

Sun Pharmaceutical Industries Ltd.

Sun House, Plot No. 201 B/1,
Western Express Highway, Goregaon (E),
Mumbai – 400 063, Maharashtra, INDIA.
Tel. : (91-22) 4324 4324
Fax : (91-22) 4324 4343
Website: www.sunpharma.com
CIN: L24230GJ1993PLC019050



May 27, 2020

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051,
Maharashtra, India.

Scrip Symbol: SUNPHARMA

BSE Limited

Market Operations Dept.
P. J. Towers, Dalal Street,
Mumbai – 400 001,
Maharashtra, India.

Scrip Code: 524715

Dear Sirs,

Sub: 1) Approval of Audited Financial Statements for the quarter and year ended March 31, 2020
2) Recommendation of payment of final Dividend for the financial year ended March 31, 2020

1. The Board of Directors of the Company at its meeting held today has *inter alia* approved and took on record the Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2020.

Pursuant to Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

- a) Audited Standalone and Consolidated Financial Results of the Company, for the quarter and year ended March 31, 2020.
 - b) Auditor's Report on Audited Standalone and Consolidated Financial Results of the Company, for the quarter and year ended March 31, 2020.
 - c) Declaration regarding Auditor's Report with unmodified opinion.
2. The Board of Directors of the Company at its meeting held today has also recommended payment of final dividend of Re. 1/- (Rupee One Only) per equity share of Re. 1/- each of the Company for the year ended March 31, 2020, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. The dividend is expected to be paid during the month of September, 2020.

The meeting of the Board of Directors of the Company commenced at 10:30 am and concluded at 02:45 pm.

Thanking you,

Yours faithfully,

For Sun Pharmaceutical Industries Limited

Ashok I. Bhuta
Sr. GM - Secretarial &
Compliance Officer

Encl: As above

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Sun Pharmaceutical Industries Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Sun Pharmaceutical Industries Limited (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; 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

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Chartered Accountants

Sun Pharmaceutical Industries Limited
Audit Report for the quarter and year ended March 31, 2020
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effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Audit Report for the quarter and year ended March 31, 2020
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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Paul Alvares
Partner
Membership No.: 105754

UDIN: 20105754AAAACQ6725

Pune
May 27, 2020

Statement of Audited Standalone Financial Results for the Quarter and Year ended March 31, 2020

(₹ in Crore)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations					
a. Revenue from contracts with customers	2,750.41	2,920.83	2,257.80	11,906.74	9,783.29
b. Other operating revenues	85.67	92.72	294.33	625.19	519.92
Total revenue from operations (I)	2,836.08	3,013.55	2,552.13	12,531.93	10,303.21
II Other income	1,218.65	15.36	679.23	1,510.92	1,271.44
III Total income (I+II)	4,054.73	3,028.91	3,231.36	14,042.85	11,574.65
IV Expenses					
Cost of materials consumed	767.12	947.21	931.19	3,201.71	2,727.71
Purchases of stock-in-trade	318.88	303.12	214.40	1,227.41	1,196.85
Changes in inventories of finished goods, stock-in-trade and work-in-progress	94.28	(145.17)	(181.64)	138.60	(251.30)
Employee benefits expense	419.34	423.97	426.00	1,702.77	1,571.34
Finance costs	137.53	98.76	119.37	408.01	540.92
Depreciation and amortisation expense	142.44	144.40	132.18	561.56	552.95
Other expenses	933.95	825.04	799.89	3,514.08	3,089.31
Net (gain) / loss on foreign currency transactions	73.97	(46.43)	(196.21)	35.71	213.04
Total expenses (IV)	2,887.51	2,550.90	2,245.18	10,789.85	9,640.82
V Profit / (Loss) before exceptional item and tax (III-IV)	1,167.22	478.01	986.18	3,253.00	1,933.83
VI Exceptional item (Refer Note 4)	-	-	-	-	1,214.38
VII Profit / (Loss) before tax (V-VI)	1,167.22	478.01	986.18	3,253.00	719.45
VIII Tax expense / (credit)	11.37	9.25	(81.88)	41.86	(97.15)
IX Profit / (Loss) for the period (VII-VIII)	1,155.85	468.76	1,068.06	3,211.14	816.60
X Other comprehensive income (OCI)					
a. (i) Items that will not be reclassified to profit or loss	(6.11)	6.56	(0.79)	(32.50)	11.29
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.14	(2.29)	0.27	11.36	(3.95)
b. (i) Items that may be reclassified to profit or loss	(26.39)	(33.04)	18.68	(91.71)	271.15
(ii) Income tax relating to items that may be reclassified to profit or loss	9.23	11.54	(82.48)	32.05	(94.75)
Total other comprehensive income (a+b) (X)	(21.13)	(17.23)	(64.32)	(80.80)	183.74
XI Total comprehensive income for the period (IX+X)	1,134.72	451.53	1,003.74	3,130.34	1,000.34
XII Paid-up equity share capital - face value ₹ 1 each	239.93	239.93	239.93	239.93	239.93
XIII Other equity				24,156.29	22,603.68
XIV Earnings per equity share of ₹ 1 each (not annualised for quarters)					
₹ (Basic)	4.82	1.95	4.45	13.38	3.40
₹ (Diluted)	4.82	1.95	4.45	13.38	3.40
See accompanying notes to the audited standalone financial results					
Research and development expenses incurred (included above)	311.43	246.87	255.07	1,029.53	954.25

