

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUN PHARMACEUTICAL INDUSTRIES LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of SUN PHARMACEUTICAL INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 53 to the consolidated financial statements. As referred to in the said Note, remuneration to the Managing Director and a Whole-time Director of the Holding Company for the previous year ended 31st March, 2015 is in excess of the limits specified under Schedule V to the Act by ₹ 20.7 Million. In this regard, we have been informed by the Management of the Holding Company that they have made further representations to the Central Government in respect of their applications for approving the amounts of maximum remuneration for the three years ending 31st March, 2017, including for the excess amounts already paid / provided. The response in respect of the foregoing is awaited from the Central Government.

Our opinion is not modified in respect of this matter.

OTHER MATTERS

- a) We did not audit the financial statements / financial information of 73 subsidiaries and a jointly controlled entity, whose financial statements / financial information reflect total assets of ₹ 349,127.1 Million as at 31st March, 2016, total revenues of ₹ 181,053.4 Million and net cash inflows amounting to ₹ 3,304.9 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 22.1 Million for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of 2 associates, whose financial statements / financial information have not been audited by us. In case of the foreign subsidiaries, the local GAAP financial statements have been restated by the management of the said entities so that these conform to generally accepted accounting principles in India. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, a jointly controlled entity and associates, is based solely on the reports of the other auditors.
- b) We did not audit the financial statements / financial information of 37 subsidiaries and 3 jointly controlled entities, whose financial statements / financial information reflect total assets of ₹ 10,121.4 Million as at 31st March, 2016, total revenues of ₹ 11,078.7 Million and net cash inflows amounting to ₹ 987.7 Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 3.4 Million for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of an associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and an associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors of its subsidiary companies and an associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary companies and an associate company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting in respect of the Holding Company, its subsidiary companies and an associate company incorporated in India.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Refer Notes 31(A)(I), 31(A)(II) and 32 to the consolidated financial statements.

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Notes 6 and 9 to the consolidated financial statements in respect of such items as it relates to the Group. The jointly controlled entities and the associate did not have any long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and an associate company incorporated in India except a sum of ₹ 9.8 Million, which are held in abeyance by the Holding Company due to pending legal cases.

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

RAJESH K. HIRANANDANI
Partner
(Membership No. 36920)

Place: Mumbai
Date: 30th May, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 1(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SUN PHARMACEUTICAL INDUSTRIES LIMITED)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and its associate company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding company, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and the associate company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting

principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 12 subsidiary companies (excluding a subsidiary company under liquidation) and an associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

RAJESH K. HIRANANDANI
Partner
(Membership No. 36920)

Place: Mumbai
Date: 30th May, 2016

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2016

₹ in Million

	Note No.	As at 31st March, 2016		As at 31st March, 2015	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	2,406.6		2,071.2	
Share Suspense Account	54	-		334.8	
Reserves and Surplus	2	311,635.6	314,042.2	253,825.9	256,231.9
Share Application Money Pending Allotment	43(b)	6.7		149.0	
Minority Interest		40,852.5		28,511.9	
Non-current Liabilities					
Long-term Borrowings	3	31,167.3		13,684.2	
Deferred Tax Liabilities (Net)	4	616.1		753.1	
Other Long-term Liabilities	5	2,237.1		1,863.4	
Long-term Provisions	6	20,797.0	54,817.5	25,323.4	41,624.1
Current Liabilities					
Short-term Borrowings	7	52,213.7		62,279.2	
Trade Payables		111.4		109.6	
Total outstanding dues of micro enterprises and small enterprises		34,784.4		32,755.8	
Other Current Liabilities	8	11,192.4		22,795.9	
Short-term Provisions	9	34,174.7		43,527.6	161,468.1
Total		542,195.5		487,985.0	
ASSETS					
Non-current Assets					
Fixed Assets					
Tangible Assets	10A	75,559.2		69,751.8	
Intangible Assets	10B	40,708.5		20,063.3	
Capital Work-in-Progress		12,034.6		15,317.7	
Intangible Assets under Development		5,303.7		5,068.4	
		133,606.0		110,201.2	
Goodwill on Consolidation (Net)	35	41,811.1		37,009.6	
Non-current Investments	11	5,933.2		5,988.7	
Deferred Tax Assets (Net)	12	21,875.2		18,269.5	
Long-term Loans and Advances	13	29,360.3		26,805.0	
Other Non-current Assets	14	964.0		553.5	198,827.5
Current Assets					
Current Investments	15	7,152.8		21,174.3	
Inventories	16	64,236.3		56,679.9	
Trade Receivables	17	67,958.9		51,061.3	
Cash and Cash Equivalents	18	139,892.5		109,980.4	
Short-term Loans and Advances	19	26,403.9		21,932.5	
Other Current Assets	20	3,001.3		28,329.1	289,157.5
Total		542,195.5		487,985.0	

See accompanying notes 1 to 63 forming part of the Consolidated Financial Statements

In terms of our report attached

For and on behalf of the Board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

DILIP S. SHANGHVI
Managing Director
New York

RAJESH K. HIRANANDANI
Partner
Mumbai, 30th May, 2016

UDAY V. BALDOTA
Chief Financial Officer
Mumbai

SUDHIR V. VALIA
Wholtime Director
Mumbai

SUNIL R. AJMERA
Company Secretary
Mumbai

SAILESH T. DESAI
Wholtime Director
Mumbai

Date : 30th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

₹ in Million

	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
Revenue from Operations	21	285,177.0	276,651.4
Less: Excise Duty		2,479.9	2,731.3
		282,697.1	273,920.1
Other Income	22	6,169.7	5,476.6
Total Revenue		288,866.8	279,396.7
Expenses			
Cost of Materials Consumed	23	43,881.3	41,586.9
Purchases of Stock-in-Trade		25,429.2	24,659.9
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(4,478.6)	1,144.9
Employee Benefits Expense	25	47,971.3	45,026.4
Finance Costs	26	4,768.9	5,789.9
Depreciation and Amortisation Expense	10	10,135.2	11,947.2
Other Expenses	27	86,655.0	82,835.0
Total Expenses		214,362.3	212,990.2
Profit Before Exceptional Item and Tax		74,504.5	66,406.5
Exceptional Item	51	(6,851.7)	(2,377.5)
Profit Before Tax		67,652.8	64,029.0
Tax Expense:			
Current Tax (Net)	56	11,954.6	16,479.3
Deferred Tax Credit (Net)		(2,605.6)	9,349.0
			(7,332.4)
		9,349.0	9,146.9
Profit after Tax before Share in Loss of Associates (Net) and Minority Interest		58,303.8	54,882.1
Share in Loss of Associates (Net)		18.7	125.6
Profit after Tax before adjustment for Minority Interest		58,285.1	54,756.5
Share of Profit attributable to Minority Interest		11,126.0	9,362.7
Profit for the Year attributable to the Shareholders of the Company		47,159.1	45,393.8
Earnings per Share (Face Value per Equity share - ₹ 1)	37		
Basic (in ₹)		19.6	18.9
Diluted (in ₹)		19.6	18.9

See accompanying notes 1 to 63 forming part of the Consolidated Financial Statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

RAJESH K. HIRANANDANI
Partner
Mumbai, 30th May, 2016

UDAY V. BALDOTA
Chief Financial Officer
Mumbai

SUNIL R. AJMERA
Company Secretary
Mumbai

For and on behalf of the Board

DILIP S. SHANGHVI
Managing Director
New York

SUDHIR V. VALIA
Wholtime Director
Mumbai

SAILESH T. DESAI
Wholtime Director
Mumbai

Date : 30th May, 2016

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	67,652.8	64,029.0
Adjustments for:		
Depreciation and Amortisation Expense	10,135.2	11,947.2
Provision for Impairment of Fixed Assets (including amount considered in exceptional items)	5,474.9	-
Impairment of Goodwill on Consolidation (including amount considered in exceptional items)	1,448.5	1,001.1
(Profit) / Loss on Sale / Write off of Fixed Assets (net) (including amount considered in exceptional items)	(400.4)	267.5
Finance Costs	4,768.9	5,789.9
Interest Income	(2,659.3)	(2,568.1)
Dividend Income	(502.9)	(0.2)
Net Gain on Sale of Investments	(1,381.3)	(2,074.0)
Sundry Balance Written back (net)	(175.2)	(307.6)
Provision for Doubtful Trade Receivables / Advances / Sundry Balances / Trade Receivables written off (net)	1,519.6	416.1
Expense on Employee Stock Option Scheme	98.8	205.0
Provision for other-than-temporary diminution in value of non-current investment in an Associate (₹ 16,380)	0.0	163.2
Provision for other-than-temporary diminution in value of non-current investment	166.8	-
Reversal for diminution in value of current investments	-	(70.3)
Effect of exchange rate changes	(1,223.6)	(7,033.7)
Operating Profit Before Working Capital Changes	84,922.8	71,765.1
Changes in working capital:		
Adjustments for (Increase) / Decrease in Operating Assets:		
Inventories	(1,667.4)	1,896.9
Trade Receivables	(18,088.7)	(10,464.2)
Loans and Advances	(2,830.1)	283.5
Other Assets	24,746.6	(398.2)
Adjustments for Increase / (Decrease) in Operating Liabilities:		
Trade Payables	1,990.4	3,411.3
Other Liabilities	(634.6)	2,030.9
Provisions	(860.6)	5,035.7
Cash Generated from Operations	87,578.4	73,561.0
Net Income Tax Paid	(19,884.6)	(17,403.6)
Net Cash Flow from Operating Activities (A)	67,693.8	56,157.4
CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed Assets, including Capital Advances	(33,824.6)	(23,418.8)
Proceeds from Sale of Fixed Assets	706.0	501.0
Loans / Inter Corporate Deposits		
Given / Placed	(5,045.7)	(9,029.6)
Received back / Matured	5,120.3	3,719.0
Purchase of Investments [including Associate ₹ 16,380 (Previous Year ₹ Nil)]	(400,890.1)	(288,018.9)
Proceeds from Sale of Investments	416,414.1	288,405.9

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Bank Balances not considered as Cash and Cash Equivalents		
Fixed Deposits / Margin Money Placed	(66,025.5)	(42,315.3)
Fixed Deposits / Margin Money Matured	46,731.2	41,879.5
Acquisition of Companies / business unit (Refer Note 60)	(10,713.6)	(3,194.6)
Interest Received	2,465.9	2,885.2
Purchase of Fixed Assets given under Finance Lease	-	(79.1)
Receipt of rental on Fixed Assets given under Finance Lease	10.0	8.1
Dividend Received	502.9	0.2
Net Cash Flow used in Investing Activities (B)	(44,549.1)	(28,657.4)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	82,945.3	79,183.7
Repayment of Borrowings	(90,764.9)	(96,644.8)
Net Increase in Cash Credit Facilities and Working Capital Demand Loans	662.1	11,982.2
Proceeds from issue of shares to Minority by Subsidiary	-	1.6
Payment to Minority - Repurchase of shares by subsidiary / dividend payment	(495.2)	-
Proceeds from Allotment of Equity Shares on Exercise of Stock Options / Share Application Money received	91.3	748.7
Finance Costs (includes borrowing costs capitalised)	(2,995.3)	(3,503.9)
Dividends Paid	(7,216.8)	(3,104.8)
Tax on Dividend	(1,469.7)	(528.0)
Net Cash Flow used in Financing Activities (C)	(19,243.2)	(11,865.3)
Net Increase in Cash and Cash Equivalents (A+B+C)	3,901.5	15,634.7
Cash and Cash Equivalents at the beginning of the Year	72,855.6	43,587.0
Cash and Cash Equivalents taken over on acquisition of Subsidiaries	214.3	91.9
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	12,426.1
Effect of Exchange Differences on Restatement of Foreign Currency Cash and Cash Equivalents	4,224.6	1,115.9
Cash and Cash Equivalents at the end of the Year (Refer Note 18)	81,196.0	72,855.6

See accompanying notes 1 to 63 forming part of the Consolidated Financial Statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

RAJESH K. HIRANANDANI
Partner
Mumbai, 30th May, 2016

UDAY V. BALDOTA
Chief Financial Officer
Mumbai

SUNIL R. AJMERA
Company Secretary
Mumbai

For and on behalf of the Board

DILIP S. SHANGHVI
Managing Director
New York

SUDHIR V. VALIA
Wholtime Director
Mumbai

SAILESH T. DESAI
Wholtime Director
Mumbai

Date : 30th May, 2016

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March, 2016		As at 31st March, 2015	
	Number of Shares	₹ in Million	Number of Shares	₹ in Million
1 SHARE CAPITAL				
Authorised				
Equity Shares of ₹ 1 each	5,990,000,000	5,990.0	5,990,000,000	5,990.0
Cumulative Preference shares of ₹ 100 each	100,000	10.0	100,000	10.0
	5,990,100,000	6,000	5,990,100,000	6,000
Issued, Subscribed and Fully Paid Up				
Equity Shares of ₹ 1 each (Refer Note 33)	2,406,605,118	2,406.6	2,071,163,910	2,071.2
	2,406,605,118	2,406.6	2,071,163,910	2,071.2

	₹ in Million	
	As at 31st March, 2016	As at 31st March, 2015
2 RESERVES AND SURPLUS(*)		
Capital Reserve		
Opening Balance	268.0	259.1
Add:		
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	7.0
Transferred from Surplus in Consolidated Statement of Profit and Loss as per the Local Law of an overseas subsidiary	188.9	1.9
Closing Balance	456.9	268.0
Securities Premium Account		
Opening Balance	18,220.3	14,218.0
Add:		
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	3,079.7
Received on Shares issued during the year	232.9	594.2
Transferred from employees stock options outstanding account on exercise of options	132.0	328.4
Closing Balance	18,585.2	18,220.3
Debenture Redemption Reserve		
Opening Balance	750.0	-
Add: Transferred from Surplus in Consolidated Statement of Profit and Loss	1,041.7	-
Add: Transferred from General Reserve	-	750.0
Less: Transferred to General Reserve	750.0	-
Closing Balance	1,041.7	750.0
Revaluation Reserve		
Opening Balance	39.8	-
Add: Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	43.9
Less: Utilised during the year	39.8	4.1
Closing Balance	-	39.8

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	As at 31st March, 2016	As at 31st March, 2015
Share Options Outstanding Account		
Opening Balance	82.1	-
Add:		
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	205.5
Amortisation during the year (Employee stock option expense, net of options forfeited and lapsed during the year)	98.8	205.0
Less: Transferred to Securities premium on account of exercise of options	132.0	328.4
Closing Balance	48.9	82.1
General Reserve		
Opening Balance	34,828.0	31,041.2
Add:		
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	5,519.3
Transferred from Debenture Redemption Reserve	750.0	-
Less:		
Transferred to Debenture Redemption Reserve	-	750.0
Adjustment by way of reduction from reserves on account of Amalgamation (Refer Note 54)	-	982.5
Closing Balance	35,578.0	34,828.0
Amalgamation Reserve		
Opening Balance	43.8	-
Add: Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	43.8
Closing Balance	43.8	43.8
Legal Reserve		
Opening Balance	0.9	0.9
Add: Transferred from Surplus in Consolidated Statement of Profit and Loss (Created in accordance with the requirement of Local Law of an overseas subsidiary)	0.2	-
Closing Balance	1.1	0.9
Foreign Currency Translation Reserve		
Opening Balance	29,878.3	19,899.6
Add:		
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	6,646.9
Effect of Foreign Exchange rate variations during the year	13,255.5	3,331.8
Closing Balance	43,133.8	29,878.3

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	As at 31st March, 2016	As at 31st March, 2015
Surplus in Consolidated Statement of Profit and Loss		
Opening Balance	169,714.7	117,759.5
Add:		
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	15,292.9
Profit for the Year	47,159.1	45,393.8
Less:		
Dividend proposed to be distributed to equity Shareholders [₹ 1.0 (Previous Year ₹ 3.0) per share]	2,406.8	7,219.5
Corporate Dividend Tax	490.0	1,469.7
Transferred to Debenture Redemption Reserve	1,041.7	-
Transferred to Capital Reserve as per the Local Law of an overseas subsidiary	188.9	1.9
Transferred to Legal Reserve in accordance with the requirement of Local Law of an overseas subsidiary	0.2	-
Deferred Tax in respect of earlier years related to an overseas subsidiary	-	40.4
Closing Balance	212,746.2	169,714.7
	311,635.6	253,825.9

(*) During the previous year, pursuant to the scheme of arrangement duly approved by the relevant Hon'ble High Courts, the debit balance in the Statement of Profit and Loss of ₹ 34,102.7 Million in the books of the Transferor Company on the close of March 31, 2014 had been adjusted by the Transferor Company by reduction of its Capital Reserve and Securities Premium Account of ₹ 1,762.0 Million and ₹ 32,340.7 Million respectively. The remaining balance of ₹ 3,079.7 Million in the Securities Premium Accounts of the Transferor Company as at close of March 31, 2014 had been taken over by the Holding Company (Transferee Company) and was included in Securities Premium Account, as on April 1, 2014, being the appointed date of the amalgamation referred in note 54.

	₹ in Million	
	As at 31st March, 2016	As at 31st March, 2015
3 LONG-TERM BORROWINGS		
(Refer Note 57)		
Secured		
Term Loans		
From Banks	-	327.4
From Another Party	77.3	77.3
	77.3	404.7
Long-term Maturities of Finance Lease Obligations	715.8	793.1
		2.2
		406.9
Unsecured		
Redeemable Non-Convertible Debentures	10,000.0	-
Term Loans		
From Banks	20,374.2	12,764.2
From Other Parties	-	513.1
	20,374.2	13,277.3
	31,167.3	13,684.2

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million			
	As at 31st March, 2016		As at 31st March, 2015	
4 DEFERRED TAX LIABILITIES (NET)				
Deferred Tax Liabilities				
Depreciation on Fixed Assets	4,141.0		4,523.6	
Others	190.1	4,331.1	186.3	4,709.9
Less:				
Deferred Tax Assets				
Unpaid Liabilities	537.6		489.4	
Unabsorbed Depreciation / Carried forward Losses [Refer Note 47(a)]	2,160.0		2,820.0	
Others	1,017.4	3,715.0	647.4	3,956.8
		616.1		753.1
5 OTHER LONG-TERM LIABILITIES				
Trade Payables		-		10.2
Trade / Security Deposits Received	212.7		219.7	
Interest accrued but not due on borrowings	4.9		3.4	
Others(*)	2,019.5		1,630.1	
(*) Includes contractual and expected milestone obligations		2,237.1		1,863.4
6 LONG-TERM PROVISIONS				
Employee Benefits (Refer Notes 41 and 42)	2,353.9		1,894.6	
MTM Loss on outstanding Forward Contracts / Derivatives Instruments	-		253.5	
Income Tax (Net of Advance Income Tax)	19.1		23.0	
Others (Refer Note 50)	18,424.0		23,152.3	
		20,797.0		25,323.4
7 SHORT-TERM BORROWINGS				
Loans Repayable on Demand				
Secured				
From Bank (Refer Note 58)	2,560.5		2,739.0	
Unsecured				
From Bank	48,040.8		46,808.1	
Other Loans and Advances				
Secured				
Term Loan from Bank (Refer Note 58)	204.5		232.1	
Unsecured				
From Bank	1,407.9		-	
Commercial Paper	-	1,407.9	12,500.0	12,500.0
		52,213.7		62,279.2

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	As at 31st March, 2016	As at 31st March, 2015
8 OTHER CURRENT LIABILITIES		
Current Maturities of Long-term Debt (Refer Note 57)	1,770.7	13,975.8
Current Maturities of Finance Lease Obligations (Refer Note 57)	32.7	21.9
Interest Accrued but not Due on Borrowings	439.2	320.3
Unclaimed / Unpaid Dividends	72.8	65.7
Statutory Remittances	3,584.1	3,258.5
Payables on Purchase of Fixed Assets	2,086.3	1,226.8
Advances from Customers	719.1	374.5
Trade / Security Deposits Received	17.7	15.8
Temporary Overdrawn Bank Balance as per books	226.6	112.0
Others (*)	2,243.2	3,424.6
	11,192.4	22,795.9
(*) Includes claims, recall charges, contractual and expected milestone obligations, trade and other commitments.		
9 SHORT-TERM PROVISIONS		
Employee Benefits (Refer Note 41)	1,631.5	1,717.2
MTM Loss on outstanding Forward Contracts / Derivative Instruments	220.8	5,392.9
Income Tax (Net of Advance Income Tax)	2,453.0	5,891.7
Dividend proposed to be distributed to Equity Shareholders	2,406.8	7,219.5
Corporate Dividend Tax	490.0	1,469.7
Provision - Others (Refer Note 50)	26,972.6	21,836.6
	34,174.7	43,527.6

