

**Sun Pharmaceutical Industries Limited**

Registered Office: Sun Pharma Advanced Research Centre, Tandalja, Vadodara - 390012.

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

CIN: L24230GJ1993PLC019050, Website : www.sunpharma.com

**Statement of Unaudited Consolidated Financial Results for the Quarter ended June 30, 2021**

**(₹ In Million)**

Particulars	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	Unaudited	Audited	Unaudited	Audited
<b>I Revenue from operations</b>				
a. Revenue from contracts with customers	96,694.3	84,637.4	74,858.2	332,330.8
b. Other operating revenues	493.1	592.4	994.3	2,650.6
<b>Total revenue from operations (I)</b>	<b>97,187.4</b>	<b>85,229.8</b>	<b>75,852.5</b>	<b>334,981.4</b>
<b>II Other income</b>	1,525.2	1,110.0	1,537.9	8,355.2
<b>III Total income (I+II)</b>	<b>98,712.6</b>	<b>86,339.8</b>	<b>77,390.4</b>	<b>343,336.6</b>
<b>IV Expenses</b>				
Cost of materials consumed	15,621.0	17,468.1	15,188.4	61,531.3
Purchases of stock-in-trade	9,631.4	7,418.2	6,833.2	31,751.7
Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,241.9	(2,478.7)	(2,325.6)	(6,382.2)
Employee benefits expense	17,587.4	16,774.5	17,590.4	68,622.3
Finance costs	350.9	301.0	519.5	1,414.3
Depreciation and amortisation expense	5,032.2	5,534.9	4,959.2	20,799.5
Other expenses	25,693.7	25,455.5	20,922.6	94,781.1
Net (gain) / loss on foreign currency transactions	(798.8)	107.8	(791.6)	(236.5)
<b>Total expenses (IV)</b>	<b>74,359.7</b>	<b>70,581.3</b>	<b>62,896.1</b>	<b>272,281.5</b>
<b>V Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>24,352.9</b>	<b>15,758.5</b>	<b>14,494.3</b>	<b>71,055.1</b>
<b>VI Exceptional items (Refer Note 4)</b>	6,310.7	6,728.1	36,333.3	43,061.4
<b>VII Profit / (loss) before tax (V-VI)</b>	<b>18,042.2</b>	<b>9,030.4</b>	<b>(21,839.0)</b>	<b>27,993.7</b>
<b>VIII (i) Tax expense/(credit) for period / year</b>	3,955.7	1,762.7	2,459.1	9,242.0
<b>(ii) Tax expense/(credit) - Exceptional (Refer Note 4 and 8)</b>	-	(1,212.3)	-	(4,095.1)
<b>IX Profit / (loss) for the period before share of profit / (loss) of associates and joint venture (VII-VIII)</b>	<b>14,086.5</b>	<b>8,480.0</b>	<b>(24,298.1)</b>	<b>22,846.8</b>
<b>X Share of profit / (loss) of associates and joint venture (net)</b>	(46.1)	(55.9)	35.8	(123.3)
<b>XI Net Profit / (loss) after taxes and share of profit / (loss) of associates and joint venture but before non-controlling interests (IX+X)</b>	<b>14,040.4</b>	<b>8,424.1</b>	<b>(24,262.3)</b>	<b>22,723.5</b>
Non-controlling interests	(401.3)	(517.4)	(7,706.3)	(6,314.7)
<b>XII Net Profit / (loss) after taxes, share of profit / (loss) of associates and joint venture and non-controlling interests</b>	<b>14,441.7</b>	<b>8,941.5</b>	<b>(16,556.0)</b>	<b>29,038.2</b>
<b>XIII Other comprehensive income (OCI)</b>				
A. (i) Items that will not be reclassified to profit or loss	(935.7)	2,158.4	61.0	3,233.9
(ii) Income tax relating to items that will not be reclassified to profit or loss	(7.5)	(156.7)	(11.0)	(145.4)
B. (i) Items that may be reclassified to profit or loss	5,467.0	(1,160.1)	3,892.1	(4,031.6)
(ii) Income tax relating to items that may be reclassified to profit or loss	125.6	45.3	(231.6)	(517.2)
<b>Total other comprehensive income (A+B) (XIII)</b>	<b>4,649.4</b>	<b>886.9</b>	<b>3,710.5</b>	<b>(1,460.3)</b>
<b>XIV Total comprehensive income for the period (XI+XIII)</b>	<b>18,689.8</b>	<b>9,311.0</b>	<b>(20,551.8)</b>	<b>21,263.2</b>
Attributable to:				
- Owners of the Company	18,599.2	9,925.5	(13,198.4)	28,133.4
- Non-controlling interests	90.6	(614.5)	(7,353.4)	(6,870.2)
<b>XV Paid-up equity share capital - face value ₹ 1 each</b>	2,399.3	2,399.3	2,399.3	2,399.3
<b>XVI Other equity</b>				462,228.5
<b>XVII Earnings per equity share of ₹ 1 each (not annualised for quarters)</b>				
₹ (Basic)	6.0	3.7	(6.9)	12.1
₹ (Diluted)	6.0	3.7	(6.9)	12.1
See accompanying notes to the unaudited consolidated financial results				
Research and development expenses incurred (included above)	5,748.1	5,386.5	4,151.9	21,028.2