Sun Pharmaceutical Industries Limited		
Registered Office: Sun Pharma Advanced Research Centre, Tandalja, Vadodara - 390012. Corporate Office: Sun House, CTS No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Tel.: +91 22 4324 4324. CIN: L24230GJ1993PLC019050, Website : www.sunpharma.com		
Audited Standalone Statement of Assets and Liabilities		
	(₹ in Crore)	
Particulars	As at 31.03.2020 Audited	As at 31.03.2019 Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	4,910.31	4,709.21
(b) Capital work-in-progress	384.35	456.25
(c) Goodwill	120.80	120.80
(d) Other Intangible assets	197.63	148.41
(e) Intangible assets under development	212.26	186.29
(f) Investments in the nature of equity in subsidiaries	16,958.11	17,590.77
(g) Financial assets		
(i) Investments	8.54	65.39
(ii) Loans	0.74	1.00
(iii) Other financial assets	84.93	54.61
(h) Deferred tax assets (Net)	1,139.71	751.70
(i) Income tax assets (Net)	2,078.02	2,110.12
(j) Other non-current assets	373.81	349.81
Total non-current assets	26,469.21	26,544.36
(2) Current assets		
(a) Inventories	2,633.67	2,792.62
(b) Financial assets		
(i) Investments	395.07	247.95
(ii) Trade receivables	6,168.13	5,031.47
(iii) Cash and cash equivalents	220.50	302.76
(iv) Bank balances other than (iii) above	434.28	38.01
(v) Loans	448.59	294.73
(vi) Other financial assets	758.42	1,115.01
(c) Other current assets	882.46	1,347.22
Total current assets	11,941.12	11,169.77
TOTAL ASSETS	38,410.33	37,714.13
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	239.93	239.93
(b) Other equity	24,156.29	22,603.68
Total equity	24,396.22	22,843.61
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,256.69	1,422.50
(ii) Other financial liabilities	16.17	1.02
(b) Other non-current liabilities	145.55	18.10
(c) Provisions	1,391.96	157.07
Total non-current liabilities	2,810.37	1,598.69
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	4,505.33	4,428.05
(ii) Trade payables		
(a) total outstanding dues of micro and small enterprises	46.18	65.98
(b) total outstanding dues of creditors other than micro and small enterprises	2,288.71	2,088.94
(iii) Other financial liabilities	2,621.86	3,687.87
(b) Other current liabilities	643.72	457.26
(c) Provisions	1,097.94	2,543.73
Total current liabilities	11,203.74	13,271.83
Total liabilities	14,014.11	14,870.52
TOTAL EQUITY AND LIABILITIES	38,410.33	37,714.13

Sun Pharmaceutical Industries Limited

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CIN: L24230GJ1993PLC019050, Website : www.sunpharma.com