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	₹ in Million										
	As At 01.04.15	Consolidation Adjustments	Gross Block Taken over on acquisition [^]	Additions @/ Adjustments During the Year	Deletions/ Adjustments During the Year	As at 31.03.16	Consolidation Adjustments	Depreciation / Amortisation / Impairment Taken over on acquisition [^]	On Deletions during the year	As at 31.03.16	Net Block As at 31.03.16
A. Tangible Assets											
Freehold Land	1,91,27	719	-	14,05	610	2,06,41	(c)	-	-	244	2,09,7
	1,10,59	(567)	7,157	933	278	1,91,27	(c)	-	-	-	1,91,27
Leasehold Land	1,87,98	669	-	1,87,98	-	1,94,67	(f)	-	-	2681	1,67,86
	1,30,57	297	5,550	69	175	1,87,98	-	23.6	0.6	2,329	1,64,69
Buildings	39,211.3	1,350.2	-	4,908.9	733.6	44,763.8	(e)	-	4,267 (b)	5,911	30,930.4
	19,801.6	2,665	12,638.4	1,049.0	5,845.5	12,873	39,211.3	2,845.5	1,995	1,092.6	29,570.8
Buildings taken under Finance Lease*	758.4	78.6	43.6	734.6	-	1,615.2	-	13.6	78.1	884.0	731.2
	-	33.3	742.6	-	175	758.4	-	661.9	70.8	175	120
Improvement Building	175.9	12.5	-	66.4	0.9	253.9	-	-	15.2	0.4	215.6
	156.3	6.8	-	12.8	-	175.9	-	-	2.9	-	153.7
Buildings Given under operating lease*	213.1	11.3	-	-	-	224.4	-	-	0.5	-	179.9
	205.6	7.5	-	-	-	213.1	-	-	0.5	-	171.2
Plant and Equipment	79,307.2	1,973.4	-	1,567	11,437.8	1,636.3	91,238.8	45,709.2	1,317.7	1,240.2	37,256.7
	38,487.6	(203.7)	34,246.7	7,005.0	1,654.5	79,307.2	-	101.1	8,094.3 (b)	53,981.9	33,598.0
Plant and Equipment Given under Operating Lease*	45.7	1.2	-	25.3	21.6	73.6	-	-	3.1	71	1.2
	25.3	0.7	22.9	-	32	45.7	-	175	44	32	22.4
45,709.2	(524)	16,849.3	508.1	8,198.6	1,228.9	45,709.2	(b)	-	-	-	35,598.0
21,494.5	(524)	16,849.3	508.1	8,198.6	1,228.9	45,709.2	(b)	-	-	-	16,993.1
23.3	1.1	25.3	21.6	71	20.4	45.7	-	3.1	71	20.4	22.4
41	0.5	175	-	44	32	23.3	-	44	32	23.3	22.4
695.5	8.5	-	166.0	299.4	1,373.3	1,944.6	-	-	211.7 (b)	1,340	617.6
1,451.1	(44)	-	282.5	238.4	1,451.1	1,944.6	-	-	212.1	1,326	781.6
556.8	(109.5)	959.7	13	238.8	515	2,054.6	-	475.1	-	431	621.0
1,836.3	32.7	1,324.6	13	238.8	515	2,054.6	-	475.1	-	431	621.0
799.1	(18.5)	742.4	47	356.0	474	1,836.3	-	351.1	37	385.2	611.7
3,576.9	101.8	32	343.7	1,309	3,894.7	2,306.1	-	14	325.3 (b)	1,257	1,307.3
1,441.8	(106.0)	1,844.7	112.8	350.5	66.9	3,576.9	-	50.9	399.4	435	1,270.8
0.6	-	-	-	0.6	-	0.6	-	-	-	0.6	-
(0.1)	(0.1)	0.7	-	-	0.6	-	-	0.7	-	0.6	-
Total Tangible Assets	130,869.0	3,696.1	204.8	18,033.7	2,878.9	148,247.4	1,944.6	117.3	13,296.0	2,108.6	75,553.2
Previous Year	63,885.7	(150.0)	52,468.8	2,674.9	13,691.5	2,201.9	130,369.0	28,903.9	(443.8)	10,330.1	69,751.8
B. Intangible Assets											
Goodwill	14,553.4	826.0	-	243.7	-	15,623.1	-	951.4	509	493.3 (b)	14,127.5
	10,777.0	260.3	3,516.1	-	-	14,553.4	-	(7.0)	958.4	-	13,602.0
Computer Software	2,245.4	32.4	-	134.1	29.4	2,345.4	-	1,446.7	208	283.3 (b)	656.6
	(18.1)	1,981.4	-	286.8	47	2,245.4	-	(18.4)	1,210.6	258.3	798.7
Trademarks, Designs and Other Intangible Assets	19,891.5	872.7	-	21,907.2	103.4	42,580.0	-	14,228.9	916.2	1,573.3 (b)	25,934.4
	11,842.3	72.2	7,065.7	3,237	640.8	532	19,891.5	7,774.5	(132.4)	4,970.5	5,662.6
Total Intangible Assets	36,690.3	1,731.1	243.7	22,041.3	132.8	60,576.6	987.9	2,353.9	1,037	19,865.1	40,708.5
Previous Year	22,619.3	314.4	12,563.2	3,237	971.6	579	36,690.3	7,774.5	(578)	7,139.5	20,063.3
Total Fixed Assets	167,659.3	5,427.2	448.5	40,075.0	3,011.7	209,998.3	77,244.2	2,932.5	117.3	15,648.9	116,267.7
Previous Year	86,505.0	164.4	65,032.0	2,986.6	34,619.1	2,259.8	167,659.3	36,678.4	(301.6)	29,403.6	89,815.1

Footnotes:

(a) Buildings include ₹ 8,620 (Previous Year ₹ 8,620) towards cost of shares in a Co-operative Housing Society.

(b) Includes impairment of ₹ 6,373.2 Million (Previous Year ₹ 858.5 Million) including ₹ 5,514.7 Million (Previous Year ₹ Nil) on account of impairment for the year, of which ₹ 39.8 Million (Previous Year ₹ Nil) is utilised from Revaluation Reserve.

(c) Freehold land includes land valued at ₹ 25.5 Million (Previous Year ₹ 25.5 Million) pending registration in the name of the Holding Company.

(d) Excludes Fixed Assets Held for Sale (Refer Note 20).

(e) Previous Year figures are in Italics.

(f) Deletions / Adjustments during the previous year includes refund received from authorities in respect of dismantling charges.

(g) Borrowing cost capitalised during the year ₹ 162.1 Million (Previous Year ₹ 239.9 Million)

* Refer Note 40

Refer Note 54

^ Refer Note 60(a)

@ Refer Note 60(b)

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million			
	As at 31st March, 2016		As at 31st March, 2015	
11 NON-CURRENT INVESTMENTS (*)				
Long Term Investments (Fully Paid Up)				
Quoted				
In Equity Instruments (\$)		1,628.3		1,540.0
In Debentures / Bonds		636.1		1,658.9
Unquoted				
In Equity Instruments (#)		2,053.7		2,133.2
In Government Securities ₹ 10,000 (Previous Year ₹ 10,000)		0.0		0.0
In Debentures		115.7		115.7
In Limited Liability Partnerships		1,499.4		540.9
		5,933.2		5,988.7
Aggregate Value of Investments	Book Value	Market Value	Book Value	Market Value
Quoted (at Cost)	3,962.9	7,297.1	4,897.4	10,834.5
Unquoted (at Cost)	4,822.7		3,776.9	
Total	8,785.6		8,674.3	
Provision for other-than-temporary diminution in value of non-current investments (Quoted)	(1,698.5)		(1,698.5)	
Provision for other-than-temporary diminution in value of non-current investments (Unquoted)	(1,153.9)		(987.1)	
Total		(2,852.4)		(2,685.6)

* At Cost less Provision for other-than-temporary diminution in value, if any.

\$ Includes Investment in Zenotech Laboratories Limited, an Associate where the carrying value is ₹ Nil (Previous Year ₹ Nil) [Net of provision for other than temporary diminution in value of investment ₹ 1,698.5 Million (Previous Year ₹ 1,698.5 Million)]. Also, the shares of this entity are thinly traded and therefore, market price has not been considered for the purpose of assessment of other-than-temporary diminution in the value of investment.

Includes Investment in Associates at carrying value: Daiichi Sankyo (Thailand) Limited ₹ 444.5 Million (Previous Year ₹ 440.2 Million) and Medinstill LLC ₹ 1,302.9 Million (Previous Year Nil) [Refer Note 30(w)].

	₹ in Million			
	As at 31st March, 2016		As at 31st March, 2015	
12 DEFERRED TAX ASSETS (Net)				
Unpaid Liabilities		12,455.7		9,322.2
Unabsorbed Loss [Refer Note 47(b)]		590.1		97.2
Intangibles		2,954.7		3,282.9
Inventory and Other Related Items		4,929.9		4,357.6
Others		1,479.3	22,409.7	1,441.7
Less :				
Deferred Tax Liabilities				
Fixed assets		344.0		-
Others		190.5	534.5	232.1
		21,875.2		18,269.5

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million			
	As at 31st March, 2016		As at 31st March, 2015	
13 LONG-TERM LOANS AND ADVANCES				
(Unsecured - Considered Good unless stated otherwise)				
Capital Advances				
Considered Good	4,181.4		3,770.5	
Considered Doubtful	73.4		66.2	
	4,254.8		3,836.7	
Less: Provision for Doubtful Loans and Advances	73.4	4,181.4	66.2	3,770.5
Security Deposits		390.8		441.2
Loans and Advances to Other Parties (including Employees)				
Considered Good - Secured	-		40.3	
Considered Good - Unsecured	694.5		1,429.6	
Considered Doubtful	2.7		1.9	
	697.2		1,471.8	
Less: Provision for Doubtful Loans and Advances	2.7	694.5	1.9	1,469.9
Receivable on Account of Assets given under Finance Lease [Refer Note 40(e)]		378.7		389.3
Prepaid Expenses		114.2		96.6
Advance Income Tax (Net of Provisions)		14,226.5		11,039.6
MAT Credit Entitlement (Refer Note 56)		7,517.0		7,517.0
Balances with Government Authorities		1,080.0		1,382.8
Advance for supply of goods and services		777.2		698.1
		29,360.3		26,805.0
14 OTHER NON-CURRENT ASSETS				
(Unsecured - Considered Good)				
Interest Accrued on Investments		-		48.9
Receivable towards forward contracts / derivative instruments		616.5		418.5
Others		347.5*		86.1
		964.0		553.5
(*) Includes receivable towards sale of manufacturing facility.				
15 CURRENT INVESTMENTS				
A) Current Portion of Long-term Investments (At Cost)				
Unquoted				
In Mutual Funds (*)		250.0		6,957.6
B) Other Current Investments (At Lower of Cost and Fair Value)				
Quoted				
In Equity Instruments		98.6		114.9
In Debentures		-		993.6
In Bonds		214.4	313.0	179.0
In Bonds				1,287.5
Unquoted				
In Mutual Funds		5,365.4		12,404.9
In Commercial Paper		1,224.4		524.3
		7,152.8		21,174.3
Aggregate Value of Investments	Book Value	Market Value	Book Value	Market Value
Quoted	313.0	349.0	1,287.5	1,349.0
Unquoted	6,839.8		19,886.9	
* Listed				

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million			
	As at 31st March, 2016		As at 31st March, 2015	
16 INVENTORIES				
Raw and Packing Materials	20,336.1		19,607.9	
Goods-in-Transit	1,067.0	21,403.1	604.0	20,211.9
Work-in-Progress		12,096.2		10,780.4
Finished Goods	23,720.5		19,083.0	
Goods-in-Transit	356.1	24,076.6	353.2	19,436.2
Stock-in-trade	5,400.7		5,183.5	
Goods-in-Transit	305.7	5,706.4	283.2	5,466.7
Other Materials and Consumables	951.6		783.4	
Goods-in-Transit	2.4	954.0	1.3	784.7
		64,236.3		56,679.9
17 TRADE RECEIVABLES				
(Unsecured - Considered Good unless stated otherwise)				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered Good	3,176.7		2,670.6	
Considered Doubtful	1,754.4		1,276.8	
	4,931.1		3,947.4	
Less: Provision for Doubtful Trade Receivables	1,754.4	3,176.7	1,276.8	2,670.6
Other Trade Receivables				
Considered Good	64,782.2		48,390.7	
Considered Doubtful	169.9		-	
	64,952.1		48,390.7	
Less: Provision for Doubtful Trade Receivables	169.9	64,782.2	-	48,390.7
		67,958.9		51,061.3
18 CASH AND CASH EQUIVALENTS				
Balances that meet the definition of Cash and Cash Equivalents as per AS 3 Cash Flow Statement				
Cash on Hand		18.0		20.9
Cheques on Hand		143.6		164.4
Balances with Banks				
In Current Accounts	52,982.6		57,517.4	
In Deposit Accounts with Original Maturity less than 3 Months	26,885.4		14,903.2	
In EEFC Accounts	1,166.4	81,034.4	249.7	72,670.3
		81,196.0		72,855.6
Other Bank Balances				
In Deposit Accounts (*)	58,536.2		36,957.8	
In Earmarked Accounts:				
Unpaid Dividend Accounts	63.0		58.5	
Balances held as Margin Money or Security against Guarantees and Other Commitments (*)	97.3	58,696.5	108.5	37,124.8
		139,892.5		109,980.4
(*) Other Bank Balances include Deposits amounting to ₹ 46,848.6 Million (Previous Year ₹ 28,052.4 Million) and Margin Monies include ₹ 97.3 Million (Previous Year ₹ 96.1 Million) which have an Original Maturity of more than 12 Months.				

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million			
	As at 31st March, 2016		As at 31st March, 2015	
19 SHORT-TERM LOANS AND ADVANCES				
(Unsecured - Considered Good unless stated otherwise)				
Loans and Advances to a Related Party				
Considered Good	-		238.0	
Considered Doubtful	512.0		274.0	
	512.0		512.0	
Less: Provision for Doubtful Loans and Advances	512.0	-	274.0	238.0
Loans and Advances to Other Parties (including Employees)				
Secured Considered Good	409.0		3,360.6	
Unsecured Considered Good	10,316.2		6,901.0	
Unsecured Considered Doubtful	4.5		4.5	
	10,729.7		10,266.1	
Less: Provision for Doubtful Loans and Advances	4.5	10,725.2	4.5	10,261.6
Prepaid Expenses		2,680.0		2,727.3
Security Deposits		177.8		130.1
Balances with Government Authorities		7,855.3		6,537.4
Advance Income-Tax [Net of Provisions]		1,499.7		199.2
Advances for Supply of Goods and Services				
Considered Good	3,455.3		1,828.9	
Considered Doubtful	184.2		185.1	
	3,639.5		2,014.0	
Less: Provision for Doubtful Loans and Advances	184.2	3,455.3	185.1	1,828.9
Receivable on Account of Assets under Finance Lease [Refer Note 40(e)]		10.6		10.0
		26,403.9		21,932.5
20 OTHER CURRENT ASSETS				
(Unsecured - Considered Good unless stated otherwise)				
Interest Accrued on Investments / Balances with Banks		284.4		90.8
Interest Accrued and due on loans				
Considered Good	4.9		88.8	
Considered Doubtful	151.5		-	
	156.4		88.8	
Less: Provision for Doubtful on Interest Accrued and due on loans	151.5	4.9	-	88.8
Receivable towards forward contracts / derivative instruments		-		774.9
Export Incentives receivable		1,936.4		1,500.4
Fixed Assets held for Sale		350.6		255.4
Others*		425.0		25,618.8
		3,001.3		28,329.1

(*) Current year includes receivable towards sale of manufacturing facility and previous year includes receivable from a third party, which has agreed to bear damages paid by a subsidiary on account of patent infringement in consideration of the Group agreeing to sell them pharmaceutical products at a negotiated discounted price for a specified period.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
21 REVENUE FROM OPERATIONS		
Sale of Products	279,921.5	275,182.0
Other Operating Revenues	5,255.5	1,469.4
	285,177.0	276,651.4
22 OTHER INCOME		
Interest Income on:		
Deposits with Banks	1,263.3	1,060.5
Loans and Advances	1,033.0	839.9
Current Investments	65.0	5.4
Long-term Investments	59.9	119.5
Fixed Assets Given Under Finance Lease	37.2	31.6
Others	200.9	2,659.3
Dividend Income on Long-term Investments	502.9	0.2
Net Gain on Sale of:		
Current Investments	871.5	520.2
Long-term Investments	509.8	1,381.3
Profit on Sale of Fixed Assets	591.7	3.7
Sundry Balances Written Back (Net)	175.2	307.6
Insurance Claims	284.7	74.5
Lease Rental and Hire Charges	243.9	226.8
Miscellaneous Income	330.7	221.7
	6,169.7	5,476.6
23 COST OF MATERIALS CONSUMED		
Raw and Packing Materials:		
Inventories at the beginning of the year	20,211.9	12,619.5
Pursuant to the Scheme of Amalgamation (Refer note 54)	-	7,736.9
Inventories Acquired on Acquisition (Refer note 60)	3,724.3	80.4
Purchases during the year	40,929.5	41,298.6
Foreign currency translation difference	418.7	63.4
Inventories at the end of the year	(21,403.1)	(20,211.9)
	43,881.3	41,586.9
24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventories at the beginning of the year	35,683.3	17,806.0
Pursuant to the Scheme of Amalgamation (Refer note 54)	-	19,567.2
Foreign currency translation difference	1,717.3	(545.0)
Inventories at the end of the year	(41,879.2)	(35,683.3)
	(4,478.6)	1,144.9

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
25 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	40,144.3	37,645.7
Contribution to Provident and Other Funds	3,959.6	3,671.1
Expense on Employee Stock Option Schemes	98.8	205.0
Staff Welfare Expenses	3,768.6	3,504.6
	47,971.3	45,026.4
26 FINANCE COSTS		
Interest Expense	2,411.8	3,007.3
Other borrowing costs	62.6	67.3
Net loss on foreign currency transactions and translation	2,294.5	2,715.3
	4,768.9	5,789.9
27 OTHER EXPENSES		
Consumption of Stores, Spare Parts and Other Materials	5,633.7	6,235.5
Conversion and Other Manufacturing Charges	4,439.8	4,131.7
Power and Fuel	5,454.4	5,607.7
Rent	1,332.5	1,433.2
Rates and Taxes	2,052.1	2,279.5
Insurance	1,215.9	1,119.4
Selling and Distribution	20,739.7	20,852.9
Commission and Discount	1,440.5	1,511.1
Repairs and Maintenance		
Buildings	533.8	611.0
Machinery	2,084.3	1,922.1
Others	1,362.8	1,438.6
Printing and Stationery	359.2	409.9
Travelling and Conveyance	1,779.9	1,701.3
Overseas Travel and Export Promotion	5,201.4	4,431.0
Communication	757.0	829.0
Provision / Write off for Doubtful Trade Receivables / Advances		
Provision for Doubtful Trade Receivables / Advances	1,312.3	437.2
Sundry Balances / Trade Receivables Written off (Net)	245.7	157.9
Less: Adjusted out of Provision for earlier years	(38.4)	(179.0)
Professional, Legal and Consultancy	18,957.2	(*)16,518.3
Donations	173.9	109.8
Loss on Sale / Write Off of Fixed Assets	155.8	271.2
Increase / (Decrease) of Excise Duty on Inventories	115.4	(63.3)
Net Loss on Foreign Currency Transactions and Translation (Other than considered as Finance Cost)	1,577.3	968.3
Payment to Auditors		
For Audit @	193.3	198.8
For Taxation Matters	16.6	16.1
For Other Services	46.7	12.6
Reimbursement of Expenses	0.9	0.6
	257.5	228.1

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Provision for other-than-temporary diminution in value of non-current investment	166.8	-
Provision for other-than-temporary diminution in value of non-current investment in an associate (₹ 16,380)	0.0	163.2
Impairment of Goodwill on Consolidation	-	1,001.1
Provision for Impairment of Fixed Asset	511.2	-
Miscellaneous Expenses	9,771.9	9,431.6
	87,593.6	83,558.3
Less:		
Receipts from Research Activities	(938.6)	(723.3)
	86,655.0	82,835.0
(*) Previous Year includes fees to the Statutory auditors of erstwhile Ranbaxy Laboratories Limited as auditors - ₹ 27.0 Million @ includes ₹ 0.7 Million (Previous Year ₹ 1.8 Million) in respect of previous year.		

