March 2015 and which have not been adopted in these financial statements. The standards and interpretations that are applicable will be adopted in the year in which they become effective.

New or amended standards	Applicability to the company's financial statements	Effective date - annual period beginning on or after:
Defined benefit plans: employee contributions (amendments to IAS 19)	Not applicable	01 January 2015
IFRS 14 – Regulatory deferral accounts	Not applicable	01 January 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	Not applicable	01 January 2016
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	Not applicable	01 January 2016
Agriculture: Bearer plants (amendments to IAS 16 and IAS 41)	Not applicable	01 January 2016
Equity method in separate financial statements (amendments to IAS 27)	Applicable	01 January 2016
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	Applicable	01 January 2016
Disclosure initiative (amendments to IAS 1)	Applicable	01 January 2016
Investment entities: Applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	Applicable	01 January 2016
IFRS 15 - Revenue from contracts with customers	Applicable	01 January 2017
IFRS 9 – Financial instruments	Applicable	01 January 2018

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

4. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

4.2 Standards issued but not yet adopted (continued)

Equity Method in separate financial statements (amendments to IAS 27)

The amendments allow an entity to apply the equity method in its separate financial statements to account for its investments in subsidiaries, associates and joint ventures.

The adoption of the above amendments shall not have significant impact on the Company's financial statements.

Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised.

The adoption of the above amendments shall not have significant impact on the Company's financial statements.

Disclosure initiative (amendments to IAS 1)

The amendments provide additional guidance on the application of materiality and aggregation when preparing financial statements.

The adoption of the above amendments shall not have significant impact on the Company's financial statements.

Investment Entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)

The amendment to IFRS 10 Consolidated Financial Statements clarifies which subsidiaries of an investment entity are consolidated instead of being measured at fair value through profit and loss. The amendment also modifies the condition in the general consolidation exemption that requires an entity's parent or ultimate parent to prepare consolidated financial statements. The amendment clarifies that this condition is also met where the ultimate parent or any intermediary parent of a parent entity measures subsidiaries at fair value through profit or loss in accordance with IFRS 10 and not only where the ultimate parent or intermediate parent consolidates its subsidiaries.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

4. Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

4.2 Standards issued but not yet adopted (continued)

Investment Entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28) (continued)

The amendment to IFRS 12 Disclosure of Interests in Other Entities requires an entity that prepares financial statements in which all its subsidiaries are measured at fair value through profit or loss in accordance with IFRS 10 to make disclosures required by IFRS 12 relating to investment entities.

The amendment to IAS 28 Investments in Associates and Joint Ventures modifies the conditions where an entity need not apply the equity method to its investments in associates or joint ventures to align these to the amended IFRS 10 conditions for not presenting consolidated financial statements. The amendments introduce relief when applying the equity method which permits a non-investment entity investor in an associate or joint venture that is an investment entity to retain the fair value through profit or loss measurement applied by the associate or joint venture to its subsidiaries.

The adoption of the above amendments shall not have significant impact on the Company's financial statements.

IFRS 15 Revenue from Contracts with Customers

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

The adoption of the above IFRS shall not have significant impact on the Company's financial statements.

IFRS 9 Financial Instruments

On 24 July 2014, the IASB issued the final IFRS 9 Financial Instruments Standard, which replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement.

This standard will have a significant impact on the Company, which will include changes in the measurement bases of the Company's financial assets to amortised cost, fair value through other comprehensive income or fair value through profit or loss. Even though these measurement categories are similar to IAS 39, the criteria for classification into these categories are significantly different. In addition, the IFRS 9 impairment model has been changed from an "incurred loss" model from IAS 39 to an "expected credit loss" model.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

5. Significant accounting policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income (OCI):

- available-for-sale equity investments (except on impairment, in which case foreign currency differences that have been recognized in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(b) Revenue recognition

Revenue is recognised in the statement of profit or loss and other comprehensive income as follows:

Dividend income – when the shareholder’s right to receive payment is established

(c) Financial instruments

The Company classifies non-derivative financial assets into loans and receivables and available for sale assets.

The Company classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – Recognition and derecognition

The Company initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

5. Significant accounting policies (continued)

(c) Financial instruments (continued)

(i) Non-derivative financial assets and financial liabilities – Recognition and derecognition (continued)

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(ii) Non-derivative financial assets - Measurement

Loans and receivables - These assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Available-for-sale financial assets - These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(iii) Non-derivative financial liabilities - Measurement

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(d) Investment in subsidiary

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Investment in subsidiary is shown at cost and provision for impairment is only made where, in opinion of the directors, there is a diminution in value which is other than temporary. Where there has been such a diminution in value of an investment, it is recognised as an expense in the year in which the diminution is identified.

(e) Stated capital

Ordinary shares

Ordinary shares are classified in equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

5. Significant accounting policies (continued)

(f) Impairment

(i) Non-derivative financial assets

Financial assets not classified as fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Company considers a decline of 20% to be significant and a period of nine months to be prolonged.