Audited Standalone Cash Flow Statement for the year ended March 31, 2020

(₹ in Crore)

Particulars	Year ended 31.03.2020 Audited	Year ended 31.03.2019 Audited
A. Cash flow from operating activities		
Profit before tax	3,253.00	719.45
Adjustments for:		
Depreciation and amortisation expense	561.56	552.95
Loss on sale/write off of property, plant and equipment and intangible assets, net	5.10	34.10
Finance costs	408.01	540.92
Interest income	(70.06)	(129.36)
Dividend income on investments	(925.83)	(890.93)
Net gain arising on financial assets measured at fair value through profit or loss	(0.72)	(0.20)
Net gain on sale of financial assets measured at fair value through profit or loss	(12.14)	(11.30)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	(0.04)	0.01
Gain on sale of investment in subsidiary	(224.43)	(186.24)
Provision / write off / (reversal) for doubtful trade receivables / advances	53.54	(14.70)
Sundry balances written back, net	(1.73)	(3.56)
Provision / (reversal) in respect of losses of a subsidiary	(250.29)	36.69
Effect of exchange rate changes	239.94	520.28
Operating profit before working capital changes	3,035.91	1,168.11
Movements in working capital:		
(Increase)/ decrease in inventories	158.95	(656.98)
(Increase)/ decrease in trade receivables	(921.72)	169.85
(Increase)/ decrease in other assets	297.53	(130.23)
(Decrease)/ increase in trade payables	94.06	(401.20)
(Decrease)/ increase in other liabilities	(1,022.27)	1,567.75
(Decrease)/ increase in provisions	0.45	(437.69)
Cash generated from operations	1,642.91	1,279.61
Income tax paid (net of refund)	(337.06)	(37.43)
Net cash generated from operating activities (A)	1,305.85	1,242.18
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(571.80)	(596.71)
Proceeds from disposal of property, plant and equipment and intangible assets	6.35	12.31
Loans / Inter corporate deposits given / placed	(150.87)	(343.43)
Loans / Inter corporate deposits received back / matured	12.82	112.33
Purchase of investments	(14,866.25)	(17,097.58)
Proceeds from sale / redemption of investments	15,643.33	17,741.52
Bank balances not considered as cash and cash equivalents		
Fixed deposits/ margin money placed	(27.86)	(307.70)
Fixed deposits/ margin money matured	55.15	317.30
Interest received	28.35	119.20
Dividend received	1,350.07	476.45
Net cash from investing activities (B)	1,479.29	433.69
C. Cash flow from financing activities		
Proceeds from issue of equity shares on exercise of stock options/ share application money received	-	0.38
Proceeds from borrowings	10,554.06	17,122.38
Repayment of borrowings @	(11,267.18)	(17,843.04)
Transfer to escrow account for buy-back *	(425.00)	-
Payment for share buy-back expenses	(5.88)	-
Finance costs	(155.07)	(267.57)
Dividend paid	(1,379.19)	(480.18)
Dividend distribution tax	(192.89)	(0.56)
Net cash used in financing activities (C)	(2,871.15)	(1,468.59)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(86.01)	207.28
Cash and cash equivalents at the beginning of the year	302.76	97.80
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	3.75	(2.32)
Cash and cash equivalents at the end of the year	220.50	302.76

@ Includes payment of lease obligation for the year ended March 31, 2020.

* represents amount transferred to escrow account in compliance with Securities and Exchange Board of India (Buy-back of Securities) Regulation, 2018 (Refer Note 6)

Notes:

- 1 The above audited standalone financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 27, 2020.
- 2 The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
- 3 Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied to all lease contracts existing on April 01, 2019 using the modified retrospective method. Accordingly, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). The impact on the profit and earnings per share is not material.
- 4 The Company had entered into settlement agreements with Apotex Corporation, Retailer Purchasers, end-payor plaintiffs and Direct Purchaser Plaintiffs in respect of an antitrust litigation, relating to a product Modafinil. The Company had accounted for an amount of ₹ 1,238.38 Crore in the year ended on March 31, 2019, of which ₹ 1,214.38 Crore was disclosed as an exceptional item.
During year ended March 31, 2020, the Company has entered into a settlement agreement with the last remaining Plaintiff and the settlement amount has been grouped in other expenses.
- 5 The Board has recommended payment of dividend of ₹ 1 per equity share of ₹ 1 each for the year ended March 31, 2020 subject to approval of the members at ensuing Annual General Meeting.
- 6 The Board of Directors at its meeting held on March 17, 2020 has approved the buy-back by the Company of its equity shares from the open market through stock exchange mechanism as prescribed under Buy-back regulations at the maximum price of ₹ 425.00 per share for an aggregate maximum amount of ₹ 1,700.00 Crore.
- 7 The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the Company's financial results as of and for the year ended March 31, 2020.
- 8 The Company has only one reportable segment namely 'Pharmaceuticals'.
- 9 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
The Company has issued listed unsecured commercial paper during the year.

(a) Credit rating and change in credit rating, if any:

Name of Credit Rating Agency	Rating
CRISIL	CRISIL A1+
ICRA	ICRA A1+

(b) Ratios

Ratios and Formulae	As at 31.03.2020	As at 31.03.2019
(i) Debt equity ratio = (Long-term borrowings + Short-term borrowings + current maturities of long-term borrowings) / (Total equity)	0.25	0.28
(ii) Debt service coverage ratio = Earnings before finance costs, exceptional item and tax / (Finance costs + Principal repayment for borrowings made during the period)	0.32	0.13
(iii) Interest service coverage ratio = Earnings before finance costs, Exceptional item and Tax / Finance costs	9.67	4.58
(iv) Asset cover = Total assets - Intangible assets - Current liabilities excluding Short-term borrowings and current maturities of long-term borrowings) / (Long-term borrowings + Short-term borrowings + current maturities).	5.14	4.51

Note - the above borrowings and interest payments do not include payment related to leases

(c) Details of due dates and actual dates & amounts of repayment of listed unsecured commercial paper:

ISIN No	Due Date of Payment	Actual Date of Repayment	Redemption Amount (₹ in Crore)
INE044A14534	17-Feb-20	17-Feb-20	500.00
INE044A14559	18-Mar-20	18-Mar-20	800.00
INE044A14542	11-May-20	N/A	500.00
INE044A14567	17-Jun-20	N/A	500.00

(d) Networth and Capital redemption reserve

(₹ in Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
Capital Redemption Reserve	0.75	0.75
Net Worth	19,034.32	17,481.71

- 10 Figures for previous periods have been regrouped / reclassified wherever considered necessary.
- 11 The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the relevant financial year which were subject to limited review by the Statutory Auditor of the Company.

For and on behalf of the Board

Dilip S. Shanghvi
Managing Director

Mumbai, May 27, 2020

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Sun Pharmaceutical Industries Limited

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Sun Pharmaceutical Industries Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements/information of the subsidiaries, associates and joint venture, the Statement:

- i. includes the results of the entities mentioned in Annexure I to this Statement;
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associates and joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

SRBC & COLLP

Chartered Accountants

Sun Pharmaceutical Industries Limited
Audit Report for the quarter and year ended March 31, 2020
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Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associates and joint venture in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and joint venture and for preventing and detecting frauds and other irregularities; 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 Statement 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 Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint venture of which we are the independent auditors and whose financial information we have audited to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

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Other Matter

The accompanying Statement includes the audited financial statements and other financial information, in respect of 26 subsidiaries, whose financial statements, without giving the effect to elimination of intra group transactions, include total assets of INR 44,138.89 Crore as at March 31, 2020, total revenues of INR 4,223.56 Crore and INR 14,648.10 Crore, total net loss after tax of INR 54.49 Crore and INR 1,370.42 Crore, total comprehensive loss of INR 194.69 Crore and INR 1,667.97 Crore, for the quarter and the year ended on that date respectively, and net cash outflows of INR 459.63 Crore for the year ended March 31, 2020, as considered in the Statement which have been audited by their respective independent auditors.

The independent auditor's report on the financial statements and other financial information of these entities have been furnished to us by management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements and other financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by management of the Holding Company and audited by us.