28 RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDED IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Salaries and Wages	4,872.2	4,691.8
Contribution to Provident and Other Funds	441.7	459.9
Staff Welfare Expenses	368.6	367.8
Consumption of Stores, Spare Parts and Other Materials	3,443.1	4,236.4
Conversion and Other Manufacturing Charges	-	93.5
Power and Fuel	347.8	487.4
Rates and Taxes	104.0	88.3
Rent	136.9	173.5
Insurance	39.1	45.5
Repairs and Maintenance		
Buildings	66.6	45.4
Machinery	253.0	192.1
Others	230.2	267.8
Printing and Stationery	37.9	46.9
Travelling and Conveyance	319.5	257.2
Communication	80.9	76.1
Professional, Legal and Consultancy	9,933.4	5,313.1
Loss on Sale / Write off of Fixed Assets	0.6	-
Miscellaneous Expenses	1,566.9	1,530.1
	22,242.4	18,372.8
Less:		
Interest Income [Net of Interest expense on borrowings ₹ 1.6 Million (Previous Year ₹ 1.1 Million)]	2.1	2.7
Receipts from Research Activities	938.6	723.3
Miscellaneous Income	13.9	14.0
	21,287.8	17,632.8

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

29 SIGNIFICANT ACCOUNTING POLICIES:

I Basis of Consolidation:

The Consolidated Financial Statements relate to Sun Pharmaceutical Industries Limited ('the Holding Company'), its Subsidiaries (together constitute 'the Group'), associates and Jointly Controlled Entities. The Consolidated Financial Statements have been prepared on the following basis:

- (a) The Financial Statements of the Holding Company and its Subsidiaries have been consolidated on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits or losses as per Accounting Standard 21 'Consolidated Financial Statements', as prescribed under section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. These Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in the similar circumstances.

Investments in associates have been accounted for by the equity method of consolidation from the date on which it falls within the definition of associates as per Accounting Standard (AS) - 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

Interests in Jointly Controlled Entities has been accounted for by using the proportionate consolidation method as per AS 27- "Financial Reporting of Interests in Joint Ventures".

- (b) In case of foreign Subsidiaries / Jointly Controlled Entities, both non-integral and integral foreign operations, translation of financial statements for consolidation is done in accordance with the policy stated in Note X below.
- (c) The Consolidated Financial Statements of the Group include financial statements of certain subsidiaries prepared as of a different date from that of the Holding Company's financial statements. Adjustments for effects of significant transactions and events that have occurred between the date of the financial statements of these subsidiaries and the date of the Holding Company's financial statements are made in the Consolidated Financial Statements.
- (d) The excess of cost of investment in Subsidiaries / Jointly Controlled Entities over the share of equity in Subsidiaries / Jointly Controlled Entities as at the date of making the investment is recognised in the financial statements as Goodwill on Consolidation. Goodwill on consolidation is not amortised. However, the same is tested for impairment at each Balance Sheet date. The excess of share of equity of Subsidiaries / Jointly Controlled Entities over the cost of acquisition of the respective investments as at the date of making the investment is treated as Capital Reserve. For this purpose, share of equity is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.
- (e) Minority Interest in the net assets of Subsidiaries consists of:
- the amount of equity attributable to the minorities at the date on which investment in Subsidiary is made, and
 - the minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

II Basis of Accounting

These Consolidated Financial Statements are prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the Consolidated Financial Statements are consistent with those followed in the previous year.

III Use of Estimates

The presentation of Consolidated Financial Statements in conformity with the generally accepted accounting principles in India requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known / materialised.

IV Fixed Assets and Depreciation / Amortisation

Fixed Assets including Intangible assets are stated at historical cost (Net of cenvat credit) less accumulated depreciation / amortization thereon and impairment losses, if any. With regard to tangible assets, the Holding Company and its Indian subsidiaries have adopted the useful lives of fixed assets as indicated in Part C of Schedule II of the Companies Act, 2013 and amendment thereto vide notification dated August 29, 2014 issued by Ministry of Corporate Affairs. In case of the Holding Company and Sun Pharma Laboratories Limited assets costing ₹ 5,000 or less and in case of Sun Pharmaceutical Spain, SL. and Sun Pharmaceuticals Italia S.R.L assets costing € 601 and € 516.4 or less respectively are charged off as expense in the year of purchase. Intangible assets consist of trademarks, designs, technical know-how, non compete fees and other intangible assets including computer software and goodwill.

Revalued tangible fixed assets are carried at fair value less accumulated depreciation/impairment. In case of revaluation of tangible fixed assets, any increase in net book value arising on revaluation is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised as a charge in the Consolidated Statement of Profit and Loss, in which case the increase is credited to the Consolidated Statement of Profit and Loss. A decrease in net book value arising on revaluation is recognised as a charge in the Consolidated Statement of Profit and Loss, except to the extent it offsets an existing surplus on the same asset recognised in the revaluation reserve, in which case the decrease is recognised directly in that reserve. Depreciation for the period is recognised in the Consolidated Statement of Profit and Loss.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Depreciation / amortisation is provided on Tangible and Intangible assets on straight line method as follows:

Tangible	Years
Leasehold Land	50-196
Leasehold Improvements	3-10
Buildings	5-100
Buildings Taken under finance lease	10-40
Buildings Given under operating lease	30
Plant and Equipment	3-25
Plant and Equipment Leased	2-15
Vehicles	3-15
Office Equipments	2-21
Furniture and Fixtures	2-17
Intangible	
Trademarks, Designs, Technical know-how, Non compete fees and Other Intangible Assets including computer software (Refer Note 39)	2-20

V Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. Lease rental income under operating leases is recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term. Total lease rental in respect of an fixed asset taken on operating lease is charged to the Consolidated Statement of Profit and Loss on a straight line basis over the lease term. For assets given under finance lease, amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment in accordance with Accounting Standard (AS) 19 - "Leases".

Assets leased by the Group in its capacity as a lessee, where substantially all the risk and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments. Liability is created for an equivalent amount.

VI Revenue Recognition

Sale of products is recognized when risks and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of products. Export sales are recognized depending on the terms of customer arrangements, which is recognized either when the product is received by the customer at the destination point or at the time of shipment. Sales include delayed payment charges, and are stated net of returns, VAT / sales tax, provision for chargebacks, medicaid, rebates, shelf stock adjustments, discounts, breakages and expiry and other sales deductions, made on the basis of management expectation taking into account past experience, customer experience, third-party prescription data, industry and regulatory changes and other relevant information which are revised as necessary. Other operating income is recognised on an accrual basis and where applicable in accordance with the terms of the relevant agreements.

VII Investments

Investments are classified into Current and Long-term Investments. Current Investments are valued at lower of cost and fair value. Long-term Investments are stated at cost less provision, if any, for other than temporary diminution in value.

VIII Inventories

Inventories consisting of raw and packing materials, other materials and consumables including R&D materials, work-in-progress, stock-in-trade and finished goods are stated at lower of cost and net realisable value. The cost is determined based on weighted average method, except in case of certain raw and packing materials and stock-

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

in-trade specific identification method is applied and in respect of certain other materials and consumables FIFO method is applied. In respect of Sun Pharmaceutical Industries Inc, cost is determined on specific identification basis; in respect of Alkaloida Chemical Company Zrt, Sun Pharmaceutical Industries (Australia) Pty. Ltd., Ranbaxy Pharmacie Generiques SAS and Sun Pharmaceutical (Bangladesh) Ltd., cost is determined on FIFO basis and in respect of Taro Pharmaceutical Industries Ltd, cost is determined on average cost basis.

IX Research and Development

The research and development cost is accounted in accordance with Accounting Standard (AS) – 26 'Intangible Assets'. All related revenue expenditure incurred on original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding up to the time when it is possible to demonstrate probable future economic benefits, is recognised as research expenses and charged off to the Consolidated Statement of Profit and Loss, as incurred. All subsequent expenditure incurred for product development on the application of research findings or other knowledge upon demonstration of probability of future economic benefits, prior to the commencement of production, to the extent identifiable and possible to segregate are accumulated and carried forward as development expenditure under Intangible assets under development, to be capitalised as an intangible asset on completion of the project. In case a project does not proceed as per expectations / plans, the same is abandoned and the amount classified as development expenditure under Intangible assets under development is charged off to the Consolidated Statement of Profit and Loss.

X Foreign Currency Transactions and Translation

Transactions denominated in foreign currencies are recorded at the exchange rates that approximate the actual rate prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. In respect of forward exchange contracts relating to monetary items as at the balance sheet date, 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 the forward contract. The exchange differences arising on settlement / translation are recognised in the Consolidated Statement of Profit and Loss.

The translation of the financial statements of non integral foreign operations is accounted for as under:

- a) All revenues and expenses are translated at average rate.
- b) All monetary and non-monetary assets and liabilities are translated at the rate prevailing on the balance sheet.
- c) Resulting exchange difference is accumulated in Foreign Currency Translation Reserve on Consolidation until the disposal of the net investment in the said non integral foreign operation.

The translation of the financial statements of integral foreign operations is accounted for as under:

- a) Non-monetary Balance Sheet items are translated using the exchange rate at the date of transaction i.e., the date when they were acquired.
- b) Monetary Balance Sheet items are translated using closing rates at Balance sheet date.
- c) Profit and Loss items are translated at the average rate.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- d) The net exchange difference resulting from the translation of items in the financial statements of foreign integral operations is recognised as income or expense for the period.

XI Derivative Accounting

Derivative Instruments entered into for hedging the foreign currency fluctuation risk / interest rate risk are accounted for on the principles of prudence as enunciated in Accounting Standard (AS) 1 "Disclosure of Accounting Policies". Pursuant to this, losses, if any, on Mark to Market basis, are recognised in the Consolidated Statement of Profit and Loss and gains are not recognised.

XII Taxes on Income

Provision for tax comprises of Current Tax and Deferred Tax. Current Tax provision is made on the basis of reliefs and deductions available under relevant Tax laws. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward for timing differences only to the extent that there is a reasonable certainty that the assets can be realised in future. However, if there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets are reviewed as at each balance sheet date for their realisability.

For Indian entities, Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the respective entities will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

XIII Employee Benefits

- (a) The Group's contribution in respect of provident fund and other funds is charged to the Consolidated Statement of Profit and Loss each year. With respect to certain employees, contribution is made to the provident fund trust maintained by the Group. Provident fund liability for the trust is as determined on actuarial basis by the independent valuer is charged to the Consolidated Statement of Profit and Loss.
- (b) With respect to gratuity liability, some of the entities in the Group contributes to Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy, except for certain employees, the gratuity benefit of retirement plan where contribution is made to a gratuity fund established as a trust. Gratuity liability as determined on actuarial basis by the independent valuer is charged to the Consolidated Statement of Profit and Loss.
- (c) Pension plan, a defined benefit retirement plan, provides for lump sum payment to eligible employees at retirement. The pension liability, determined on actuarial basis by an independent valuer, is charged to the Consolidated Statement of Profit and Loss.
- (d) Liability for accumulated compensated absences of employees being other long term employee benefit is ascertained for on actuarial valuation basis by an independent valuer and provided for as per the Group rules.
- (e) Actuarial gains and losses are recognised in the Consolidated Statement of Profit and loss in the year in which they arise.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

XIV Employee Stock Option Based Compensation

With respect to employee stock option, the fair value of the options is calculated by using Black Scholes pricing model, in respect of the number of options that are expected to ultimately vest. Such cost is recognised on a straight line basis over the vesting period. Adjustment, if any, for difference in initial estimate for number of options that are expected to ultimately vest and related actual experience is recognised in the Consolidated Statement of Profit and Loss of that period. In respect of vested options that expire unexercised, the cost is reversed in the Consolidated Statement of Profit and Loss of that period.

XV Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets upto the date of capitalisation of such assets are capitalised and added to the cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

XVI Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the Consolidated Financial Statements.

XVII Government Grants / Subsidy

Government grants, if any, are accounted when there is a reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital subsidy in the nature of government grants related to specific fixed assets is accounted for where collection is reasonably certain and the same is shown as a deduction from the gross value of the asset concerned in arriving at its book value and accordingly the depreciation is provided on the reduced book value.

XVIII Impairment of Assets

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. Intangible assets that are amortised over a period exceeding ten years from the date when the asset is available for use are tested for impairment each financial year even if there is no indication the asset is impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised. Such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss.

XIX Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

- 30 a) The Consolidated Financial Statements comprise the consolidation of the financial statements of the Holding Company, its subsidiaries, associates and Jointly Controlled Entities, as under:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest for the year ended	
		31st March, 2016	31st March, 2015
Direct Subsidiaries			
1 Green Eco Development Centre Limited	India	100.00%	100.00%
2 Sun Pharma Global Inc.	British Virgin Islands	-	100.00% (see note q)
3 Sun Pharmaceutical (Bangladesh) Limited	Bangladesh	72.50%	72.50%
4 Sun Pharmaceutical Industries, Inc.	United States of America	100.00%	100.00%
5 Sun Farmaceutica do Brasil Ltda.	Brazil	100.00%	100.00%
6 Sun Pharma De Mexico S.A. DE C.V.	Mexico	75.00%	75.00%
7 SPIL De Mexico S.A. DE C.V.	Mexico	100.00%	100.00%
8 Sun Pharmaceutical Peru S.A.C.	Peru	99.33%	99.33%
9 OOO "Sun Pharmaceutical Industries" Limited	Russia	100.00%	99.00%
10 Sun Pharma De Venezuela, C.A.	Venezuela	100.00%	100.00%
11 Sun Pharma Laboratories Ltd	India	100.00%	100.00%
12 Faststone Mercantile Company Private Limited	India	100.00%	100.00%
13 Neetnav Real Estate Private Limited	India	100.00%	100.00%
14 Realstone Multitrade Private Limited	India	100.00%	100.00%
15 Skisen Labs Private Limited	India	100.00%	100.00%
16 Sun Pharma Holdings	Mauritius	100.00%	100.00% (see note q)
17 Softdeal Trading Company Private Limited	India	100.00%	100.00%
18 Ranbaxy Pharmacie Generiques	France	100.00%	100.00%
19 Ranbaxy Drugs Limited	India	100.00%	100.00%
20 Vidyut Investments Limited	India	100.00%	100.00%
21 Gufic Pharma Limited	India	100.00%	100.00%
22 Ranbaxy (Malaysia) Sdn. Bhd.	Malaysia	71.22%	71.22%
23 Ranbaxy Nigeria Limited	Nigeria	85.31%	85.31%
24 Ranbaxy (Netherlands) B.V.	Netherlands	100.00%	100.00%
Step down Subsidiaries			
25 Caraco Pharma Inc.	United States of America	100.00% (see note s)	100.00%
26 Chattem Chemical, Inc.	United States of America	100.00%	100.00%
27 The Taro Development Corporation	United States of America	100.00%	100.00%
28 Alkaloida Chemical Company Zrt.	Hungary	99.99%	99.99%
29 Sun Pharmaceuticals UK Limited	United Kingdom	100.00%	100.00%
30 Sun Pharmaceutical Industries (Australia) Pty Limited	Australia	100.00%	100.00%
31 Aditya Acquisition Company Ltd.	Israel	100.00%	100.00%
32 Sun Pharmaceutical Industries (Europe) B.V.	Netherlands	100.00%	100.00%
33 Sun Pharmaceuticals Italia S.R.L.	Italy	100.00%	100.00%
34 Sun Pharmaceutical Spain, S.L.U.	Spain	100.00%	100.00%
35 Sun Pharmaceuticals Germany GmbH	Germany	100.00%	100.00%
36 Sun Pharmaceuticals France	France	100.00%	100.00%
37 Sun Pharma Global FZE	United Arab Emirates	100.00%	100.00%
38 Sun Pharmaceuticals (SA) (Pty) Ltd.	South Africa	100.00%	100.00%
39 Sun Global Canada Pty Ltd.	Canada	100.00%	100.00%
40 Sun Pharma Philippines, Inc.	Philippines	100.00%	100.00%
41 Sun Pharmaceuticals Korea Ltd.	Korea	100.00%	100.00%

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Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest for the year ended	
		31st March, 2016	31st March, 2015
42 Sun Global Development FZE	United Arab Emirates	100.00%	100.00%
43 Caraco Pharmaceuticals Private Limited	India	100.00%	100.00%
44 Sun Pharma Japan Ltd.	Japan	100.00%	100.00%
45 Sun Pharma Healthcare FZE	United Arab Emirates	100.00%	100.00%
46 Sun Pharma MEA JLT	United Arab Emirates	-	100% (see note e)
47 Morley & Company, Inc.	United States of America	100.00%	100.00%
48 Sun Laboratories FZE	United Arab Emirates	100.00%	100.00%
49 Taro Pharmaceutical Industries Ltd. (TARO)	Israel (See note d)	68.98%	68.87%
50 Taro Pharmaceuticals Inc.	Canada	68.98%	68.87%
51 Taro Pharmaceuticals USA, Inc.	United States of America	68.98%	68.87%
52 Taro Pharmaceuticals North America, Inc.	Cayman Islands, British West Indies	68.98%	68.87%
53 Taro Pharmaceuticals Europe B.V.	Netherlands	68.98%	68.87%
54 Taro Pharmaceuticals Ireland Limited	Ireland	68.98%	68.87%
55 Taro International Ltd.	Israel	68.98%	68.87%
56 Taro Pharmaceuticals (UK) Limited	United Kingdom	68.98%	68.87%
57 Taro Hungary Intellectual Property Licensing Limited Liability Company	Hungary	68.98%	68.87%
58 3 Skyline LLC	United States of America	68.98%	68.87%
59 One Commerce Drive LLC	United States of America	68.98%	68.87%
60 Tarochem Limited	Israel	-	68.87% (see note f)
61 Taro Pharmaceutical Laboratories Inc	United States of America	68.98%	68.87%
62 Taro Pharmaceuticals Canada, Ltd.	Canada	68.98%	68.87%
63 Taro Pharmaceutical India Private Limited	India (see note m)	68.98%	68.87%
64 Orta Ltd.	Israel	-	68.87% (see note f)
65 Sun Universal Ltd.	United Arab Emirates	-	100% (see note g)
66 Khyati Realty ME Ltd.	United Arab Emirates	-	100% (see note g)
67 Aditya Pharma Private Limited	Hungary	-	100% (see note h)
68 Alkaloida Sweden AB	Sweden	100.00%	100.00%
69 Dusa Pharmaceuticals, Inc.	United States of America	100.00%	100.00%
70 Dusa Pharmaceuticals New York, Inc.	United States of America	100.00%	100.00%
71 Sirius Laboratories Inc	United States of America	100.00%	100.00%
72 URL Pharma, Inc.	United States of America	100.00% (see note v)	100.00%
73 AR Scientific.Inc	United States of America	100.00% (see note u)	100.00%
74 Mutual Pharmaceutical Company Inc.	United States of America	100.00%	100.00%
75 United Research Laboratories, Limited	United States of America	100.00% (see note u)	100.00%
76 Dungan Mutual Associates, LLC	United States of America	100.00%	100.00%
77 URL PharmPro, LLC	United States of America	100.00%	100.00%
78 Universal Enterprises Private Limited	India	100.00%	100.00%
79 Sun Pharma Switzerland Limited	Switzerland	100.00%	100.00%
80 Silverstreet Developers LLP	India	100.00% (see note o)	100.00%