Available-for-sale financial assets – Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through OCI.

(ii) Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

5. Significant accounting policies (continued)

(f) Impairment (continued)

(ii) Non-financial assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Related parties

Related parties may be individuals or other entities where the individual or other entities has the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in governing the financial and operating policies, or vice versa, or where the Company are subject to common control or common significant influence.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

6. Financial instruments – Fair values and risk management

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value			
	Loans and receivable USD	Other financial liabilities USD	Total USD	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 March 2015							
Financial assets not measured at fair value							
Available-for-sale financial assets	-	-	-	8,250,255	-	-	8,250,255
Cash and cash equivalents	55,975	-	55,975	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----
Financial liabilities not measured at fair value							
Loan from subsidiary	-	50,000	50,000	-	-	-	-
Other payables	-	7,500	7,500	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----
	-	57,500	57,500	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements
for the year ended to 31 March 2015

6. Financial instruments – Fair values and risk management (continued)

(a) Accounting classifications and fair values (continued)

	Carrying amount			Fair value			
	Loans and receivable USD	Other financial liabilities USD	Total USD	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 March 2014							
Financial assets not measured at fair value							
Receivables	2,992,673,358	-	2,992,673,358	-	-	-	-
Loan receivable	428,117,506	-	428,117,506	-	-	-	-
Other receivables	63,256	-	63,256	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----
	3,420,854,120	-	3,420,854,120	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----
Financial liabilities not measured at fair value							
Loan from holding company	-	2,425	2,425	-	-	-	-
Other payables	-	2,000	2,000	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----
	-	4,425	4,425	-	-	-	-
	-----	-----	-----	-----	-----	-----	-----

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

6. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management

Introduction and preview

Financial instruments carried on the statement of financial position include available-for-sale financial assets, cash and cash equivalents, loan from subsidiary and other payables. The recognition method adopted is disclosed in the individual policy statement associated with each item.

The Company's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company's aims are therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly review their risk management policies and systems to reflect changes in markets and emerging best practice.

Overview

The company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Market Risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors including interest rates, foreign exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

(i) Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate because of changes in market interest rate. The Company has no significant exposure to interest rate risk.

(ii) Currency risk

All of the Company's financial assets and liabilities are denominated in United States Dollar. Consequently, the Company is not exposed to the risk of foreign currency exchange rates.

(iii) Price risk

The Company is not exposed to commodity price risk.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

6. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management (continued)

Credit risk

Credit risk represents the potential loss that the company would incur if counter parties fail to perform pursuant to the terms of their obligations to the company.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2014	2013
	USD	USD
Available-for-sale financial assets	10,330,900	-
Receivables	-	2,992,673,358
Loan receivable	-	428,117,506
Other receivables	-	63,256
Cash and cash equivalents	55,975	-
	=====	=====

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the Company's contractual maturities of financial liabilities:

Year ended 31 March 2015

	Due on demand USD	Due for less than 1 year USD	Due for more than 1 years USD	Total USD
Financial liabilities				
Loan from subsidiary	-	50,000	-	50,000
Other payables	-	7,500	-	7,500
	-----	-----	-----	-----
Total financial liabilities	-	57,500	-	57,500
	=====	=====	=====	=====

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

6. Financial instruments – Fair values and risk management (continued)

(b) Financial risk management (continued)

Liquidity risk (continued)

Period ended 31 March 2014

	Due on demand USD	Due for less than 1 year USD	Due for more than 1 years USD	Total USD
Financial liabilities				
Loan from holding company	-	2,425	-	2,425
Other payables	-	2,000	-	2,000
	-----	-----	-----	-----
Total financial liabilities	-	4,425	-	4,425
	=====	=====	=====	=====

7. Revenue

	01.04.14	29.01.13
	31.03.15	31.03.14
	USD	USD
Interest on loan	2,770,805	63,257
	=====	=====

8. Taxation

The company holds a Category 2 Global Business Licence and is not subject to income tax.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

9. Available-for-sale financial assets

Investments consist of quoted shares and unquoted shares. Quoted shares are listed on the New York Stock Exchange.

	Quoted USD	Unquoted USD	Total USD
At 01 April 2014	-	-	-
Additions during the year	5,479,748	2,080,645	7,560,393
	-----	-----	-----
At 31 March 2015	5,479,748	2,080,645	7,560,393
	-----	-----	-----
<i>Fair value reserves</i>			
At 01 April 2014	-	-	-
Movement during the year	2,770,507	-	2,770,507
	-----	-----	-----
At 31 March 2015	2,770,507	-	2,770,507
	-----	-----	-----
Valuation			
At 31 March 2015	8,250,255	2,080,645	10,330,900
	=====	=====	=====

Quoted investment

Name of company	Number of units	Stock exchange
-----	-----	-----
Taro Pharmaceutical Industries Ltd	58,500	New York Stock Exchange