The accompanying Statement includes unaudited financial statements and other unaudited financial information in respect of

- 22 subsidiaries, whose financial statements and other financial information, without giving effect to elimination of intra group transactions, reflect total assets of INR 24,716.97 Crore as at March 31, 2020, and total revenues of INR 146.09 Crore and INR 595.91 Crore, total net loss after tax of INR 44.43 Crore and INR 43.94 Crore, total comprehensive loss of INR 44.43 Crore and INR 43.94 Crore, for the quarter and the year ended on that date respectively and net cash outflows of INR 14.87 Crore for the year ended March 31, 2020.
- 4 associates and a joint venture, whose financial statements and other financial information includes the Group's share of total comprehensive loss of INR 1.59 Crore and INR 14.83 for the quarter and for the year ended March 31, 2020 respectively.

These unaudited financial statements and other financial information have been approved and furnished to us by management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture, is based solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group.

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Our opinion on the Statement 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 information certified by management.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Paul Alvares
Partner
Membership No.: 105754

UDIN: 20105754AAAACR4736

Pune
May 27, 2020

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Audit Report for the quarter and year ended March 31, 2020

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Annexure I - List of entities included in the report on the audit of the Consolidated Financial Results

Sr. No	Name of the entity
	Subsidiaries:
1	Sun Pharma France (formerly known as Ranbaxy Pharmacie Generiques SAS)
2	Office Pharmaceutique Industriel Et Hospitalier
3	Zenotech Laboratories Limited (consolidated)
4	Ranbaxy (U.K.) Limited
5	Ranbaxy Holdings (U.K.) Limited
6	Ranbaxy Ireland Limited
7	Basics GmbH
8	Sun Pharma Laboratorios S.L.U (formerly known as Laboratorios Ranbaxy, S.L.U.)
9	Ranbaxy Italia S.P.A.
10	Sun Pharma (Netherlands) B.V. (Formerly known as Ranbaxy (Netherlands) B.V.)
11	Ranbaxy (Poland) SP. Z O.O.
12	AO Ranbaxy
13	"Ranbaxy Pharmaceuticals Ukraine" LLC
14	Terapia SA
15	Ranbaxy South Africa (Pty) Ltd (consolidated)
16	Ranbaxy Nigeria Limited
17	Ranbaxy Pharmaceuticals (Pty) Ltd
18	Sun Pharmaceuticals Morocco LLC
19	Sun Pharma Egypt Limited LLC (Formerly Known as Ranbaxy Egypt Ltd)
20	Rexcel Egypt LLC
21	Ranbaxy (Malaysia) SDN. BHD.
22	Sun Pharma ANZ Pty Ltd
23	Sun Pharmaceuticals Holdings USA, Inc. (consolidated)
24	Ranbaxy Farmaceutica Ltda.
25	Sun Pharmaceutical Peru S.A.C.
26	Sun Pharma Canada Inc. (Formerly known as Ranbaxy Pharmaceuticals Canada Inc.)
27	Ranbaxy (Thailand) Co., Ltd.
28	JSC Biosintez
29	Faststone Mercantile Company Private Limited
30	Green Eco Development Centre Limited
31	Neetnav Real Estate Private Limited
32	Realstone Multitrade Private Limited
33	Skisen Labs Private Limited
34	Softdeal Trading Company Private Ltd
35	Universal Enterprises Private Limited
36	Sun Pharmaceutical (Bangladesh) Limited