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest for the year ended	
		31st March, 2016	31st March, 2015
81 Sun Pharma East Africa Limited	Kenya	100.00%	100.00%
82 Pharmalucence, Inc.	United States of America	100.00%	100.00%
83 PI Real Estate Ventures, LLC	United States of America	100.00%	100.00%
84 Ranbaxy Australia Pty Ltd	Australia	100.00%	100.00%
85 Ranbaxy Belgium N.V.	Belgium	100.00%	100.00%
		(see note r)	
86 Ranbaxy Farmaceutica Ltda.	Brazil	100.00%	100.00%
87 Ranbaxy Pharmaceuticals Canada Inc.	Canada	100.00%	100.00%
88 Ranbaxy Egypt LLC	Egypt	100.00%	100.00%
89 Rexcel Egypt LLC	Egypt	100.00%	100.00%
90 Office Pharmaceutique Industriel Et Hospitalier	France	100.00%	100.00%
91 Basics GmbH	Germany	100.00%	100.00%
92 Ranbaxy GmbH	Germany	100.00%	100.00%
93 Ranbaxy Ireland Limited	Ireland	100.00%	100.00%
94 Ranbaxy Italia S.P.A	Italy	100.00%	100.00%
95 Ranbaxy-PRP (Peru) S.A.C.	Peru	100.00%	100.00%
96 Ranbaxy (Poland) Sp. Zo.o.	Poland	100.00%	100.00%
97 Ranbaxy Portugal - Com E Desenvolv DeProd Farmaceuticos Unipessoal Lda	Portugal	100.00%	100.00%
		(see note j)	
98 S.C Terapia S.A.	Romania	96.70%	96.70%
99 AO Ranbaxy (Formerly known as ZAO Ranbaxy)	Russia	100.00%	100.00%
100 Ranbaxy South Africa Proprietary Limited	South Africa	100.00%	100.00%
101 Ranbaxy Pharmaceutical Proprietary Limited	South Africa	100.00%	100.00%
102 Be-Tabs Investments Proprietary Limited	South Africa	100.00%	100.00%
103 Sonke Pharmaceuticals Proprietary Limited	South Africa	70.00%	70.00%
104 Laboratorios Ranbaxy, S.L.U.	Spain	100.00%	100.00%
105 Ranbaxy (U.K.) Limited	United Kingdom	100.00%	100.00%
106 Ranbaxy Holdings (U.K.) Limited	United Kingdom	100.00%	100.00%
107 Ranbaxy Europe Limited	United Kingdom	100.00%	100.00%
108 Ranbaxy Inc.	United States of America	100.00%	100.00%
109 Ranbaxy Pharmaceuticals, Inc.	United States of America	100.00%	100.00%
110 Ranbaxy (Thailand) Company Limited	Thailand	100.00%	100.00%
111 Ranbaxy USA, Inc.	United States of America	-	100.00%
			(see note k)
112 Ohm Laboratories Inc.	United States of America	100.00%	100.00%
113 Ranbaxy Laboratories, Inc.	United States of America	100.00%	100.00%
114 Ranbaxy Signature LLC	United States of America	67.50%	67.50%
115 Sun Pharmaceuticals Morocco LLC (Formerly known as Ranbaxy Morocco LLC)	Morocco	100.00%	100.00%
116 "Ranbaxy Pharmaceuticals Ukraine" LLC	Ukraine	100.00%	100.00%
117 Perryton Wind Power LLC	United States of America	100% (see note c)	-
118 Insite Vision Incorporated	United States of America	100% (see note c)	-
119 Insite Vision Ltd.	United Kingdom	100% (see note c)	-
120 Thea Acquisition Corporation	United States of America	100.00%	-
		(see note c and t)	
121 Zalicus Pharmaceuticals Limited	Canada	100.00%	-
		(see note c and l)	

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest for the year ended	
		31st March, 2016	31st March, 2015
Name of Partnership Firm			
122 Solrex Pharmaceuticals Company	India (see note i)	100.00%	100.00%
Name of Jointly Controlled Entities			
123 MSD - Sun LLC	United States of America	50.00% (see note p)	50.00%
124 S & I Ophthalmic LLC	United States of America	50.00%	50.00%
125 Artes Biotechnology GmbH	Germany	45.00%	45.00%
Name of Subsidiary of Jointly Controlled Entities			
126 MSD - Sun FZ LLC	United Arab Emirates	50% (see note p)	50.00%
Name of Associates			
127 Zenotech Laboratories Limited	India	46.84%	46.84%
128 Daiichi Sankyo (Thailand) Ltd.	Thailand	26.90%	26.90%
129 Medinstill LLC	United States of America	19.99% (see note w)	-

- b In respect of entities at Sr. No. 5, 6, 7, 8, 9, 99, 116, 118, 119 and 125 the reporting date is as of 31st December, 2015 and different from the reporting date of the Holding Company. In terms of Accounting Standard 21, adjustments have been made for significant transactions of these subsidiaries for the periods from 1st January, 2015 to 31st March, 2015 and 1st January, 2016 to 31st March, 2016, on the basis of their management accounts for the said periods.
- c Entities at Sr. No. 117 to 121 have been incorporated / acquired during the year ended 31st March, 2016.
- d The Group holds voting power of 79.32% (beneficial ownership 68.98%) [Previous Year 79.24% (Beneficial ownership 68.87%)] in the share capital of TARO.
- e With effect from 1st March, 2015 Sun Pharma MEA JLT merged with Sun Pharma Global FZE.
- f With effect from 10th December, 2014 and 11th December, 2014, Orta Limited and Tarochem Limited have been liquidated respectively.
- g With effect from 6th May, 2014, Sun Universal Limited and Khyati Realty ME Limited have been liquidated.
- h With effect from 28th February, 2015 Aditya Pharma Private Limited has been liquidated.
- i Solrex Pharmaceuticals Company is a partnership firm, in which two subsidiaries of the Holding Company are partners.
- j Ranbaxy Portugal - Com E Desenvolv DeProd Farmaceuticos Unipessoal Lda has been liquidated on 30th June, 2015.
- k With effect from 28th October, 2014, Ranbaxy USA, Inc. has been liquidated.
- l Zalicus Pharmaceuticals Limited was acquired during the year and subsequently amalgamated in Taro Pharmaceuticals Inc., on 5th October, 2015.
- m Taro Pharmaceutical India Private Ltd. is under liquidation.
- n During the previous year, entities at Sr. Nos. 18 to 24 and 84 to 116 have become subsidiaries, entities at Sr. Nos. 127 and 128 have become associates and entity at the Sr. No. 122 have become partnership firm w.e.f. 1st April, 2014 being the appointed date, pursuant to the amalgamation of erstwhile Ranbaxy Laboratories Limited (RLL) into the Holding Company.
- o During the year, the Group has sold its investment in Silverstreet Developers LLP with effect from 1st April, 2015.
- p MSD-Sun LLC and MSD-Sun FZ LLC are in the process of liquidation.
- q With effect from 1st January, 2015, Sun Pharma Global Inc. merged with the Holding company and consequently Sun Pharma Holdings has become direct subsidiary of the Holding Company.
- r With effect from 1st March, 2016, Ranbaxy Belgium N.V. has been liquidated.
- s With effect from 20th August, 2015, Caraco Pharma Inc., has been merged with Sun Pharmaceutical Industries, Inc.

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- t With effect from 2nd November, 2015, Thea Acquisition Corporation has been merged with Insite Vision Incorporated.
- u With effect from 1st April, 2015, AR Scientific Inc. and United Research Laboratories Limited, have merged into URL Pharma Inc.
- v With effect from 28th April, 2015, URL Pharma Inc., has merged into Mutual Pharmaceutical Company, Inc.
- w During the year, investment in Medinstill LLC has been determined as investment in associate.
- x Significant Accounting Policies and other Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding of the consolidated position of the Group. Recognising this purpose, the Group has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual financial statements.
- y Disclosures mandated by the Companies Act, 2013 Schedule III Part II by way of additional information is given in Annexure A.

	As at 31st March, 2016	As at 31st March, 2015
₹ in Million		
31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
A) Contingent Liabilities		
I) Claims against the Group not acknowledged as debts	1,127.5	1,021.3
II) Liabilities Disputed - Appeals filed with respect to :		
Income Tax on account of Disallowances / Additions	30,915.7	26,706.7
Sales Tax on account of Rebate / Classification	38.8	37.9
Excise Duty on account of Valuation / Cenvat Credit	2,025.3	624.3
Environment cess	23.3	23.3
ESIC Contribution on account of applicability	0.2	0.2
Service tax on certain services performed outside India under reverse charge basis	-	156.0
Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit, enjoyed by the Group	3,326.4	3,248.0
Demand by JDGFT, import duty with respect to import alleged to be in excess of entitlement as per the Advanced Licence Scheme	15.4	15.4
Fine imposed for anti-competitive settlement agreement by European Commission	773.0	689.1
Octroi demand on account of rate difference	171.0	171.0
Alleged breach of social security code contested by French subsidiary (maximum penalty amount)	-	124.8
Other matters - employee /worker related cases, State Electricity Board, Punjab Land Preservation Act related matters etc.	284.4	302.7
III) Trade commitments	-	530.6
Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.		
B) Commitments		
I) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances)	9,085.0	7,828.3
II) Derivative related commitments - Forward Foreign Exchange Contracts (Refer Note 45)	7,951.2	11,250.0
III) Lease related commitments [Refer Note : 40 (d) (i) and (e) (i)]	3,004.3	1,610.2
IV) Investment related commitments	246.6	2,894.4
C) Guarantees Given by the bankers on behalf of the Group	819.1	776.9
D) Letters of Credit for Imports	1,855.9	1,489.2

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

32 LEGAL PROCEEDINGS

The Holding Company and / or its subsidiaries are involved in various legal proceedings including product liability, contracts, employment claims and other regulatory matters relating to conduct of its business. The respective Company records a provision in the financial statements to the extent that it concludes that a liability is probable and estimable based on the status of these cases, advice of the counsel, management assessment of the likely damages etc. The Group carries product liability insurance / is contractually indemnified by the manufacturer, for an amount it believes is sufficient for its needs. In respect of other claims, the Group believes, these claims do not constitute material litigation matters and with its meritorious defences the ultimate disposition of these matters will not have material adverse effect on its Consolidated Financial Statements.

33 DISCLOSURES RELATING TO SHARE CAPITAL

i Rights, Preferences and Restrictions attached to Equity Shares

The Equity Shares of the Holding Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

ii Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period (previous year excluding share suspense account):

	Year ended 31st March, 2016		Year ended 31st March, 2015	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Equity shares of ₹ 1 each				
Opening Balance	2,071,163,910	2,071.2	2,071,163,910	2,071.2
Add: Shares allotted during the year pursuant to the scheme of Amalgamation (Refer Note 54)	334,770,248	334.8	-	-
Add : Shares allotted to employees on exercise of employee stock options [excluding shares held by ESOP trust (Refer Note 33(iii))]	670,960	0.6	-	-
Closing Balance	2,406,605,118	2,406.6	2,071,163,910	2,071.2

iii The movement of shares issued to ESOP trust at face value is as follows (previous year excluding share suspense account):

	Year ended 31st March, 2016		Year ended 31st March, 2015	
	No. of Shares	₹ in Million	No. of Shares	₹ in Million
Equity shares of ₹ 1 each				
Shares allotted during the year pursuant to Scheme of Amalgamation (Refer Note 54)	186,516	0.2	-	-
Add: Shares allotted to the ESOP trust	160,000	0.1	-	-
Less: Shares issued on exercise of employee stock options by ESOP Trust	223,135	0.2	-	-
At the end of the year	123,381	0.1	-	-

iv 1,035,581,955 (upto the end of previous year 1,035,581,955) Equity Shares of ₹ 1 each have been allotted as fully paid up bonus shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

v 334,956,764 (Previous Year Nil) Equity shares of ₹ 1 each have been allotted during the year pursuant to scheme of Amalgamation without payment being received in cash (Refer Note 54).

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- vi Refer note 43 for number of employee stock options against which equity shares are to be issued by the Holding Company / ESOP Trust upon vesting and exercise of those stock options.
- vii **Equity Shares held by each shareholder holding more than 5 percent Equity Shares (Previous Year excluding Share Suspense Account) in the Holding Company are as follows:**

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dilip Shantilal Shanghvi	231,140,480	9.6	231,140,480	11.2
Viditi Investment Pvt. Ltd.	201,385,320	8.4	201,385,320	9.7
Tejaskiran Pharmachem Industries Pvt. Ltd.	195,343,760	8.1	195,343,760	9.4
Family Investment Pvt. Ltd.	182,927,440	7.6	182,927,440	8.8
Quality Investments Pvt. Ltd.	182,868,640	7.6	182,868,640	8.8

	Year ended 31st March, 2016	Year ended 31st March, 2015
		₹ In Million
34 RESEARCH AND DEVELOPMENT EXPENDITURE		
Revenue (Excluding Depreciation), [net]	21,287.8	17,632.8
Capital	782.6	1,177.5
Total	22,070.4	18,810.3
35 GOODWILL ON CONSOLIDATION (NET):		
Goodwill in respect of :		
Sun Pharmaceutical Industries, Inc.	11,829.0	11,458.1
Sun Farmaceutica do Brasil Ltda	430.4	427.4
Sun Pharma Japan Limited	119.8	127.2
Taro Pharmaceutical Industries Limited	12,858.5	11,849.7
Artes Biotechnology GmbH	193.6	183.1
Insite Vision Incorporated	4,943.8	-
Ranbaxy Pharmaceuticals (Pty) Limited	-	1,331.4
S.C Terapia S.A.	12,015.6	12,015.6
Ranbaxy Ireland Limited	-	117.0
Ranbaxy Farmaceutica Ltda.	250.3	250.3
Gufic Pharma Limited	469.4	469.4
Total (A)	43,110.4	38,229.2
Less:		
Capital Reserve in respect of :		
Alkaloida Chemical Company Zrt.	1,229.2	1,149.5
Ranbaxy Nigeria Limited	0.9	0.9
Ranbaxy Drugs Limited	27.5	27.5
Ranbaxy Malaysia Sdn. Bhd.	41.7	41.7
Total (B)	1,299.3	1,219.6
Total (A-B)	41,811.1	37,009.6

36 RELATED PARTY DISCLOSURES (AS-18) - AS PER ANNEXURE 'B'

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
37 ACCOUNTING STANDARD (AS-20) ON EARNINGS PER SHARE		
Profit for the year (₹ in Million) - used as Numerator for calculating Earnings Per Share	47,159.1	45,393.8
Weighted Average number of Shares used in computing Basic Earnings Per Share (taking into account Equity Shares with respect to Share Suspense Account for previous year)	2,406,379,179	2,404,936,420
Add: Dilution effect of Employee Stock Options	1,059,730	1,193,174
Weighted Average number of Shares used in computing Diluted Earnings Per Share	2,407,438,909	2,406,129,594
Nominal value per share (in ₹)	1.0	1.0
Basic Earnings Per Share (in ₹)	19.6	18.9
Diluted Earnings Per Share (in ₹)	19.6	18.9
38 ACCOUNTING STANDARD (AS-17) ON SEGMENT REPORTING		
a) Primary Segment		
The Group has identified "Pharmaceuticals" as the only primary reportable business segment.		
b) Secondary Segment (by Geographical Segment)		
India	75,947.6	69,797.3
Outside India	203,973.9	205,384.7
Sale of Products	279,921.5	275,182.0

In view of the interwoven / intermix nature of business and manufacturing facility, other segmental information is not ascertainable.

- 39** Intangible assets consisting of trademarks, designs, technical knowhow, licences, non compete fees and other intangible assets are stated at cost of acquisition based on their agreements and are available to the Group in perpetuity. The amortisable amount of intangible assets is arrived at, based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Group.
- 40 (a)** The Group has given certain premises and Plant and Machinery under operating lease or leave and license agreements. These are generally not non-cancellable and periods range between 11 months to 10 years under leave and license / lease and are renewable by mutual consent on mutually agreeable terms. The Group has received refundable interest free security deposits, where applicable, in accordance with agreed terms.
- (b)** The Group has obtained certain premises for its business operations (including furniture and fittings, therein as applicable) under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 10 years under leave and licenses, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Group has given refundable interest free security deposits in accordance with the agreed terms.
- (c)** Lease receipts/payments are recognised in the Consolidated Statement of Profit and Loss under "Lease Rental and Hire Charges" and "Rent" in Note 22 and Note 27.

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
(d) Operating lease		
(i) Group as lessee		
The future minimum lease payments under non-cancellable operating lease		
not later than one year	596.3	602.8
later than one year and not later than five years	840.1	833.1
later than five years	209.2	149.5
(ii) Group as lessor		
The future minimum lease payments under non-cancellable operating lease		
not later than one year	28.0	58.6
later than one year and not later than five years	107.9	85.1
later than five years	67.6	86.1
(e) Finance lease		
(i) Group as lessee		
The future minimum lease payments under non-cancellable finance lease		
not later than one year	134.6	22.5
later than one year and not later than five years	569.5	2.2
later than five years	654.5	-
Less : Unearned Finance charges	610.1	0.6
Present value of minimum lease payments payable aggregate		
not later than one year	32.7	21.9
later than one year and not later than five years	223.7	2.2
later than five years	492.1	-
(ii) Group as lessor		
The future minimum lease payments under non-cancellable finance lease		
not later than one year	46.8	47.3
later than one year and not later than five years	165.8	171.1
later than five years	716.2	757.7
Less : Unearned Finance Income	539.5	576.8
Present value of minimum lease payments receivable aggregate		
not later than one year	10.6	10.0
later than one year and not later than five years	28.3	30.9
later than five years	350.4	358.4

41 ACCOUNTING STANDARD (AS-15) ON EMPLOYEE BENEFITS

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Corporation (ESIC) and other Funds which covers all regular employees. While both the employees and the Group make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and Other Statutory Funds are made only by the Group. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 750.1 Million (Previous Year ₹ 679.6 Million).

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	₹ in Million	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Contribution to Provident Fund and Family Pension Fund	620.5	602.4
Contribution to Superannuation Fund	90.3	51.6
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	26.3	25.5
Contribution to Labour Welfare Fund	12.9	0.1
Employer's Contribution to Family Pension Fund - (Previous Year ₹ 45,198)	0.1	0.0

In respect of Gratuity, a defined benefit plan, Contributions are made to LIC's Recognised Group Gratuity Fund Scheme. Provision for Gratuity is based on actuarial valuation done by independent actuary as at the year end. Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per the Group rules with corresponding charge to the Consolidated Statement of Profit and Loss amounting to ₹ 465.2 Million (Previous Year ₹ 353.2 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Consolidated Statement of Profit and Loss.

The Group had an obligation towards pension, a define benefit retirement plan with respect to certain employees, who had already retired before 1st March, 2013 will continue to receive the pension as per the pension plan.

The Group had an obligation towards provident fund, a defined benefit plan, with respect to certain employees upto 31st March, 2015 and in the current year the contribution for the same is made to RPF which has been included in defined contribution plan.

Category of Plan Assets: The Group's Plan Assets in respect of Gratuity are funded through the Group Scheme of the LIC of India except for certain employees for whom contribution is made to a fund administered under a Trust.