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**Notes :**

- 1 These unaudited consolidated financial results relate to Sun Pharmaceutical Industries Limited (the 'Company'), its Subsidiaries (together the 'Group'), Joint Venture and Associates and are prepared by applying Ind AS 110 - "Consolidated Financial Statements", and Ind AS 28 - "Investments in Associates and Joint Ventures"
- 2 The above unaudited consolidated 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 July 30, 2021.
- 3 The above unaudited consolidated financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
- 4 Exceptional items includes the following :
  - a) On July 23, 2020, Taro Pharmaceuticals U.S.A., Inc. ("Taro"), our subsidiary, globally resolved all matters in connection with the multi-year investigations by the Department of Justice, Antitrust Division and Civil Division ("DOJ") into the United States generic pharmaceutical industry. Under a Deferred Prosecution Agreement reached with DOJ Antitrust, the DOJ filed an Information for conduct that took place between 2013 and 2015. If Taro adheres to the terms of the agreement, including the payment of \$ 205.7 Million (equivalent to ₹ 15,601.8 Million), the DOJ will dismiss the Information at the end of a three-year period. Taro has also reached a framework understanding with DOJ Civil, subject to final agreement and agency authorisation, in which Taro has agreed to pay \$ 213.3 Million (equivalent to ₹ 16,179.6 Million) to resolve all claims related to federal healthcare programs. Accordingly, an amount of \$ 418.9 Million (equivalent to ₹ 31,781.4 Million) was provided in the quarter ended June 30, 2020. Further, in respect of ongoing multi-jurisdiction civil antitrust matters, currently in progress, Taro, has made a provision of \$ 200 million (equivalent to ₹ 14,809.4 Million). Of the \$ 200 Million (equivalent to ₹ 14,809.4 Million), amounts of \$ 60 Million and \$ 80 Million (equivalent to ₹ 4,551.9 Million and ₹ 5,832.5 Million ) were accounted for in quarter ended June 30, 2020 and March 31, 2021 respectively . Further, an additional provision of \$ 60 million (equivalent to ₹ 4,425.0 Million) has been recognised in the current quarter ended June 30 , 2021.  
Exceptional tax for the quarter and year ended March 31, 2021, is on account of recognition of deferred tax asset amounting to ₹ 1,212.3 Million arising out above settlement.
  - b) On March 25, 2021 the CJEU (Court of Justice to the European Union) issued a final judgment and upheld the European Commission's ("EC") decision dated June 19, 2013 that a settlement agreement between Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited (together "Ranbaxy") with Lundbeck was anti-competitive. Ranbaxy had made a provisional payment of the fine of Euros 10.3 Million on September 20, 2013. Since there were no further rights of appeal, this amount of ₹ 895.6 Million (inclusive of legal charges) was debited to the audited consolidated statement of profit and loss for the quarter and year ended March 31, 2021.
  - c) Result for the quarter ended June 30, 2021 include charges of ₹ 1,503.3 Million towards impairment of an acquired intangible asset under development and ₹ 382.4 Million on account of write down of assets which have been classified as held for sale as per requirements of IND AS 105.
- 5 The Board of Directors of the Company at its meeting held on July 31, 2020, approved the Scheme of Amalgamation and Merger (the scheme) of Sun Pharma Global FZE, a wholly owned subsidiary of the Company, (Transferor Company) with Sun Pharmaceutical Industries Limited (Transferee Company), and their respective members and creditors which inter-alia, envisages merger of Transferor Company into the Company with an appointed date of January 01, 2020 or such subsequent date (if any) as may be decided by the Board of Directors as applicable, of the Transferor Company and the Board of Directors of the Transferee Company or such date as may be approved by the National Company Law Tribunal at Ahmedabad or such other appropriate date as the Appropriate Authority may decide. The approvals to the scheme have been received from the shareholders, the only secured creditor and unsecured creditors of the Company .The Company has filed the requisite petition with the National Company Law Tribunal seeking its approval. The scheme shall be effective post completion of all necessary formalities and procedures, accordingly, the above unaudited consolidated financial results do not reflect the impact on account of the scheme.
- 6 The Group continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the unaudited consolidated financial results for the quarter ended June 30, 2021.
- 7 The Group has only one reportable segment namely 'Pharmaceuticals'.
- 8 Tax gain (exceptional) for the year ended March 31, 2021 is on account of creation of deferred tax asset amounting to ₹ 2,882.8 Million arising out of subsequent measurement attributable to restructuring of an acquired entity.
- 9 The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. The Group will assess the impact of these Codes and give effect in the unaudited consolidated financial results when the Rules/Schemes thereunder are notified.
- 10 The figures for the quarter ended March 31, 2021 represent the derived figures between the audited figures in respect of the full financial year ended March 31, 2021 and the unaudited published year-to-date figures up to December 31, 2020, being the date of the end of third quarter of the financial year, which were subjected to a limited review by the statutory auditor of the Company.
- 11 Figures for previous periods have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board