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Sr. No	Name of the entity
37	Sun Pharmaceuticals Germany GmbH
38	Sun Pharmaceuticals France
39	Sun Pharma Switzerland Ltd.
40	Sun Pharmaceutical Industries (Europe) B.V.
41	OOO "Sun Pharmaceutical Industries" Limited
42	Alkaloida Chemical Company Zrt.
43	Sun Pharmaceuticals SA (Pty) Ltd
44	Sun Pharma Holdings
45	Aditya Acquisition Company Ltd.
46	Taro Pharmaceutical Industries Ltd (TARO) (consolidated)
47	Sun Pharma Global FZE
48	Sun Laboratories FZE
49	Sun Pharma East Africa Limited
50	Sun Pharma Philippines, Inc.
51	Sun Pharma Japan Ltd.
52	Sun Pharmaceuticals Korea Ltd.
53	Sun Pharmaceutical Industries (Australia) Pty Limited
54	Sun Farmaceutica do Brasil Ltda.
55	Sun Pharmaceutical Industries S.A.C.
56	SPIL De Mexico S.A. DE C.V.
57	Sun Pharma De Mexico S.A. DE C.V.
58	Sun Pharma De Venezuela, C.A.
59	Sun Pharma Laboratories Limited
60	Sun Pharmaceutical Medicare Limited
61	Caraco Pharmaceuticals Private Limited
62	Pola Pharma Inc. (consolidated) (merged with Sun Pharma Japan Limited w.e.f. January 01, 2020)
63	Sun Pharma Distributors Limited
64	Realstone Infra Limited
	Joint Venture:
1	Artes Biotechnology GmbH
	Associates:
1	Medinstill LLC
2	Generic Solar Power LLP
3	Trumpcard Advisors and Finvest LLP
4	Tarsius Pharma Ltd.

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Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2020

(₹ In Crore)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations					
a. Revenue from contracts with customers	8,078.03	8,038.65	7,044.26	32,325.17	28,686.28
b. Other operating revenues	106.91	116.20	119.66	512.33	379.63
Total revenue from operations (I)	8,184.94	8,154.85	7,163.92	32,837.50	29,065.91
II Other income	102.23	119.88	281.53	635.98	1,025.49
III Total income (I+II)	8,287.17	8,274.73	7,445.45	33,473.48	30,091.40
IV Expenses					
Cost of materials consumed	1,209.58	1,495.77	2,066.54	5,515.23	5,782.70
Purchases of stock-in-trade	910.64	842.37	197.62	3,414.37	2,519.38
Changes in inventories of finished goods, stock-in-trade and work-in-progress	184.59	(138.15)	(425.37)	300.85	(433.11)
Employee benefits expense	1,651.89	1,549.12	1,568.79	6,362.35	5,967.09
Finance costs	51.78	62.96	150.03	302.73	555.25
Depreciation and amortisation expense	575.38	546.99	454.05	2,052.78	1,753.25
Other expenses	2,723.16	2,646.14	2,684.70	10,270.55	8,829.06
Net (gain) / loss on foreign currency transactions	142.07	(81.80)	54.85	(15.61)	93.20
Total expenses (IV)	7,449.09	6,923.40	6,751.21	28,203.25	25,066.82
V Profit before exceptional items and tax (III-IV)	838.08	1,351.33	694.24	5,270.23	5,024.58
VI Exceptional items (Refer Note 4)	260.64	-	-	260.64	1,214.38
VII Profit before tax (V-VI)	577.44	1,351.33	694.24	5,009.59	3,810.20
VIII Tax expense/(credit) for period / year	83.09	327.62	(28.81)	822.80	600.88
IX Profit for the period before share of profit / (loss) of associates and joint venture (VII-VIII)	494.35	1,023.71	723.05	4,186.79	3,209.32
X Share of profit / (loss) of associates and joint venture (net)	(1.59)	(4.33)	(2.44)	(14.83)	(1.46)
XI Net Profit after taxes and share of profit / (loss) of associates and joint venture but before non-controlling interests (IX+X)	492.76	1,019.38	720.61	4,171.96	3,207.86
Non-controlling interests	92.92	105.86	84.73	407.03	542.44
XII Net Profit after taxes, share of profit / (loss) of associates and joint venture and non-controlling interests	399.84	913.52	635.88	3,764.93	2,665.42
XIII Other comprehensive income (OCI)					
A. (i) Items that will not be reclassified to profit or loss	(93.91)	178.68	82.86	(131.41)	23.96
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.98	(3.07)	(0.86)	15.94	(6.25)
B. (i) Items that may be reclassified to profit or loss	1,317.46	274.92	(102.00)	2,194.19	1,756.69
(ii) Income tax relating to items that may be reclassified to profit or loss	22.15	11.03	(85.54)	42.11	(94.41)
Total other comprehensive income (A+B) (XIII)	1,248.68	461.56	(105.54)	2,120.83	1,679.99
XIV Total comprehensive income for the period (XI+XIII)	1,741.44	1,480.94	615.07	6,292.79	4,887.85
Attributable to:					
- Owners of the Company	1,469.62	1,355.93	509.86	5,606.84	4,205.41
- Non-controlling interests	271.82	125.01	105.21	685.95	682.44
XV Paid-up equity share capital - face value ₹ 1 each	239.93	239.93	239.93	239.93	239.93
XVI Other equity				45,024.52	41,169.13
XVII Earnings per equity share of ₹ 1 each (not annualised for quarters)					
₹ (Basic)	1.67	3.81	2.65	15.69	11.11
₹ (Diluted)	1.67	3.81	2.65	15.69	11.11
See accompanying notes to the audited consolidated financial results					
Research and development expenses incurred (included above)	520.51	518.04	534.86	1,925.17	1,912.87