	₹ in Million			
	Provident Fund (funded)		Gratuity (funded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Reconciliation of liability / (asset) recognised in the Balance sheet				
Present value of commitments (as per Actuarial Valuation)	4,598.6	4,810.2	2,722.2	2,169.3
Fair value of plan assets	(4,632.8)	(4,806.5)	(2,141.4)	(1,876.6)
Excess of planned assets over commitments not recognised in the Balance Sheet #	34.2	-	-	-
Net liability in the Balance sheet	-	3.7	580.8	292.7
Expense recognised in the Consolidated Statement of Profit and Loss				
Current service cost	-	180.8	213.4	143.4
Interest cost	347.6	480.0	169.4	140.5
Expected return on plan assets	(393.4)	(395.8)	(163.0)	(155.2)
Actuarial loss/ (gain)	7.9	31.8	442.9	364.7
Recognition of unrecognized liabilities/(assets) of earlier years	3.7	(118.7)	-	-

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₹ in Million

	Provident Fund (funded)		Gratuity (funded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Excess of planned assets over commitments not recognised in the Balance Sheet #	34.2	-	-	-
Expense charged to the Consolidated Statement of Profit and Loss	-	178.1	662.7	493.4
Return on plan assets				
Expected return on plan assets	393.4	395.8	163.0	155.2
Actuarial (loss)/gain	(7.9)	(29.0)	(4.2)	3.3
Actual return on plan assets	385.5	366.8	158.8	158.5
Reconciliation of defined-benefit commitments				
Commitments as at the beginning of the year	4,810.2	-	2,169.3	515.3
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	4,280.8	-	1,145.0
Commitments transferred	28.9	68.5	-	-
Current service cost	-	180.8	213.4	143.4
Employees' contributions during the year	-	412.1	-	-
Interest cost	347.6	480.0	169.4	140.5
Benefits paid	(588.1)	(614.8)	(268.6)	(142.9)
Actuarial (gain) / loss	-	2.8	438.7	368.0
Commitments as at the year end	4,598.6	4,810.2	2,722.2	2,169.3
Reconciliation of plan assets				
Plan assets as at the beginning of the year	4,806.5	-	1,876.6	514.7
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	4,399.5	-	1,279.2
Expected return on plan assets	393.4	395.8	163.0	155.2
Employer's Contributions during the year	-	174.4	374.6	67.1
Employees' contributions during the year	-	412.1	-	-
Plan assets transferred	28.9	68.5	-	-
Benefits paid	(588.1)	(614.8)	(268.6)	(142.9)
Actuarial gain/(loss)	(7.9)	(29.0)	(4.2)	3.3
Plan assets as at the year end	4,632.8	4,806.5	2,141.4	1,876.6

Represents increase in surplus, which in the absence of any right to claim the surplus as refund or expected reduction in future contribution to the plan, is unrecognised.

The actuarial calculations used to estimate commitments and expenses in respect of provident fund and gratuity are based on the assumptions which if changed, would affect the commitment's size, funding requirements and expense.

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Actuarial Assumptions	Provident Fund (funded)		Gratuity (funded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Discount rate	7.54%	7.80%	7.54% to 7.90%	7.80% to 7.94%
Interest rate guarantee	8.80%	8.75%	N.A.	N.A.
Expected return on plan assets **	8.80%	9.00% to 9.03%	7.54% to 9.00%	7.94% to 9.00%
Expected rate of salary increase	N.A.	N.A.	8% to 10%	8% to 10%
Expected average remaining working lives of employees	20.91 to 26.72 years	20.91 to 26.72 years	8.00 to 26.72 years	8.00 to 26.72 years
Withdrawal	15% to 18%	15% to 18%	8% to 18%	3% to 18%
Retirement age	58 to 60 years	58 to 60 years	58 to 60 years	58 to 60 years
Mortality	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)

The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

** On the basis of average rate of earnings expected on the funds invested.

The major categories of plan assets as a percentage of total plan assets are as under:

Particulars	Provident Fund (Funded)		Gratuity (Funded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Central government securities	21%	22%	1%	2%
State government securities	12%	16%	-	1%
Bonds and securities of public sector/ financial institutions	53%	60%	9%	14%
Insurer managed funds (Funded with LIC, break-up not available)	-	-	89%	83%
Surplus fund lying uninvested	14%	2%	1%	-

₹ in Million

Particulars	Provident fund (Funded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Present value of defined benefit obligation	(4,598.6)	(4,810.2)
Fair value of plan assets	4,632.8	4,806.5
Excess of (obligation over plan assets) / plan assets over obligation	34.2	(3.7)
Experience adjustment loss/ (gain) for plan liability	-	(23.5)
Experience adjustment (gain)/ loss for plan assets	(7.9)	(127.9)

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₹ in Million

Experience adjustment	Year ended				
	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
Experience adjustment					
On plan liabilities - loss / (gain)	154.9	218.3	55.7	32.1	26.5
On plan assets - gain / (loss)	(4.2)	3.3	4.4	8.2	6.8
Present value of commitments	2,722.2	2,169.3	515.3	457.9	311.6
Fair value of plan assets	(2,141.4)	(1,876.6)	(514.7)	(436.6)	(347.6)
Net liability / (assets) in the balance sheet	580.8	292.7	0.6	21.3	(36.0)

Notes:

- The gratuity contribution expected to be made by the Group during financial year ending on 31st March, 2017 is ₹ 413.0 Million (Previous Year ₹ 205.7 Million).
- In respect of the erstwhile RLL, the Holding Company has recognised an expense of ₹ 68.2 Million (Previous Year ₹ 16.8 Million) pertaining to portion of employers' contribution paid to the statutory authorities, which is included in "Employee benefits expense".
- The above disclosures are provided to the extent applicable and available from the individual Financial Statements of the Holding Company and subsidiaries.

The erstwhile RLL primarily provides the following retirement benefits to its employees:

Change in the present value of obligations:	Pension (Unfunded)		Retirement pension payment plan (Unfunded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Present value of obligation as at the commencement of the year	974.8	-	36.3	-
Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	957.0	-	34.8
Add: Current service cost	-	-	4.7	4.2
Add: Interest cost	76.6	82.1	0.6	1.1
Less: Benefits paid/ settlement	(87.9)	(86.0)	(3.3)	-
Add: Actuarial (gain) / loss on obligations	(32.8)	21.7	(4.1)	3.7
Translation adjustment - gain	-	-	4.2	(7.5)
Present value of obligation as at the end of the year	930.7	974.8	38.4	36.3
Expenses recognised in the Consolidated Statement of Profit and Loss:				
Current service cost	-	-	4.7	4.2
Add: Interest cost	76.6	82.1	0.6	1.1
Add: Net actuarial (gain) / loss recognised	(32.8)	21.7	(4.1)	3.7
Expense recognised in the Consolidated Statement of Profit and Loss	43.8	103.8	1.2	9.0
Experience adjustment	(70.8)	4.9	-	-

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The following table sets out the assumptions used in actuarial valuation of pension and retirement pension payment plan:

Particulars	Pension (Unfunded)		Retirement pension payment plan (Unfunded)	
	Year ended 31st March, 2016	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2015
Discount rate	7.54%	7.80%	1.50%	1.40%
Rate of increase in compensation levels ##	N.A.	N.A.	2%-3%	2%-3%
Expected average remaining working lives of employees (years)	N.A.	N.A.	14.00 to 25.30 years	19.00 to 26.20 years
Mortality	Indian assured lives mortality (2006-08)	Indian assured lives mortality (2006-08)	Table INSEE F 2008 - 2010	Table INSEE F 2008 - 2010
Disability		5% of mortality rate	-	-
Withdrawal	N.A.	15% - 18%	0% - 20%	0% - 20%
Retirement age	N.A.	58 - 60 years	62 - 65 Years	62 - 65 Years

The salary increase takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Retirement pension payment plan:

The experience adjustment for retirement pension payment plan over current and previous four years have not been given as the amounts are immaterial.

- 42** Taro Pharmaceutical Industries Ltd and its Israeli subsidiaries are required to make severance or pension payments to dismissed employees and to employees terminating employment under certain other circumstances. Deposits are made with a pension fund or other insurance plans to secure pension and severance rights for the employees in Israel.

43 EMPLOYEE SHARE-BASED PAYMENT PLANS

- (a) Erstwhile RLL had Employee Stock Option Schemes ("ESOSs") namely, Employees Stock Option Scheme -II (ESOS-II), Employees Stock Option Scheme 2005 (ESOS 2005) and Employees Stock Option Plan 2011 (ESOP 2011) for the grant of stock options to the eligible employees and Directors of the Erstwhile RLL and its subsidiaries. ESOS-II had been discontinued from 17th January, 2015. The ESOSs is administered by the Compensation Committee ("Committee"). Options are granted at the discretion of the Committee to selected employees depending upon certain criterion. Each option comprises one underlying equity share.

ESOS 2005 scheme provided that the grant price of options would be the latest available closing price on the stock exchange on which the shares of the erstwhile RLL were listed, prior to the date of the meeting of the Committee in which the options were granted. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered. The options vested evenly over a period of five years from the date of grant. Options lapse, if they are not exercised prior to the expiry date, which was ten years from the date of grant.

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ESOP 2011 provided that the grant price of options would be the face value of the equity share i.e. ₹ 5 per share. The options vested evenly over a period of three years from the date of grant. Options lapse, if they were not exercised prior to the expiry date, which was three months from the date of the vesting. An ESOP Trust had been formed to administer ESOP 2011. Shares issued to the ESOP Trust were allocated to the eligible employees upon exercise of stock options from time to time. As per the Guidance Note on Accounting for Employee Share based Payments issued by the Institute of Chartered Accountants of India, the shares issued to an ESOP Trust but yet to be allocated to the employees as on the reporting date have been deducted from the Share Capital with a corresponding adjustment to the loan receivable from ESOP Trust. Accordingly, the Holding Company has adjusted shares held by the ESOP Trust on the reporting date from the Share Capital/Share Suspense Account.

The Shareholders' Committee of erstwhile RLL have approved issuance of options under the ESOS's as per details given below:

Date of approval	Scheme	Original No. of options approved
25th June, 2003	ESOS - II	4,000,000
30th June, 2005	ESOS 2005	4,000,000
9th May, 2011	ESOP 2011	3,000,000

In accordance with the above approval of issuance of options, stock options have been granted from time to time.

The stock options outstanding as on 30th June, 2005 are proportionately adjusted in view of the sub-division of equity shares of the erstwhile RLL from the face value of ₹ 10 each into 2 equity shares of ₹ 5 each.

Pursuant to the Scheme of Amalgamation, Sun Pharmaceutical Industries Limited ('transferee company') formulated two Employee Stock Option Schemes, namely, (i) SUN Employee Stock Option Scheme-2015 (SUN-ESOS 2015) to administer ESOS 2005 (ii) SUN Employee Stock Option Plan-2015 (SUN-ESOP 2015) to administer ESOP 2011. These scheme provides that the number of transferee options issued shall equal to the product of number of transferor options outstanding on effectiveness of Scheme multiplied by the Share exchange ratio (0.80) and each transferee option shall have an exercise price per equity share equal to transferor option exercise price per equity shares divided by the share exchange ratio (0.80) and fractions rounded off to the next higher whole number. The terms and conditions of ESOSs of transferee company are not less favourable than those of ESOSs of erstwhile RLL. No new grants shall be made under these schemes and these schemes shall operate only for the purpose of administering the excursive of options already granted / vested on an employee pursuant to SUN-ESOS 2015 and SUN-ESOP 2015.

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The movement of the options (post split) granted under SUN-ESOS 2015 for the current year is given below:

	Stock options (numbers)	Range of exercise prices (₹)	Weighted-average exercise prices (₹)	Weighted-average remaining contractual life (years)
Outstanding at the commencement of the year				
Number of options – post-merger of erstwhile RLL with the transferee Company	1,169,545	270.00-703.00	496.0	3.3
No. of options on Account of rounding off of the fraction to the next higher whole Number as per the merger Scheme	41	270.00-703.00	496.0	3.3
Total Number of options outstanding	1,169,586	270.00-703.00	496.0	3.3
Exercised during the year \$	(447,825)	270.00-703.00	518.9	-
Lapsed during the year	(111,022)	270.00-703.00	479.9	-
Outstanding at the end of the year *	610,739	270.00-703.00	480.9	2.5
Exercisable at the end of the year *	610,739	270.00-703.00	480.9	-

*Include options exercised, pending allotment.

\$ Weighted average share price on the date of exercise ₹ 823.63

The movement of the options (post split) granted under SUN-ESOP - 2015 for the current year is given below:

	Stock options (numbers)	Exercise price (₹)	Weighted-average exercise prices (₹)	Weighted-average remaining contractual life (years)
Outstanding at the commencement of the year				
Number of options – post-merger of erstwhile RLL with the transferee company	449,430	6.3	6.3	1.7
No. of options on Account of rounding off of the fraction to the next higher whole Number as per the merger Scheme	1,368	6.3	6.3	0.9
No of options of certain overseas employees	4,968	6.3	6.3	0.9
Total number of options outstanding	455,766	6.3	6.3	0.9
Forfeited during the year	(43,326)	6.3	6.3	-
Exercised during the year #^	(224,201)	6.3	6.3	-
Lapsed during the year	(18,326)	6.3	6.3	-
Outstanding, end of the year \$	169,913	6.3	6.3	1.1
Exercisable at the end of the year \$	40,259	6.3	6.3	0.2

\$ Include options exercised, pending allotment.

Shares allotted by the ESOP Trust against the options exercised including 1,066 shares equivalent to 1,333 shares issued by erstwhile RLL prior to 10th April, 2015.

^ Weighed average share price on the date of exercise ₹ 848.68.

During the current year, the Holding Company has recorded a Stock-based employee compensation expense of ₹ 98.8 Million (Previous Year ₹ 205.0 Million). The amount has been determined under a fair value method wherein the grant date fair value of the options is calculated by using Black Scholes pricing model.

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The movement of the options (post split) granted under ESOS II and SUN-ESOS 2015 for the previous year is given below:

	Stock options (numbers)	Range of exercise prices (₹)	Weighted-average exercise prices (₹)	Weighted-average remaining contractual life (years)
Pursuant to the Scheme of Amalgamation	3,579,582	216.00-561.00	426.2	3.4
Forfeited during the year	(21,578)	450.00-450.00	450.0	-
Exercised during the year*	(1,434,434)	216.00-538.50	419.2	-
Lapsed during the year	(661,639)	216.00-538.50	506.4	-
Outstanding at the end of the year \$	1,461,931	216.00-561.00	396.3	3.3
Exercisable at the end of the year \$	1,461,931	216.00-561.00	396.3	3.3
Pursuant to the Scheme of Amalgamation				
Outstanding, end of the year^	1,169,545	270.00-703.00	496.0	3.3
Exercisable at the end of the year^	1,169,545	270.00-703.00	496.0	3.3

\$ Includes options exercised, pending allotment.

* Weighted average share price on the date of exercise ₹ 637.7

^ Number of shares and exercise price are adjusted in accordance with the share exchange ratio (0.8) as per the scheme

The movement of the options (post split) granted under SUN-ESOP 2015 for the previous year is given below:

	Stock options (numbers)	Exercise price (₹)	Weighted-average exercise prices (₹)	Weighted-average remaining contractual life (years)
Pursuant to the Scheme of Amalgamation	986,905	5.0	5.0	0.9
Granted during the year	481,766	5.0	5.0	-
Forfeited during the year	(202,133)	5.0	5.0	-
Exercised during the year #*	(675,123)	5.0	5.0	-
Lapsed during the year	(29,628)	5.0	5.0	-
Outstanding, end of the year	561,787	5.0	5.0	1.7
Exercisable at the end of the year \$	52,434	5.0	5.0	0.2
Pursuant to the Scheme of Amalgamation				
Outstanding, end of the year^	449,430	6.3	6.3	1.7
Exercisable at the end of the year^	41,948	6.3	6.3	0.2

\$ Includes options exercised, pending allotment

Shares allotted by the ESOP Trust against these exercises

* Weighted average share price on the date of exercise ₹ 621.36.

^ Number of shares and exercise price are adjusted in accordance with the share exchange ratio (0.8) as per the scheme.

The following table summarizes the assumptions used in calculating the grant date fair value for instrument granted in the year ended 31st March, 2015: @@

Particulars	Year ended 31st March, 2015
Grant Date	8th May, 2014
Dividend yield	0.43%
Expected life of options from the date(s) of grant	1.25, 2.25 and 3.25 years
Risk free interest rate	8.57% (1.25 years) 8.65% (2.25 years) 8.71% (3.25 years)
Expected volatility	40.47%
Grant date fair value	₹ 462.39 (1.25 years) ₹ 460.79 (2.25 years) ₹ 459.16 (3.25 years)

@@ Assumptions used are as applicable at the date of grant in the context of erstwhile RLL

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The Black-Scholes option-pricing model was developed for estimating fair value of trade options that have no vesting restrictions and are fully transferable. Since options pricing models require use of subjective assumptions, changes therein can materially affect fair value of the options. The options pricing models do not necessarily provide a reliable measurable of fair value of options. The volatility in the share price is based on volatility of historical stock price of the erstwhile RLL for last 60 months.

(b) As at March 31, 2016, the Holding Company has received an amount of ₹ 6.7 Million towards share application money towards 13,780 equity shares of the Holding Company [As at 31st March, 2015 ₹ 149.0 Million towards 280,474 equity shares (no. of shares post merger)] at a premium of ₹ 6.7 Million (As at 31st March, 2015 ₹ 148.7 Million). The Holding Company will allotted these equity shares during the next financial year. The Holding Company has sufficient authorised capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and are not available for use by the Holding Company.

44 Stock-based compensation is accounted at Taro Pharmaceutical Industries Limited (Taro) based on the estimated fair value of stock options granted using the Black-Scholes model. Taro recognizes compensation expense for the value of its awards granted subsequent to 1st January, 2006, based on the straight-line method over the requisite service period of each of the awards, net of estimated forfeitures. The fair value of an award is affected by the stock price on the date of grant and other assumptions, including the estimated volatility of stock price over the term of the awards and the estimated period of time that Taro expect employees to hold their stock options.

A summary of Taro stock activity and related information for the year ended 31st March, 2016:

	No. of Options	Exercise price (In USD)	Weighted Average Exercised Price (In USD)	Weighted Average remaining Contractual Terms (in Years)	Aggregate Intrinsic Value (In USD)
Outstanding at the beginning of the year	-	-	-	-	-
	(1,000)	(26.09)	(26.09)	(0.6)	(85.0)
Exercised during the year	-	-	-	-	-
	(1,000)	(26.09)	(26.09)	(0.6)	(85.0)
Forfeited during the year	-	-	-	-	-
	(-)	(55.03 - 60.38)	(57.0)	(-)	(-)
Outstanding at the end of the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)

Previous Year figures are in brackets.

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- 45** The following are the outstanding contracts of derivative instruments entered by the Holding Company and some of its Subsidiaries as on 31st March, 2016:

Nature of Derivative Contract	Currency	Buy / Sell	Cross Currency	As at	As at
				31st March, 2016	31st March, 2015
				Amount in Million	Amount in Million
Forward Contract	US Dollar	Sell	INR	140.0	350.0
Forward Contracts	US Dollar	Sell	NIS	-	26.1
Forward Contracts	US Dollar	Sell	CAD	-	24.9
Interest Rate Swaps (Floating to Fixed)	US Dollar	Sell	US Dollar	-	6.7
Forward contracts	US Dollar	Buy	INR	14.0	170.0
Forward contracts	PLN	Sell	RON	-	1.7
Forward contracts	RUB	Sell	RON	-	62.6
Currency swaps	US Dollar	Buy	INR	-	30.0
Currency Options	US Dollar	Buy	INR	100.0	100.0
Currency options **	US Dollar	Sell	INR	1.0	71.0
Interest rate swaps	US Dollar	Buy	INR	40.0	-
Currency cum interest rate swaps	US Dollar	Buy	INR	50.0	100.0
Forward contracts	ZAR	Sell	INR	-	42.5

** structured options @ 2.00 to 2.50 times

- 46** Taro Pharmaceutical Industries Ltd had closed during 2010, i.e., prior to acquiring control by the Holding Company, the manufacturing facility of its subsidiary in Ireland and decided to sell the facility. The management of the Group is of the view that the closure does not have material impact on the Group's financials. The related assets of ₹ 79.5 Million (Previous Year ₹ 79.9 Million), Liabilities of ₹ 1.3 Million (Previous Year ₹ 0.7 Million), Revenues of ₹ Nil (Previous Year ₹ Nil) and Losses of ₹ 15.4 Million (Previous Year ₹ 47.5 Million) attributable to its Irish Subsidiary have been considered in the Consolidated Financial Statements.
- 47** a) Deferred tax asset on unabsorbed depreciation/carry forward losses of the Holding Company have been restricted to the extent of deferred tax liability.
- b) Deferred tax asset on unabsorbed losses is mainly pertaining to two subsidiaries. In case of one subsidiary, losses have arisen mainly on account of one time impairment loss recognised as an exceptional item during the year and having regard to the history of profits/growth in operations, the Management believes that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. In respect of another subsidiary, which is acquired during the year, having regard to contracts entered for providing services, the Management believes that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- 48** Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 171.0 Million (Previous Year ₹ 74.3 Million).
- 49** a) Sun Pharma Global FZE, a subsidiary of the Holding Company holds 23.35% in the capital of Enceladus Pharmaceutical B.V. However, as Sun Pharma Global FZE does not have any 'Significant Influence' in Enceladus Pharmaceutical B.V., as is required under AS 23 - "Accounting for Investments in Associates in Consolidated Financial Statements", the said investment in Enceladus Pharmaceutical B.V. has not been consolidated as an "Associate Entity". Accordingly, the investment in Enceladus Pharmaceutical B.V. is accounted in accordance with Accounting Standard 13 - "Accounting for Investments".