Mumbai, July 30, 2021

**Dilip S. Shanghvi**  
Managing Director

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**Statement of Unaudited Standalone Financial Results for the Quarter ended June 30, 2021**

(₹ in Million)

Particulars	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	Unaudited	Audited	Unaudited	Audited
I Revenue from operations				
a. Revenue from contracts with customers	33,125.4	31,419.0	29,010.4	126,755.6
b. Other operating revenues	134.1	177.4	620.0	1,276.5
<b>Total revenue from operations (I)</b>	<b>33,259.5</b>	<b>31,596.4</b>	<b>29,630.4</b>	<b>128,032.1</b>
II Other income	578.0	348.7	211.9	1,502.2
<b>III Total income (I+II)</b>	<b>33,837.5</b>	<b>31,945.1</b>	<b>29,842.3</b>	<b>129,534.3</b>
IV Expenses				
Cost of materials consumed	9,939.5	11,241.6	8,494.2	38,091.1
Purchases of stock-in-trade	3,823.4	3,685.6	2,578.2	11,996.3
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(824.6)	(2,702.6)	(552.9)	(2,148.4)
Employee benefits expense	4,899.9	4,246.2	4,661.9	17,984.5
Finance costs	1,057.2	1,027.3	689.0	2,569.8
Depreciation and amortisation expense	1,509.2	1,517.6	1,427.9	5,868.1
Other expenses	10,519.6	8,282.3	7,790.2	32,599.8
Net (gain) / loss on foreign currency transactions	(1,413.2)	40.8	(561.4)	148.8
<b>Total expenses (IV)</b>	<b>29,511.0</b>	<b>27,338.8</b>	<b>24,527.1</b>	<b>107,110.0</b>
<b>V Profit before exceptional item and tax (III-IV)</b>	<b>4,326.5</b>	<b>4,606.3</b>	<b>5,315.2</b>	<b>22,424.3</b>
VI Exceptional item (Refer Note 4)	-	895.6	-	895.6
<b>VII Profit before tax (V-VI)</b>	<b>4,326.5</b>	<b>3,710.7</b>	<b>5,315.2</b>	<b>21,528.7</b>
VIII Tax expense / (credit)	133.5	436.8	(4.3)	131.7
<b>IX Profit for the period (VII-VIII)</b>	<b>4,193.0</b>	<b>3,273.9</b>	<b>5,319.5</b>	<b>21,397.0</b>
X Other comprehensive income (OCI)				
a. (i) Items that will not be reclassified to profit or loss	(4.1)	111.0	(198.1)	(103.0)
(ii) Income tax relating to items that will not be reclassified to profit or loss	1.4	(38.8)	69.2	36.0
b. (i) Items that may be reclassified to profit or loss	(362.0)	(11.2)	210.5	1,076.0
(ii) Income tax relating to items that may be reclassified to profit or loss	126.5	3.9	(73.5)	(376.0)
<b>Total other comprehensive income (a+b) (X)</b>	<b>(238.2)</b>	<b>64.9</b>	<b>8.1</b>	<b>633.0</b>
<b>XI Total comprehensive income for the period (IX+X)</b>	<b>3,954.8</b>	<b>3,338.8</b>	<b>5,327.6</b>	<b>22,030.0</b>
XII Paid-up equity share capital - face value ₹ 1 each	2,399.3	2,399.3	2,399.3	2,399.3
XIII Other equity				248,002.3
XIV Earnings per equity share of ₹ 1 each (not annualised for quarters)				
₹ (Basic)	1.75	1.36	2.22	8.92
₹ (Diluted)	1.75	1.36	2.22	8.92
See accompanying notes to the unaudited standalone financial results				
Research and development expenses incurred (included above)	3,307.0	2,962.2	1,867.2	10,611.9

**Notes:**

- The above unaudited standalone 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 July 30, 2021.
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For and on behalf of the Board

**Dilip S. Shanghvi**  
Managing Director

Mumbai, July 30, 2021