Unquoted investment

Name of company	Number and types of shares	% held	Country of incorporation
-----	-----	-----	-----
Sun Pharmaceutical (Bangladesh) Ltd	531 equity shares	0.09	Bangladesh
TKS Famaceutica Ltda	19,463 equity shares	0.35	Brazil

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

10. Investments in subsidiaries

Investments consist of unquoted shares

	2015	2014
	USD	USD
<i>Cost</i>		
At 1 April/29 January	-	-
Additions during the year	3,416,064,533	-
	-----	-----
At 31 March	3,416,064,533	-
	=====	=====

<i>Name of company</i>	Number and types of shares	<i>% held</i>	<i>Country of incorporation</i>
-----	-----	-----	-----
Aditya Pharma Private Limited	1 equity share	100	Hungary
Alkaloida Chemical Company Zrt	1,522,754 equity shares		
Sun Global Development FZE	380,500 preference shares	66.20	Hungary
Sun Laboratories FZE	70 equity shares	100	UAE
Sun Pharmaceutical Industries Pty Ltd	300 equity shares	100	UAE
Sun Pharmaceutical (SA) (PTY) Ltd	100 equity shares	100	Australia
Sun Pharmaceutical Industries Inc	1,000 equity shares	100	South Africa
Sun Pharma Global FZE	33,796,638 equity shares	80.12	USA
	101 equity shares	100	UAE

11. Receivables

	2015	2014
	USD	USD
Deposit on shares	-	2,992,673,358
	-----	-----

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

12. Loan receivable

	2015 USD	2014 USD
Unsecured interest bearing loan at 2.73%	-	428,117,506
	=====	=====

13. Other receivables

	2015 USD	2014 USD
Interest receivable	-	63,256
Prepayments	1,792	1,369
	-----	-----
	1,792	64,625
	=====	=====

14. Stated capital

	2015 USD	2014 USD
855,199,716/ 2,000 ordinary shares of USD 1 each	855,199,716	2,000
	=====	=====

All shares rank equally with regard to the Company's residual assets. The holders of the ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meeting of the Company.

15. Preference share capital

	2015 USD	2014 USD
2,565,593,148 5% optionally convertible preference share capital of USD 1 each	2,565,593,148	-
	=====	=====

The term of the optionally convertible preference shares is for a period of 10 years from the date of its allotment. The OCPS holder also has the option to convert the OCPS into equity shares after 2 years from the date of allotment as per the terms laid down in the Clause no 4 of these terms.

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

16. Loan from holding company

	2015	2014
	USD	USD
<u>Equity</u>		
Unsecured advance, interest free loan with no fixed repayment terms	-	3,420,790,864
	=====	=====
	2015	2014
	USD	USD
<u>Current liability</u>		
Unsecured, interest free loan with no fixed repayment terms	-	2,425
	=====	=====

17. Loan from subsidiary

	2015	2014
	USD	USD
Unsecured, interest free loan with no fixed repayment terms	50,000	-
	=====	=====

18. Other payables

	2015	2014
	USD	USD
Accrued expenses	7,500	2,000
	=====	=====

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

19. Related party transactions

During the year under review, the Company entered into the following related party transactions:

		2015	2014
		USD	USD
<i>Transaction during the year/period:</i>	<i>Nature</i>		
Investee company	Advance	-	428,117,506
	Converted into		
Investee company	investment	428,117,506	-
Loan from holding company – Equity	Advance		3,420,790,864
	Converted into		
	ordinary and		
	preference		
Loan from holding company – Equity	shares	3,420,790,864	-
Loan from holding company – Liability	Advance	36,325	2,425
Loan from holding company – Liability	Amount settled	38,750	-
Loan from subsidiary	Amount received	50,000	-
		=====	=====
<i>Balance outstanding at 31 March</i>			
Investee company	Amount		
	receivable	-	428,117,506
Loan from holding company – Equity	Amount payable	-	(3,420,790,864)
Loan from holding company – Liability	Amount payable	-	(2,425)
Loan from subsidiary	Amount payable	(50,000)	-
		=====	=====

Sun Pharma Holdings (previously known as Nogad Holdings)

Notes to and forming part of the financial statements

for the year ended to 31 March 2015

20. Capital Management

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the group's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group Companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

21. Holding company

The Company is a wholly owned subsidiary of Sun Pharma Global Inc, a company incorporated in British Virgin Islands.

Sun Pharma Holdings (previously known as Nogad Holdings)

Statement of profit or loss

for the year ended to 31 March 2015

	01.04.14	29.01.13
	31.03.15	31.03.14
	USD	USD
Revenue		
Interest received	2,770,805	63,257
	-----	-----
Expenses		
Professional fees	27,300	3,500
Audit fees	10,000	1,000
Accounting fees	5,750	1,000
Administration charges	1,636	3,664
Disbursement	940	665
Sundries	750	-
Licence fees	300	378
	-----	-----
	46,676	10,207
	-----	-----
Profit from operating activities	2,724,129	53,050
Creditor written off	-	5,150
	-----	-----
Profit before taxation	2,724,129	58,200
	=====	=====