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- b) The Holding Company holds 24.91% in the capital of Shimal Research Laboratories Limited. However, as the Holding Company does not have any 'Significant Influence' in Shimal Research Laboratories Limited, as is required under AS 23 - "Accounting for Investments in Associates in Consolidated Financial Statements", the said investment in Shimal Research Laboratories Limited has not been consolidated as an "Associate Entity". Accordingly, the investment in Shimal Research Laboratories Limited is accounted in accordance with Accounting Standard 13 - "Accounting for Investments".

- 50** In respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, provision has been made, which would be required to settle the obligation. The said provisions are made as per the best estimate of the management and disclosure as per Accounting Standard (AS) 29 - "Provisions, Contingent Liabilities and Contingent Assets" has been given below:

Particulars	As at 31st March, 2016		As at 31st March, 2016	
	Product and Sales related*	Consultancy Charges	Product and Sales related*	Consultancy Charges
Provision				
Opening balance	43,804.3	1,184.6	38,251.2	-
Add: Pursuant to the Scheme of Amalgamation (Refer Note 54)	-	-	2,573.6	-
Add: Provision for the year	11,905.3	-	15,133.1	1,184.6
Less: Utilisation/Settlement	(12,830.5)	(1,184.6)	(13,164.8)	-
Add/ (Less): Foreign currency translation Difference	2,517.5	-	1,011.2	-
Closing balance	45,396.6	-	43,804.3	1,184.6

* Includes provision for Trade commitments, discounts, rebates, product returns, Medic aids and contingency provision.

- 51** a) Exceptional items for the year ended 31st March, 2016 represents charge on account of impairment of fixed assets and other related costs and write down of the carrying value of goodwill on consolidation. This charge has arisen on account of the integration and optimization exercise being carried out for certain manufacturing facilities.
- b) Exceptional item for the year ended 31st March, 2015 represents the settlement provision for a litigation concerning its participation in the Texas Medicaid Program. Under the settlement agreement, the Group is making payments to the State of Texas in a series of tranches through August 2015. The Group had settled the matter to avoid any further distraction and uncertainty of continued litigation with the State of Texas.
- 52** a) Since the US-FDA issued an import alert on cephalosporin product manufactured at Karkhadi facility in March 2014, the Holding Company remained fully committed to implement all corrective measures to address the observations made by the US-FDA with the help of third party consultant. Substantial progress has been made at the Karkhadi facility in terms of completing the action items to address the observations made by the US-FDA in its warning letter issued in May 2014. The Holding Company is continuing to work closely and co-operatively with the US-FDA to resolve the matter. The contribution of this facility to Holding Company's revenues is not significant.
- b) The US-FDA, on 23rd January, 2014, had prohibited using API manufactured at Toansa facility for manufacture of finished drug products intended for distribution in the U.S. market. Consequentially, the Toansa manufacturing facility was subject to certain terms of the consent decree of permanent injunction entered into by the Holding Company in January 2012. In addition, the Department of Justice of the USA ('US DOJ'), United States Attorney's Office for the District of New Jersey had also issued an administrative subpoena dated 13th March, 2014 seeking information primarily related to Toansa manufacturing facility for which a Form 483 containing findings of the US-FDA was issued in January 2014. The Holding Company is continuing to fully cooperate and is in dialogue with the US DOJ, and continuing to provide requisite information.

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- c) In December 2015, the US-FDA issued warning letter to the Holding Company with respect to its manufacturing facility at Halol. The Holding Company remains fully committed to implement all corrective measures to address the observations made by the US-FDA with the help of third party consultant. The Holding Company is providing regular updates to US-FDA on the progress of the corrective actions committed in the response to warning letter. The Holding Company is continuing to manufacture and distribute products to the U.S from Halol facility and at the same time working closely and co-operatively with the US-FDA to resolve the matter.
- 53** In the absence of net profits in the Holding Company for the previous year ended 31st March, 2015, remuneration to the Managing Director and a Whole-time Director of the Holding Company for the previous year ended 31st March, 2015 was in excess of the limits specified under Schedule V to the Companies Act, 2013 by ₹ 20.7 Million. In this regard the Holding Company had made necessary applications to the Central Government of India for approving of the amounts of maximum remuneration payable, which includes the excess amounts already paid / provided. During the year, the Holding Company has received a letter from the Central Government of India approving the remuneration of ₹ 6.0 Million per annum each to the Managing Director and each of Whole-time Directors of the Holding Company for the three years ending 31st March, 2017, which is lower than the limits of maximum remuneration prescribed under Schedule V to the Companies Act, 2013, and in respect of which, the Holding Company has made further representations to the Central Government of India. The response in respect of the foregoing is awaited from the Central Government of India. For the current year, the remuneration paid is within the limits prescribed under Schedule V to the Companies Act, 2013. On receipt of the approval from the Central Government of India, the balance amount of remuneration for the current year, as per their entitlement, shall be paid to the Managing Director and a Whole-time Director, as applicable, and the same shall be given effect to in the year in which the approval is received.
- 54** Pursuant to the Scheme of Arrangement u/s 391 to 394 of the Companies Act, 1956 for amalgamation of erstwhile RLL with the Holding Company as sanctioned by the Hon'ble High Court of Gujarat and Hon'ble High Court of Punjab and Haryana on 24th March, 2015 (effective date) all the assets, liabilities and reserves of erstwhile RLL were transferred to and vested in the Holding Company with effect from 1st April 2014, the appointed date. Erstwhile RLL along with its subsidiaries and associates was operating as an integrated international pharmaceutical organisation with business encompassing the entire value chain in the production, marketing and distribution of pharmaceutical products. The scheme was accordingly been given effect to in the Consolidated Financial Statements for the year ended 31st March, 2015.
- The amalgamation was accounted for under the "Pooling of Interest Method" as prescribed under Accounting Standard 14 - "Accounting for Amalgamations" (AS 14) as specified under section 133 of the Companies Act 2013. Accordingly and giving effect in compliance of the Scheme of Arrangement all the assets, liabilities and reserves of erstwhile RLL were recorded in the books of the Holding Company at their carrying amounts and in the same form as at the appointed date in the books of erstwhile RLL.
- On 10th April, 2015, in terms of the Scheme of Arrangement 0.8 equity share of ₹ 1 each (Number of Shares 334,956,764 including 186,516 Shares held by ESOP trust) of the Holding Company has been allotted to the shareholders of erstwhile RLL for every 1 share of ₹ 5 each (Number of Shares 418,695,955 including 233,146 shares held by ESOP trust) held by them in the share capital of erstwhile RLL, after cancellation of 6,967,542 shares of erstwhile RLL. These shares were considered for the purpose of calculation of earnings per share appropriately. The net effect of ₹ 982.5 Million being the difference between the amount recorded as share capital, the amount of the share capital of erstwhile RLL and cancellation of shares of erstwhile RLL has been reduced from Reserves.
- 55** Erstwhile RLL had early adopted Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement" and AS 31 "Financial Instruments: Presentation" for accounting of derivative instruments which are outside the scope

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of Accounting Standard 11 'The Effects of Changes in Foreign Exchange Rates' such as forward contracts to hedge highly probable forecast transactions, option contracts, currency swaps, interest rate swaps etc. In order to align with the Group's accounting policy, derivative instruments were accounted for in accordance with the announcement issued by the Institute of Chartered Accountants of India dated 28th March, 2008. On the principles of prudence as enunciated in Accounting Standard 1 "Disclosure of Accounting Policies" which requires to provide losses in respect of all outstanding derivative instruments at the balance sheet date by marking them to market. Accordingly, the unrealised MTM gain of ₹ 905.4 Million as at 1st April, 2014 was reversed in the Consolidated Financial Statements for the year ended 31st March, 2015.

56 Out of a MAT credit entitlement of ₹ 8,222.7 Million which was written down by the erstwhile RLL during the quarter ended 31st December, 2014, an amount of ₹ 7,517.0 Million was recognized by the Holding Company in the year ended 31st March, 2015, on a reassessment by the Management, based on convincing evidence that the combined amalgamated entity would pay normal income tax during the specified period and would therefore be able to utilize the MAT credit so recognised. Current tax for the previous year also includes ₹ 285.1 Million pertaining to earlier years.

57 Details of Long term borrowings and current maturities of long term debt and finance lease obligations (included under Other Current Liabilities)

A Secured Term Loan from banks:

- (I) Long term loan of ₹ Nil (Previous Year USD 5.9 Million - ₹ 368.0 Million) [Included in long term borrowings ₹ Nil (Previous Year ₹ 311.0 Million) and ₹ Nil (Previous Year ₹ 57.0 Million) in current maturities of long term debt] which was repayable by October 2020 has been repaid during the year. The loan was secured by building situated at New York.
- (II) Loan of ₹ Nil (Previous Year BRL 0.8 Million - ₹ 16.4 Million) included in long term borrowings ₹ Nil (Previous Year ₹ 16.4 Million) which was repayable by December 2016 has been repaid during the year. The loan was secured by land and factory building situated at Goiania, Brazil.

B Secured Term Loan from Other Parties:

The Holding Company has term loan from Department of Biotechnology of ₹ 77.3 Million (Previous Year ₹ 77.3 Million) secured by hypothecation of assets and goods of the Holding Company. The loan is repayable in 10 (Previous Year 10) half yearly installments of ₹ 7.7 Million (Previous Year 7.7 Million) each commencing from 26th September, 2017. Last installment is due on 26th March, 2022.

C Lease obligations of USD 11.3 Million equivalent to ₹ 748.5 Million (Previous Year USD 0.4 Million equivalent to ₹ 24.1 Million) [included in long term borrowing ₹ 715.8 Million (Previous Year ₹ 2.2 Million) and ₹ 32.7 Million (Previous Year ₹ 21.9 Million) in current maturities of long term finance lease obligations] repayable by FY 2019-2025 is secured against assets taken on finance lease.

D Unsecured Term Loan from banks:

- (I) Loan of USD 18.2 Million equivalent ₹ 1,206.7 Million (Previous Year USD 18.9 Million equivalent ₹ 1,181.6 Million) [Included in long term borrowings ₹ 1,158.8 Million (Previous Year 1,138.3 Million) and ₹ 47.9 Million (Previous Year ₹ 43.3 Million) in current maturities of long term debt] which is repayable in varying amounts by June 2033. The loan is collateralized by substantially all the assets of Pharmeducence Inc.
- (II) External Commercial Borrowings (ECBs) has 6 loans aggregating to USD 266.0 Million equivalent to ₹ 17,625.2 Million (Previous Year USD 288.0 Million ₹ 18,001.4 Million) [Included in long term borrowings ₹ 15,902.4 Million (Previous Year ₹ 11,625.9 Million) and ₹ 1,722.8 Million (Previous Year ₹ 6,375.5 Million)

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in current maturities of long term debt]. For the loans outstanding as at 31st March, 2016, the terms of repayment of borrowings are as follows:

- (a) Nil (Previous Year USD 50.0 Million) equivalent to Nil (Previous Year ₹ 3125.2 Million) The loan was taken on 12th August, 2010. The outstanding amount has been repaid in Current Year.
 - (b) Nil (Previous Year USD 30.0 Million) equivalent to Nil (Previous Year ₹ 1,875.2 Million) The loan was taken on 9th September, 2010. The outstanding amount has been repaid in Current Year.
 - (c) USD 20.0 Million equivalent to ₹ 1,325.2 Million (Previous Year USD 30.0 Million ₹ 1,875.2 Million). The loan was taken on 30th June, 2011 and is repayable in 3 equal installments at the end of 4th year, 5th year and 6th year. First installment of USD 10 Million equivalent to ₹ 637.9 Million has been repaid in current year and the last instalment is due on 30th June, 2017.
 - (d) USD 50.0 Million equivalent to ₹ 3,313.0 Million (Previous Year USD 50.0 Million ₹ 3,125.2 Million). The loan was taken on 20th September, 2012 and is repayable on 19th September, 2017.
 - (e) USD 100.0 Million equivalent to ₹ 6,626.0 Million (Previous Year USD 100.0 Million ₹ 6,250.5 Million). The loan was taken on 4th June, 2013 and is repayable on 3rd June, 2018.
 - (f) USD 16.0 Million equivalent to ₹ 1,060.2 Million (Previous Year USD 28.0 Million ₹ 1,750.1 Million). Loan of USD 40 Million was taken on 25th March, 2011 and is repayable in 3 installments viz., 30% each of the drawn amount at the end of 4th year and 5th year each and 40% of the drawn amount at the end of the 6th year. Second installment of USD 12.0 Million has been repaid in current year. First instalment of USD 12.0 was repaid in previous year. The last instalment is due on 24th March, 2017.
 - (g) USD 50.0 Million equivalent to ₹ 3,313.0 Million (Previous Year ₹ Nil). The loan was taken on 11th August, 2015 and is repayable on 11th August, 2017.
 - (h) USD 30.0 Million equivalent to ₹ 1,987.8 Million (Previous Year ₹ Nil). The loan was taken on 9th September, 2015 and is repayable on 8th September, 2017.
- (III) Foreign Currency Non Resident Loan (FCNR) Scheme of USD 50 Million equivalent to ₹ 3,313.0 Million (Previous Year ₹ Nil). The loan was taken on 19th August, 2015 and is repayable on 18th August, 2017.

E Unsecured Debentures:

₹ 10,000.0 Million (Previous Year ₹ Nil) Rated unsecured listed redeemable non-convertible debentures at a coupon rate of 7.94% p.a. were issued by Sun Pharma Laboratories Limited ("SPLL" - the Wholly owned subsidiary) on 23rd December, 2015. Following are the details:

Particulars	Face Value (₹)	Redemption Amount (₹ in Million)	Date of Redemption
Rated Unsecured Listed Redeemable 5,000 Non-Convertible Debentures Series 2	1,000,000	5,000.0	23rd March, 2019
Rated Unsecured Listed Redeemable 5,000 Non-Convertible Debentures Series 1	1,000,000	5,000.0	22nd December, 2017

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F Unsecured Term Loan from Other Parties:

Unsecured loan from other parties amounting to ₹ Nil (Previous Year ₹ 513.1 Million) of which ₹ Nil (Previous Year ₹ 497.6 Million) was repayable after August 2016 on demand and balance of ₹ Nil (Previous Year ₹ 15.5 Million) was repayable after March 2016 on demand. The above loans has been repaid during the year.

G Term Loan from banks and Debentures (included under current maturities of long term borrowing):

(I) ₹ Nil (Previous Year ₹ 5,000.0 Million) redeemable non-convertible debentures issued on 23rd November, 2012 for a period of 36 months at a coupon rate of 9.20% p.a. were repaid during the year. Such debentures were secured by a pari-passu first ranking charge on the Holding Company's specified fixed assets so as to provide a fixed asset cover of 1.25x and were listed on the National Stock Exchange.

(II) Loan of ₹ Nil (Previous Year ₹ 2,500.0 Million) was repaid during the year.

The Holding Company has not defaulted on repayment of loan and interest payment thereon during the year.

58 DETAILS OF SECURITIES FOR SHORT TERM BORROWINGS ARE AS UNDER:

First charge has been created on a pari-passu basis, by hypothecation of inventories, trade receivables, outstanding money receivables, claims and bills and other receivables (includes under loans and advances and other assets), both present and future.

	As at 31st March, 2016	As at 31st March, 2015
59 LOANS/ADVANCES DUE FROM AN ASSOCIATES		
Interest bearing with specified repayment schedule:	₹ In Million	₹ In Million
Zenotech Laboratories Limited, India *		
Considered good	-	326.8
Considered doubtful	663.5	274.0
	663.5	600.8
Less: Provision for doubtful loans / advances	663.5	274.0
	-	326.8

* includes interest accrued and due on loans amounting to ₹ 151.5 Million (Previous Year ₹ 88.8 Million).

Loans have been granted to the above entity for the purpose of its business.

Consequent to the amalgamation of erstwhile RLL into the Holding Company as referred in Note 54, Zenotech Laboratories Limited ('Zenotech') had become an associate of the Holding Company. The erstwhile RLL had granted certain loans to Zenotech which were outstanding and inherited by the Holding Company. The Holding Company has not granted any further loans to Zenotech post effective date of amalgamation i.e. 24th March, 2015. The balance of this inherited outstanding loan is ₹ 512.0 Million (Previous Year ₹ 512.0 Million). The Holding Company is in process of evaluating various options in relation to recovery of the outstanding loans and interest thereon of ₹ 151.5 Million (Previous Year ₹ 88.8 Million). During the year, Zenotech's reference to the Board for Industrial and Financial Reconstruction (BIFR) had already been registered as case no. 115/2015 under Section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985.

60 a) Insite Vision Incorporated, a pharmaceutical company, incorporated in United States of America became subsidiary of the Holding Company on 2nd November, 2015. Accordingly, these Consolidated Financial Statements includes total assets of ₹ 899.9 Million and total liabilities ₹ 991.8 Million as on 31st March, 2016 and total revenues of ₹ 2.1 Million, loss before tax of ₹ 483.8 Million and loss after tax ₹ 90.7 Million for the period from 2nd November, 2015 to 31st March, 2016.

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- b) On 1st September, 2015, the Group acquired opiate business from GSK in Australia. Accordingly, these Consolidated Financial Statements includes total assets of ₹ 8,904.7 Million and total liabilities ₹ 2,603.6 Million as on 31st March, 2016 and total revenues of ₹ 1,996.0 Million, loss before tax and loss after tax ₹ 127.5 Million for the period from 1st September, 2015 to 31st March, 2016.
- 61** With regard to tangible assets, the Holding Company and its Indian subsidiaries have adopted the useful life of fixed assets as indicated in Part C of Schedule II of the Companies Act, 2013 and amendment thereto vide notification dated 29th August, 2014 issued by the Ministry of Corporate Affairs. Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on 1st April, 2014, were fully depreciated, and an amount of ₹ Nil (Previous Year ₹ 578.5 Million) was charged to the Consolidated Statement of Profit and Loss for the year ended 31st March, 2015.
- 62** Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the group financial statements.
- 63** Previous year's figures are regrouped/reclassified wherever necessary.

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ANNEXURE 'A'
DISCLOSURES MANDATED BY SCHEDULE III OF COMPANIES ACT, 2013, BY THE WAY OF ADDITIONAL INFORMATION

Name of the Entity	Net Assets, i.e., total assets minus total liabilities			Share in profit/(loss)				
	2015-16	2014-15	2014-15	2015-16	2014-15	2014-15		
	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated profit/(loss)	Amount (₹ in Million)		
	2	3	4	5	6	7		
	8	9	10	11	12	13		
Parent Entity – Sun Pharmaceutical Industries Limited	68.41	214,830.9	88.87	227,713.7	(22.76)	(10,733.6)	(32.47)	(14,741.3)
Subsidiaries								
Indian								
1 Green Eco Development Centre Ltd.	(0.00)	(3.8)	(0.00)	(3.8)	(0.00)	(0.0)	(0.01)	(4.0)
2 Sun Pharma Laboratories Limited	60.62	190,356.7	72.63	186,107.1	14.22	6,704.9	(0.50)	(227.0)
3 Faststone Mercantile Company Private Limited	0.00	10.7	0.00	9.1	0.00	1.6	(0.00)	(0.0)
4 Neethav Real Estate Private Limited	0.00	15.1	0.01	14.0	0.00	1.1	0.00	1.8
5 Realstone Multitrade Private Limited	0.00	10.7	0.00	9.1	0.00	1.6	(0.00)	(0.0)
6 Skisen Labs Private Limited	0.00	0.1	(0.00)	(9.1)	(0.33)	(154.3)	(0.04)	(18.1)
7 Softdeal Trading Company Private Limited	0.00	10.1	0.00	8.7	0.00	1.5	(0.00)	(0.0)
8 Ranbaxy Drugs Limited	0.07	215.9	0.68	1,730.1	0.00	0.4	0.07	30.1
9 Vidyut Investments Limited	0.01	24.8	0.01	23.6	0.00	1.1	0.00	1.2
10 Gufic Pharma Limited	0.00	4.2	0.00	4.0	0.00	0.2	0.00	0.2
11 Universal Enterprises (Pvt) Ltd.	0.00	5.3	0.00	5.3	0.00	0.0	(0.00)	(0.0)
12 Silverstreet Developers LLP	-	-	1.08	2,776.2	-	-	(0.00)	(0.2)
13 Solrex Pharmaceuticals Company	0.58	1,834.1	0.68	1,734.3	0.26	123.0	0.14	61.9
Foreign								
1 Sun Pharma Global Inc.	-	-	-	-	-	-	(0.01)	(2.9)
2 Sun Pharmaceutical (Bangladesh) Ltd.	0.23	721.1	0.21	527.6	0.34	162.5	0.36	163.8
3 Sun Pharmaceutical Industries, Inc. (Consolidated with its Subsidiaries, Jointly Controlled Entity and an Associate)	4.55	14,281.4	5.56	14,239.4	(1.81)#	(855.3)	5.87	2,665.4
4 Sun Farmaceutica Do Brasil Ltda.	(0.69)	(2,153.1)	(0.64)	(1,638.0)	(1.28)	(603.4)	(2.34)	(1,060.3)
5 Sun Pharma De Mexico S.A. DE C.V.	0.23	710.1	0.23	577.1	0.37	173.2	0.54	246.6
6 SPIL De Mexico S.A. DE C.V.	0.00	0.2	0.00	0.2	-	-	-	-
7 Sun Pharmaceutical Peru S.A.C.	(0.04)	(127.9)	(0.04)	(102.2)	(0.06)	(29.7)	(0.07)	(30.1)
8 OOO "Sun Pharmaceutical Industries" Ltd.	(0.05)	(165.0)	(0.02)	(61.4)	(0.26)	(123.3)	(0.06)	(25.6)
9 Sun Pharma De Venezuela, C.A.	(0.37)	(1,152.5)	(0.39)	(1,001.8)	(1.62)	(761.7)	(0.96)	(434.4)
10 Ranbaxy Pharmacie Genériques	(0.52)	(1,623.8)	(0.52)	(1,332.9)	(0.27)	(125.8)	(1.08)	(489.2)
11 Ranbaxy Malaysia Sdn. Bhd.	0.09	294.0	0.26	665.4	(0.76)	(358.1)	(0.70)	(318.3)
12 Ranbaxy Nigeria Limited	0.34	1,055.6	0.35	906.0	0.22	104.8	0.12	55.1
13 Ranbaxy (Netherlands) BV	16.87	52,964.2	20.74	53,140.6	(7.05)	(3,326.5)	(2.46)	(1,117.1)
14 Alkaloida Chemical Company Zrt.	8.41	26,395.3	13.78	35,309.1	(1.45)	(685.7)	(2.59)	(1,174.9)
15 Sun Pharmaceutical UK Ltd.	(0.03)	(107.0)	(0.03)	(84.3)	(0.05)	(21.2)	0.05	23.9
16 Sun Pharmaceutical Industries (Australia) Pty Limited	0.76	2,394.6	(0.04)	(95.7)	(0.52)	(246.8)	(0.13)	(58.9)
17 Aditya Acquisition Company Ltd.	0.00	0.1	(0.00)	(8.2)	0.02	8.6	(0.02)	(8.2)
18 Sun Pharmaceutical Industries (Europe) BV.	(0.05)	(148.8)	(0.06)	(146.4)	0.03	15.9	0.06	25.6
19 Sun Pharmaceutical Italia S.R.L.	(0.12)	(379.3)	(0.12)	(315.5)	(0.05)	(23.7)	0.01	6.7
20 Sun Pharmaceutical Spain, S.L.U.	(0.12)	(371.0)	(0.11)	(274.8)	(0.13)	(61.2)	(0.07)	(31.2)
21 Sun Pharmaceuticals Germany GmbH	(0.07)	(204.7)	(0.07)	(186.4)	0.01	5.9	0.02	10.1

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Name of the Entity	Net Assets, i.e., total assets minus total liabilities					Share in profit/(loss)		
	2015-16		2014-15		2015-16		2014-15	
	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated profit/(loss)	Amount (₹ in Million)	As % of consolidated profit/(loss)	Amount (₹ in Million)
	2	3	4	5	6	7	8	9
1 Sun Pharmaceuticals France	(0.00)	(15.0)	(0.01)	(14.2)	0.00	1.6	0.00	0.4
23 Sun Pharma Global (FZE)	35.31	110,892.7	31.95	81,853.5	50.79	23,951.0	24.40	11,077.3
24 Sun Pharmaceuticals (SA) (Pty) Ltd.	(0.00)	(0.1)	(0.00)	(0.1)	(0.00)	(0.0)	(0.00)	(0.0)
25 Sun Global Canada Pty. Ltd.	(0.00)	(1.2)	(0.00)	(0.9)	(0.00)	(0.2)	(0.00)	(0.0)
26 Sun Pharma Philippines, Inc.	(0.10)	(308.9)	(0.07)	(171.1)	(0.28)	(131.1)	(0.19)	(87.4)
27 Sun Pharmaceuticals Korea Ltd.	0.00	4.5	0.00	4.9	(0.00)	(0.2)	(0.00)	(0.1)
28 Sun Global Development FZE	0.06	185.9	0.07	176.0	(0.00)	(0.7)	(0.00)	(0.7)
29 Sun Pharma Japan Ltd.	(0.11)	(339.6)	(0.08)	(207.1)	(0.21)	(98.7)	(0.21)	(93.9)
30 Sun Pharma HealthCare FZE	0.06	182.5	0.07	172.2	(0.00)	(0.1)	(0.02)	(11.2)
31 Sun Pharma MEA JLT	-	-	(0.00)	(9.7)	-	-	(0.05)	(24.3)
32 Sun Laboratories FZE	(0.08)	(239.5)	0.30	763.0	(2.18)	(1,028.1)	(0.00)	(0.8)
33 Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	40.85	128,284.6	34.54	88,506.2	75.22	35,472.3	65.69	29,821.3
34 Aditya Pharma Private Limited	-	-	-	-	0.00	0.0	(0.00)	(0.1)
35 Alkaloids Sweden AB	(0.01)	(45.9)	(0.02)	(50.9)	0.02	11.3	(0.07)	(29.7)
36 Sun Pharma Switzerland Limited	0.00	5.4	0.00	5.5	(0.00)	(0.5)	(0.00)	(0.6)
37 Sun Pharma Holdings	72.23	226,846.2	83.51	213,973.5	(0.01)	(3.1)	0.37	166.5
38 Sun Pharma East Africa Limited	(0.01)	(42.4)	(0.00)	(0.8)	(0.09)	(40.8)	(0.00)	(0.9)
39 Ranbaxy Australia Pty Ltd.	(0.28)	(892.8)	(0.34)	(868.2)	0.07	33.6	0.10	46.4
40 Ranbaxy Belgium NV.	-	-	0.01	37.2	0.01	3.2	0.00	0.1
41 Ranbaxy Farmaceutica Ltda.	(0.33)	(1,036.7)	(0.25)	(646.5)	(0.88)	(416.8)	(1.19)	(540.3)
42 Ranbaxy Pharmaceuticals Canada Inc.	0.13	414.4	0.12	319.3	0.17	79.4	(0.74)	(337.5)
43 Ranbaxy Egypt LLC	0.01	21.2	0.06	165.8	(0.31)	(145.5)	0.04	17.6
44 Rexcel Egypt LLC	(0.00)	(6.6)	(0.00)	(5.4)	(0.00)	(1.9)	(0.01)	(6.6)
45 Office Pharmaceutique Industriel et Hospitalier SARL	0.02	70.5	0.02	59.8	0.01	3.5	0.00	1.0
46 Basics GmbH	0.28	872.6	0.33	843.3	(0.15)	(69.1)	0.13	58.5
47 Ranbaxy GmbH	0.00	1.9	0.00	1.7	-	-	-	-
48 Ranbaxy Ireland Limited	0.31	963.3	0.49	1,251.2	(0.73)	(345.8)	0.49	223.0
49 Ranbaxy Italia S.P.A.	0.02	58.7	0.05	136.9	(0.73)	(345.5)	(0.04)	(18.2)
50 Ranbaxy-PRP (Peru) S.A.C.	(0.02)	(71.4)	(0.02)	(50.2)	(0.05)	(22.7)	(0.06)	(28.0)
51 Ranbaxy (Poland) S.p. Zo.o.	0.05	156.6	0.05	131.3	0.03	16.0	0.02	11.3
52 Ranbaxy Portugal - Com E Desemvolv DeProd Farmaceuticos Unipessoal Lda	-	-	(0.00)	(0.3)	(0.00)	(1.6)	(0.00)	(0.6)
53 S.C Terapia S.A.	2.93	9,212.4	2.54	6,499.5	4.13	1,947.3	3.20	1,450.4
54 AO Ranbaxy (Formerly known as Zao Ranbaxy)	0.22	703.8	0.15	383.7	0.44	205.9	(0.18)	(82.8)
55 Ranbaxy South Africa Proprietary Limited (Consolidated with its Subsidiaries)	0.18	553.5	0.17	436.6	0.39	183.3	(0.22)	(100.5)
56 Ranbaxy Pharmaceuticals Proprietary Limited	(0.36)	(1,131.3)	0.05	130.5	(2.81)	(1,325.8)	(0.62)	(283.4)
57 Be-Tab Investments Proprietary Limited	0.01	15.9	0.01	20.3	(0.00)	(2.0)	(0.00)	(0.1)
58 Laboratorios Ranbaxy, S.L.U.	0.05	162.8	(0.01)	(25.3)	0.39	183.6	0.46	209.7
59 Ranbaxy (UK) Limited	0.38	1,201.1	0.33	843.7	0.73	343.6	0.70	315.8
60 Ranbaxy Holdings (UK) Limited	0.93	2,925.9	1.11	2,839.8	(0.00)	(0.9)	0.00	0.1
61 Ranbaxy Europe Limited	0.06	174.6	0.06	154.7	0.03	15.7	0.04	18.8

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Name of the Entity	Net Assets, i.e., total assets minus total liabilities				Share in profit/(loss)		
	2015-16	3	2014-15	5	2015-16	2014-15	9
	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated net assets	Amount (₹ in Million)	As % of consolidated profit/(loss)	As % of consolidated profit/(loss)	Amount (₹ in Million)
1 Ranbaxy Inc. (Consolidated with its Subsidiaries)	11.79	37,035.5	10.91	27,955.8	15.49	6.13	2,782.2
63 Ranbaxy (Thailand) Company Limited	0.02	65.0	0.03	65.3	0.00	0.08	34.7
64 Sun Pharmaceuticals Morocco LLC (Formerly known as Ranbaxy Morocco LLC)	(0.05)	(166.0)	(0.06)	(143.3)	(0.02)	(0.35)	(158.1)
65 *Ranbaxy Pharmaceuticals Ukraine* LLC	0.03	87.5	0.03	66.9	0.06	(0.01)	(6.2)
Minority Interest in subsidiaries	(13.01)	(40,852.5)	(11.13)	(28,511.9)	(23.59)	(20.63)	(9,362.7)
Foreign Joint Ventures							
1 MSD - Sun LLC (Consolidated with its subsidiary)	0.00	0.7	(0.16)	(408.6)	0.38	(1.06)	(483.0)
2 Artes Biotechnology GmbH	(0.01)	(17.8)	(0.00)	(4.0)	(0.03)	(0.01)	(3.9)
Associates							
Indian							
1 Zenotech Laboratories Limited	-	-	-	-	-	(0.32)	(143.2)
Foreign							
2 Daiichi Sankyo (Thailand) Ltd.	0.14	444.6	0.17	440.2	0.01	0.04	17.6
Intercompany Elimination and Consolidation Adjustments	(210.81)	(662,032.7)	(258.02)	(661,128.0)	6.62	60.35	27,395.2
Total	100.00	314,042.2	100.00	256,231.9	100.00	100.00	45,393.8

Include share of (loss) from an associate amounting to ₹ 22.1 Million

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ANNEXURE "B"

ACCOUNTING STANDARD (AS-18) " RELATED PARTY DISCLOSURE "

Names of related parties and description of relationship

1. Key Management Personnel	Mr. Dilip S. Shanghvi	Managing Director
	Mr. Sudhir V. Valia	Wholetime Director
	Mr. Sailesh T. Desai	Wholetime Director
2. Relatives of Key Management Personnel	Mr. Aalok D. Shanghvi	Son of Managing Director
	Ms. Vidhi D. Shanghvi	Daughter of Managing Director
3. Enterprise under significant influence of key Management Personnel or their relatives (with whom there are transactions)	Sun Petrochemicals Pvt Ltd	
	Navjivan Rasayan (Gujarat) Pvt Ltd	
	Sun Pharma Advanced Research Company Ltd	
4. Jointly Controlled Entity (with Whom there are transactions)	S & I Ophthalmic LLC	
5. Associates (with Whom there are transactions)	Zenotech Laboratories Limited	
	Daiichi Sankyo (Thailand) Limited	

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Management Personnel or their relatives		Jointly Controlled Entity		Associates		Total	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Purchases of goods	-	-	-	-	-	-	-	-	20.6	37.3	21.7	37.6
Sun Pharma Advanced Research Company Ltd	-	-	-	-	1.1	0.3	-	-	-	-	1.1	0.3
Zenotech Laboratories Limited	-	-	-	-	1.1	0.3	-	-	20.5	37.2	20.5	37.2
Daiichi Sankyo (Thailand) Limited	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1
Purchase of Fixed Assets	-	-	-	-	-	207.8	-	-	-	-	-	207.8
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	207.8	-	-	-	-	-	207.8
Sale of goods	-	-	-	-	10.0	15.5	-	-	531.5	639.2	541.5	654.7
Sun Pharma Advanced Research Company Ltd	-	-	-	-	10.0	15.5	-	-	-	-	10.0	15.5
Zenotech Laboratories Limited	-	-	-	-	-	-	-	-	-	246.3	-	246.3
Daiichi Sankyo (Thailand) Limited	-	-	-	-	-	-	-	-	531.5	392.9	531.5	392.9
Sale of Fixed Assets	-	-	-	-	0.4	0.4	-	-	-	-	0.4	0.4
Sun Petrochemicals Pvt Ltd	-	-	-	-	0.4	0.4	-	-	-	-	0.4	0.4
Receiving of Service	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	-	-	-	1,368.7	1,377.3	-	-	-	1.3	1,368.7	1,378.6
Sun Pharma Advanced Research Company Ltd	-	-	-	-	1,368.7	1,377.3	-	-	-	-	1,368.7	1,377.3
Daiichi Sankyo (Thailand) Limited	-	-	-	-	-	-	-	-	-	1.3	-	1.3
Reimbursement of Expenses	-	-	-	-	61.7	31.4	-	-	-	0.3	61.7	31.7
Sun Pharma Advanced Research Company Ltd	-	-	-	-	61.7	31.4	-	-	-	0.3	61.7	31.4
Daiichi Sankyo (Thailand) Limited	-	-	-	-	-	-	-	-	-	-	-	0.3
Loans given	-	-	-	-	-	-	-	-	-	74.5	-	74.5
Zenotech Laboratories Limited	-	-	-	-	-	-	-	-	-	74.5	-	74.5
Rendering of Service	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	-	-	-	555.0	185.8	0.0	10.6	3.2	3.1	558.2	199.5
Sun Pharma Advanced Research Company Ltd	-	-	-	-	555.0	185.8	-	-	-	-	555.0	185.8
Daiichi Sankyo (Thailand) Limited	-	-	-	-	-	-	-	-	3.2	3.1	3.2	3.1
S & I Ophthalmic LLC (₹ 44,016)	-	-	-	-	-	-	0.0	10.6	-	-	0.0	10.6
Reimbursement of Expenses	-	-	-	-	41.6	55.2	-	-	-	-	41.6	55.2
Sun Pharma Advanced Research Company Ltd	-	-	-	-	41.6	55.2	-	-	-	-	41.6	55.2
Interest Income	-	-	-	-	-	-	-	-	69.9	61.9	69.9	61.9
Zenotech Laboratories Limited	-	-	-	-	-	-	-	-	69.9	61.9	69.9	61.9
Rent Income	-	-	-	-	1.4	1.5	-	-	-	-	1.4	1.5
Sun Pharma Advanced Research Company Ltd	-	-	-	-	1.4	1.4	-	-	-	-	1.4	1.4
Navivan Rasayan (Gujarat) Pvt Ltd	-	-	-	-	-	0.1	-	-	-	-	-	0.1
Purchase of Investment in an Associate	-	-	-	-	-	-	-	-	0.0	-	0.0	-
Zenotech Laboratories Limited (₹ 16,380)	-	-	-	-	-	-	-	-	0.0	-	0.0	-
Provision for doubtful Loan and Advance (including interest in current year)	-	-	-	-	-	-	-	-	389.5	274.0	389.5	274.0
Zenotech Laboratories Limited	-	-	-	-	-	-	-	-	389.5	274.0	389.5	274.0

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Particulars	Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Key Management Personnel or their relatives		Jointly Controlled Entity		Associates		Total	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Director's Remuneration	242.4	252.7	-	-	-	-	-	-	-	-	242.4	252.7
Mr. Dilip S. Shanghvi*	135.3	140.0	-	-	-	-	-	-	-	-	135.3	140.0
Mr. Sudhir V. Valia**	95.0	101.7	-	-	-	-	-	-	-	-	95.0	101.7
Mr. Sailesh T. Desai	12.1	11.0	-	-	-	-	-	-	-	-	12.1	11.0
Apprenticeship Stipend / Remuneration	-	-	13.0	6.8	-	-	-	-	-	-	13.0	6.8
Mr. Aalok D. Shanghvi	-	-	12.1	6.0	-	-	-	-	-	-	12.1	6.0
Ms. Vohi D. Shanghvi	-	-	0.9	0.8	-	-	-	-	-	-	0.9	0.8
Balances Outstanding as at the end of the year	(102.3)	(116.5)	(2.3)	(1.2)	241.6	189.4	0.4	0.6	(13.5)	301.1	123.9	373.4
Receivables	-	-	-	-	241.6	189.4	0.4	0.6	-	-	242.0	190.0
Payables	(102.3)	(116.5)	(2.3)	(1.2)	-	-	-	-	(13.5)	(25.7)	(118.1)	(143.4)
Loans given (including interest thereon) (net of provision for doubtful loans and advances and interest thereon ₹663.5 Million (Previous Year ₹ 274.0 Million))	-	-	-	-	-	-	-	-	-	-	-	326.8

* Net of refund of ₹ 1.1 Million (Previous Year - ₹ Nil) in respect of excess remuneration paid for financial year 2013-14.

** Net of refund of ₹ 1.0 Million (Previous Year - ₹ Nil) in respect of excess remuneration paid for financial year 2013-14.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

FORM AOC - I
PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF COMPANIES ACT, 2013 READ WITH THE RULES 5 OF COMPANIES (ACCOUNTS) RULES 2014
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES /JOINT VENTURES
PART "A" : SUBSIDIARIES

Sr No	Name of the Subsidiary Company	Reporting Currency	Rate	Capital	Reserve	Total Assets	Total Liabilities	Investments Other than investment in subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	₹ in Million % of Shareholding
1	Green Eco Development Centre Limited	INR	1.00	1.0	(4.8)	0.6	4.4	-	-	-	-	-	-	100.00%
2	Sun Pharmaceutical (Bangladesh) Limited	BDT	0.95	50.7	718.5	1,188.2	419.0	-	1,125.5	2,561	92.5	163.6	-	72.50%
3	Sun Pharmaceutical Industries, Inc.	USD	66.26	14,157.1	(11,539.2)	66,654.5	64,036.6	2,802.2	34,328.8	(4,265.3)	(1,388.1)	(2,877.2)	-	100.00%
4	Sun Farmaceutica do Brasil Ltda.	BRL	18.43	102.7	(2,378.6)	706.0	2,981.9	-	544.4	(1,135.7)	-	(1,135.7)	-	100.00%
5	Sun Pharma De Mexico S.A. DE C.V.	MXN	3.84	3.9	718.6	753.5	31.0	-	1,082.8	325.7	95.8	229.9	-	75.00%
6	SPIL De Mexico S.A. DE C.V.	MXN	3.84	0.2	-	-	-	-	-	-	-	-	-	100.00%
7	Sun Pharmaceutical Peru S.A.C.	PEN	19.62	0.0	(125.7)	1.6	127.3	-	-	(32.5)	-	(32.5)	-	99.33%
8	OOO Sun Pharmaceutical Industries Ltd.	RUB	0.98	0.0	(122.8)	263.4	386.2	-	842.9	(54.9)	(6.4)	(48.5)	-	100.00%
9	Sun Pharma De Venezuela, C.A.	VEF	6.62	0.3	(1,152.8)	59.8	1,212.3	-	-	(485.7)	-	(485.7)	-	100.00%
10	Chattam Chemicals Inc.	USD	66.26	2,281.6	1,565.0	4,150.2	303.6	-	1,883.7	305.3	131.7	173.6	-	100.00%
11	The Taro Development Corporation	USD	66.26	0.0	(0.5)	1,315.9	1,316.4	-	-	-	-	-	-	100.00%
12	Alkaloida Chemical Company Zrt.	USD	66.26	5,914.4	20,480.9	38,674.4	12,279.1	6.8	890.9	(688.4)	-	(688.4)	-	99.99%
13	Sun Pharmaceutical Industries (Australia) Pty Ltd	AUD	95.32	0.1	(107.1)	239.8	346.8	-	318.7	(20.0)	-	(20.0)	-	100.00%
14	Sun Pharmaceutical Industries (UK) Limited	GBP	50.86	2,779.4	(384.8)	8,920.6	6,526.0	-	2,304.1	(282.5)	-	(282.5)	-	100.00%
15	Aditya Acquisition Company Ltd.	ILS	17.50	0.0	0.1	56.6	56.5	-	242.5	13.3	4.1	9.2	-	100.00%
16	Sun Pharmaceutical Industries (Europe) BV.	EUR	75.28	1.4	(150.2)	335.4	484.2	-	534.3	15.3	-	15.3	-	100.00%
17	Sun Pharmaceutical Italia S.R.L.	EUR	75.28	0.8	44.7	396.0	350.5	-	328.4	4.3	51.8	(47.5)	-	100.00%
18	Sun Pharmaceuticals Spain, S.L.U.	EUR	75.28	0.2	(371.2)	102.7	473.7	-	135.3	(42.9)	39.7	(82.6)	-	100.00%
19	Sun Pharmaceuticals Germany GmbH	EUR	75.28	1.9	(206.6)	654.6	859.3	-	285.9	4.1	-	4.1	-	100.00%
20	Sun Pharmaceuticals France	EUR	75.28	2.8	(17.8)	223.7	238.7	-	178.2	0.9	-	0.9	-	100.00%
21	Sun Pharma Global FZE	USD	66.26	273.3	1,150,745.5	117,986.5	2,638.7	6,664.0	38,610.9	28,573.3	-	28,573.3	-	100.00%
22	Sun Pharmaceuticals (SA) (Pty) Ltd.	ZAR	44.7	0.0	(0.1)	-	0.1	-	-	-	-	-	-	100.00%
23	Sun Global Canada Pty Ltd.	USD	66.26	0.1	(1.3)	-	1.2	-	-	(0.2)	-	(0.2)	-	100.00%
24	Sun Laboratories FZE	USD	66.26	811.8	(1,051.3)	5.7	245.2	-	-	(1,048.4)	-	(1,048.4)	-	100.00%
25	Sun Global Development FZE	USD	66.26	189.4	(3.5)	205.9	20.0	-	-	(0.7)	-	(0.7)	-	100.00%
26	Sun Pharma Japan Ltd.	JPY	0.59	92.9	(432.5)	45.0	384.6	-	17.5	(105.2)	0.2	(105.4)	-	100.00%
27	Sun Pharma Philippines, Inc.	PHP	1.44	12.4	(321.3)	247.0	555.9	-	178.6	(130.7)	-	(130.7)	-	100.00%
28	Sun Pharma Healthcare FZE	USD	66.26	189.4	(6.9)	182.5	0.0	-	-	(0.1)	-	(0.1)	-	100.00%
29	Sun Pharmaceuticals Korea Ltd.	KRW	0.06	5.8	(1.3)	5.8	1.3	-	-	(0.2)	-	(0.2)	-	100.00%
30	Caraco Pharmaceuticals Private Limited	INR	1.00	0.1	(0.1)	0.1	0.1	-	-	0.1	-	0.1	-	100.00%
31	Sun Pharma Laboratories Limited	INR	1.00	400.5	189,956.2	210,525.2	20,168.5	6,820.6	46,657.4	8,885.3	1,580.4	6,704.9	2,000.0	100.00%
32	Morley & Company, Inc.	USD	66.26	0.2	(0.1)	0.2	0.1	-	-	-	-	-	-	100.00%
33	Taro Pharmaceutical Industries Ltd.	USD	66.26	174,347.7	110,527.8	131,529.8	3,572.2	-	25,796	19,247.4	2,646.2	16,601.2	-	68.98%
34	Taro Pharmaceuticals Inc.	CAD	51.13	15.1	61,796.6	63,540.3	1,728.6	-	29,566.5	22,889.0	3,556.4	19,332.6	-	68.98%
35	Taro Pharmaceuticals U.S.A., Inc.	USD	66.26	5,882	(685.2)	52,609.6	52,736.7	224.3	56,862.2	1,118.6	399.4	719.2	-	68.98%
36	Taro Pharmaceuticals North America, Inc.	USD	66.26	2,927	18,738.9	19,891.7	900.1	-	5,447.2	2,274.2	-	2,274.2	-	68.98%
37	Taro Pharmaceuticals Europe BV.	EUR	75.28	1.4	(34.1)	2.0	34.7	-	-	(1.6)	-	(1.6)	-	68.98%
38	Taro Pharmaceuticals Ireland Limited	EUR	75.28	150.6	(394.5)	80.1	324.0	-	44.31	(1.9)	-	(1.9)	-	68.98%
39	Taro International Ltd.	USD	66.26	-	30.3	320.0	289.7	-	-	30.8	3.5	27.3	-	68.98%
40	Taro Pharmaceuticals (UK) Limited	GBP	95.32	0.0	(721.9)	237.1	959.0	-	163.4	(23.2)	-	(23.2)	-	68.98%
41	Taro Hungary Intellectual Property Licensing Limited Liability Company	USD	66.26	105.3	0.0	105.5	0.2	-	-	6.7	0.7	6.0	-	68.98%
42	Taro Pharmaceuticals Canada, Ltd.	CAD	51.13	0.0	0.0	0.1	0.1	-	-	-	-	-	-	68.98%
43	Taro Pharmaceutical India Private Limited	INR	1.00	0.1	0.6	0.7	-	-	-	-	-	-	-	68.98%
44	Alkaloida Sweden AB	SEK	81.3	0.4	11.3	533.0	521.3	-	376.9	11.3	-	11.3	-	100.00%
45	Dusa Pharmaceuticals, Inc.	USD	66.26	0.7	2,517.2	11,886.7	9,368.8	-	6,846.4	2,081.7	775.3	1,306.4	-	100.00%
46	Mutual Pharmaceutical Company Inc.	USD	66.26	4,805.1	6,341.7	11,930.5	783.7	-	2,276.0	(2,714.0)	(1,357.3)	(1,356.7)	-	100.00%
47	Duncan Mutual Associates, LLC	USD	66.26	(81.7)	(215.5)	(286.4)	10.8	-	-	(246.4)	-	(246.4)	-	100.00%
48	URL PharmaPro, LLC	USD	66.26	(372.0)	(500.0)	(950.3)	(78.3)	-	-	(196.2)	-	(196.2)	-	100.00%
49	FastStone Mercantile Company Private Limited	INR	1.00	0.1	10.6	10.7	0.0	10.7	-	2.3	0.7	1.6	-	100.00%
50	Neethav Real Estate Private Limited	INR	1.00	3.0	12.1	3,075.1	3,060.0	3,049.1	1.2	1.6	0.5	1.1	-	100.00%
51	Realstone Multitrade Private Limited	INR	1.00	0.1	10.6	10.7	0.0	10.7	-	2.3	0.7	1.6	-	100.00%
52	Skisen Labs Private Limited	INR	1.00	163.6	(163.5)	0.1	0.0	-	(138.8)	(153.5)	0.8	(154.3)	-	100.00%
53	Softical Trading Company Private Limited	INR	1.00	0.1	10.0	10.1	0.0	10.1	-	2.2	0.7	1.5	-	100.00%
54	Universal Enterprises Private Limited	INR	1.00	4.5	0.8	5.3	0.0	-	-	-	-	-	-	100.00%
55	Sun Pharma Switzerland Limited	CHF	68.60	6.9	(1.5)	5.7	0.3	-	-	(0.5)	-	(0.5)	-	100.00%

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Sr No	Name of the Subsidiary Company	Reporting Currency	Rate	Capital	Reserve	Total Assets	Total Liabilities	Investments Other than investment in subsidiary	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend	% of Shareholding
56	Sun Pharma Holdings	USD	66.26	226,650.0	373.3	227,042.4	4.1	-	-	(3.2)	-	(3.2)	-	100.00%
57	Pharmalience, Inc.	USD	66.26	5,720.0	(280.6)	6,351.4	912.0	-	1,641.1	(317.7)	(115.1)	(202.6)	-	100.00%
58	Pi Real Estate Ventures, LLC	USD	66.26	596.5	79.0	1,882.3	1,206.8	-	206.2	124.0	45.0	79.0	-	100.00%
59	Sun Pharma East Africa Limited	RS	0.65	0.1	(35.4)	201.4	236.7	-	125.7	(14.0)	(34.7)	(34.7)	-	100.00%
60	Ranbaxy Drugs Limited	INR	1.00	31.0	1,822.3	1,854.2	0.9	1,824.7	-	483.3	0.1	123.2	-	100.00%
61	Vidut Investments Limited	INR	1.00	250.1	(233.8)	26.5	0.2	-	-	1.8	(0.9)	2.7	-	100.00%
62	Gulfic Pharma Limited	INR	1.00	0.5	3.7	4.2	0.0	2.9	-	0.3	0.1	0.2	-	100.00%
63	Basics GmbH	EURO	75.28	367.0	245.0	3,881.0	3,269.0	-	2,084.6	86.4	44.0	42.4	-	100.00%
64	Ranbaxy GmbH	EURO	75.28	1.9	-	453.5	453.5	-	202.5	(1.1)	-	-	-	100.00%
65	Ranbaxy Pharmaceuticals Ukraine LLC	UAH	2.52	100.7	(0.7)	295.5	195.5	-	537.1	(1.1)	3.0	(4.1)	-	100.00%
66	Sun Pharmaceuticals Morocco LLC (Formerly known as Ranbaxy Morocco LLC)	MAD	6.85	83.8	(229.6)	769.6	915.4	-	740.4	29.6	3.7	25.9	-	100.00%
67	Ranbaxy - PRP (Peru) S.A.C.	PEN	19.62	85.2	(155.9)	55.7	126.4	-	46.7	11.7	-	11.7	-	100.00%
68	Ranbaxy Holdings (UK) Ltd.	GBP	95.32	2,912.7	132.9	3,054.2	8.6	-	-	(0.9)	-	(0.9)	-	100.00%
69	Ranbaxy Pharmacie Genériques	EURO	75.28	1,878.1	(3,501.9)	788.5	2,412.3	-	1,738.4	(131.0)	-	(131.0)	-	100.00%
70	Office Pharmaceutique Industriel Et Hospitalier	EURO	75.28	100.1	(29.6)	230.4	159.9	-	351.6	3.6	-	3.6	-	100.00%
71	Ranbaxy Italia SPA	EURO	75.28	3.8	59.2	862.7	799.7	-	1,293.7	(208.8)	(4.5)	(204.3)	-	100.00%
72	Ranbaxy Belgium NV.	EURO	75.28	42.3	2.8	45.1	-	-	-	-	-	-	-	100.00%
73	Ranbaxy Pharmaceutical Proprietary Limited	ZAR	4.47	0.0	(1,127.7)	2,936.4	4,064.1	-	1,522.6	(1,245.3)	-	(1,245.3)	-	100.00%
74	Sanke Pharmaceuticals Proprietary Limited	ZAR	4.47	0.0	92.2	1,789.3	1,697.1	-	2,856.9	161.3	45.6	115.7	-	70.00%
75	Ranbaxy South Africa Proprietary Limited	ZAR	4.47	1.6	483.8	2,002.6	1,515.2	-	1,061.5	84.6	-	84.6	-	100.00%
76	Ranbaxy Egypt Company (LLC)	EGP	7.46	36.2	(16.5)	641.8	622.1	-	325.8	(128.5)	13.9	(142.4)	-	100.00%
77	Recel Egypt Company (LLC)	EGP	7.46	1.8	(8.4)	80.3	86.9	-	22.4	(1.6)	-	(1.6)	-	100.00%
78	Ranbaxy (UK) Limited	GBP	95.32	2,073.2	(768.5)	2,748.5	1,443.8	-	3,190.4	392.7	98	322.9	-	100.00%
79	Ranbaxy (Poland) Sp. Z oo.	PLN	17.63	75.6	81.0	208.4	51.8	-	543.0	22.2	5.7	16.5	-	100.00%
80	Ranbaxy Nigeria Limited	NGN	0.33	13.3	1,102.0	2,704.8	1,589.5	-	1,154.5	254.9	130.0	124.9	-	85.31%
81	Ranbaxy (Thailand) Company Limited	THB	1.88	31.1	30.4	160.9	99.4	-	205.7	1.5	3.5	(2.0)	-	100.00%
82	Omni Laboratories, Inc.	USD	66.26	1,201.2	3,748.9	31,045.8	26,595.7	-	20,632.5	(1,810.2)	(624.5)	(1,185.7)	-	100.00%
83	Ranbaxy Laboratories Inc.	USD	66.26	1,991.9	8,055.5	31,020.5	20,973.1	-	13,682.9	5,526.0	1,952.6	3,573.4	-	100.00%
84	Ranbaxy Signature LLC	USD	66.26	3.3	(362.9)	14.5	374.1	-	273.1	229.7	-	229.7	-	67.50%
85	Ranbaxy Pharmaceuticals Inc.	USD	66.26	0.0	6,701.7	64,498.8	57,797.1	-	17,953.1	334.5	145.8	188.7	-	100.00%
86	Ranbaxy Inc.	USD	66.26	3,789.2	11,899.1	38,249.3	22,561.0	-	13,001.1	(11.1)	87.1	(98.2)	-	100.00%
87	Ranbaxy Ireland Ltd	EURO	75.28	535.4	427.3	2,010.7	1,048.0	-	3,448.3	(306.9)	(10.6)	(296.3)	-	100.00%
88	AO Ranbaxy (Formerly Known ZAO Ranbaxy)	RUB	0.98	159.2	454.6	2,966.2	2,352.4	-	3,945.2	109.8	42.7	67.1	-	100.00%
89	Laboratorios Ranbaxy S.L.	EURO	75.28	75.3	93.5	1,398.8	1,230.0	-	1,421.9	191.1	-	191.1	-	100.00%
90	Ranbaxy (Malaysia) Sdn. Bhd.	MYR	16.97	135.8	161.1	1,521.6	1,242.7	-	1,320.9	(376.1)	-	(376.1)	-	71.22%
91	Ranbaxy Farmaceutica Ltda.	BRL	18.43	320.0	(1,339.0)	900.7	1,919.7	-	1,133.3	(444.7)	-	(444.7)	-	100.00%
92	Ranbaxy Europe Limited	BRL	95.32	1.0	173.6	226.8	52.2	-	271.9	21.2	6.1	15.1	-	100.00%
93	Ranbaxy Australia Pty Ltd	AUD	50.86	467.9	(1,361.0)	1,052.0	1,945.1	-	2,006.0	35.4	-	35.4	-	100.00%
94	Ranbaxy Pharmaceuticals Canada Inc.	CAD	51.13	115.1	299.3	1,457.0	1,042.6	-	7,665.5	81.3	-	81.3	-	100.00%
95	S. C. Terapias S.A.	RON	16.83	421.2	9,468.6	13,143.8	3,754.0	-	9,124.7	2,281.3	341.4	1,939.9	-	96.70%
96	Be- Tabs Investments Proprietary Limited	ZAR	4.47	0.0	14.0	15.9	1.9	-	-	(0.6)	1.3	(1.9)	-	100.00%
97	Ranbaxy Portugal - Com E Desenvolv DeProd Farmaceuticos Unipessoal Lda	EURO	75.28	0.4	(0.4)	0.0	-	-	-	(1.6)	0.1	(1.7)	-	100.00%
98	Ranbaxy (Netherlands) BV	USD	66.26	41,202.4	11,718.8	52,974.3	10.1	109.9	-	205.1	-	205.1	-	100.00%
99	Insite Vision Incorporated	USD	66.26	0.0	647.1	1,945.2	1,298.1	-	93.0	(465.3)	(1,112.4)	647.1	-	100.00%

Note:

- 0.01 represents amount less than 0.05 million and rounded off
- The above does not include 3 Skyline LLC, One Commerce Drive LLC, Sirius Laboratories Inc, Perryton Wind Power LLC, Insite Vision Ltd., Dusa Pharmaceuticals New York Inc., Taro Pharmaceutical Laboratories Inc being subsidiaries of Taro Pharmaceutical Industries Ltd, Caraco Pharma Inc. as they have no operation and does not have any Assets, Liabilities or Equity as on the close of their Financial Year.
- With effect from 20th August, 2015 Caraco Pharma Inc., has been merged with Sun Pharmaceutical Industries, Inc.
- With effect from 1st April, 2015, AP Scientific Inc. and United Research Laboratories Limited, have merged into URL Pharma Inc.,
- With effect from 28th April, 2015, URL Pharma Inc., has merged into Mutual Pharmaceutical Company, Inc.
- During the year, the Group has sold its investment in Silverstreet Developers LLP with effect from 1st April, 2015.
- With effect from 2nd November, 2015, Thea Acquisition Corporation has been merged with Insite Vision Incorporated.
- Zalicus Pharmaceuticals Limited was acquired during the year and subsequently amalgamated in Taro Pharmaceuticals Inc., on 5th October, 2015.
- Ranbaxy Portugal - Com E Desenvolv DeProd Farmaceuticos Unipessoal Lda has been liquidated on 30th June, 2015.
- With effect from 1st March, 2016, Ranbaxy Belgium NV., has been liquidated.

PART "B" : ASSOCIATE COMPANIES AND JOINT VENTURES

Sr. No	Name of Associates/Joint Ventures	Jointly Controlled Entity		Associate				Medinstill LLC
		Artes Biotechnology GmbH	MSD - Sun LLC	S & I Ophthalmic LLC	Zenotech Laboratories Limited	Daiichi Sankyo (Thailand) Limited	Enceladus Pharmaceutical B.V.	
1.	Latest audited Balance Sheet Date	31-Dec-15	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16
2.	Shares of Associate/Joint Ventures held by the company on the year end							
	No.	15,853	NA	NA	16,127,293	890,874	116,676	9,340,000
	Amount of Investment in Associates/Joint Venture	280.9	0.7	383.4	2,463.5	-	296.8	934.00
	Extend of Holding %	45.00%	50.00%	50.00%	46.84	26.9	23.35%	24.91%
3.	Description of how there is significant influence	NA	NA	NA	NA	NA	NA	NA
4.	Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA	NA	Refer note 49(a)	Refer Note 49 (b)
5.	Networth attributable to Shareholding as per latest audited Balance Sheet	62.5	0.7	383.4	(272.6)	1,259.5	NA	NA
6.	Profit / Loss for the year							
	i. Considered in Consolidation	3.4	184.0	(135.3)	(143.2)	176	NA	NA
	ii. Not Considered in Consolidation	4.1	184.0	(135.3)	143.2	(176)	NA	NA

₹ In Million

For and on behalf of the Board

DILIP S. SHANGHVI
Managing Director
New York

SUDHIR V. VALIA
Wholetime Director
Mumbai

SAILESH T. DESAI
Wholetime Director
Mumbai

UDAY V. BALDOTA
Chief Financial Officer
Mumbai

SUNIL R. AJMERA
Company Secretary
Mumbai

Date : 30th May, 2016