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Audited Consolidated Statement of Assets and Liabilities

(₹ In Crore)

Particulars	As at 31.03.2020 Audited	As at 31.03.2019 Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	10,567.43	10,027.42
(b) Capital work-in-progress	658.91	910.79
(c) Goodwill	6,481.46	5,955.77
(d) Other intangible assets	5,798.02	5,853.35
(e) Intangible assets under development	561.43	500.36
(f) Investments in associates	215.39	216.34
(g) Investments in joint venture	27.57	26.20
(h) Financial assets		
(i) Investments	5,002.79	3,709.27
(ii) Loans	0.79	17.04
(iii) Other financial assets	104.88	78.77
(i) Deferred tax assets (Net)	3,175.29	2,554.87
(j) Income tax assets (Net)	3,384.25	3,266.09
(k) Other non-current assets	620.09	508.35
Total non-current assets	36,598.30	33,624.62
(2) Current assets		
(a) Inventories	7,874.99	7,885.98
(b) Financial assets		
(i) Investments	4,897.36	3,950.72
(ii) Trade receivables	9,421.24	8,884.20
(iii) Cash and cash equivalents	5,676.61	7,062.30
(iv) Bank balances other than (iii) above	810.94	213.30
(v) Loans	148.38	309.35
(vi) Other financial assets	929.34	717.70
(c) Other current assets	1,895.30	2,045.64
Total current assets	31,654.16	31,069.19
TOTAL ASSETS	68,252.46	64,693.81
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	239.93	239.93
(b) Other equity	45,024.52	41,169.13
Equity attributable to owners of the Company	45,264.45	41,409.06
Non-controlling interests	3,860.24	3,313.54
Total equity	49,124.69	44,722.60
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,028.92	1,522.61
(ii) Other financial liabilities	42.41	3.06
(b) Provisions	511.00	430.39
(c) Deferred tax liabilities (Net)	58.14	104.28
(d) Other non-current liabilities	780.87	571.25
Total non-current liabilities	3,421.34	2,631.59
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	5,549.38	8,370.76
(ii) Trade payables	4,093.73	4,147.87
(iii) Other financial liabilities	1,244.82	1,027.32
(b) Other current liabilities	646.29	734.40
(c) Provisions	3,970.18	2,932.33
(d) Current tax liabilities (Net)	202.03	126.94
Total current liabilities	15,706.43	17,339.62
Total liabilities	19,127.77	19,971.21
TOTAL EQUITY AND LIABILITIES	68,252.46	64,693.81

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Audited Consolidated Cash Flow Statement for the Year ended March 31, 2020

₹ In Crore

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
	Audited	Audited
A. Cash flow from operating activities		
Profit before tax	5,009.59	3,810.20
Adjustments for:		
Depreciation and amortisation expense	2,052.78	1,753.25
Impairment of property, plant and equipment, goodwill and other intangible assets	0.15	1.29
Loss on sale / write off of property, plant and equipment and other intangible assets, net	5.22	66.56
Finance costs	302.73	555.25
Interest income	(354.62)	(669.21)
Dividend income on investments	(56.18)	(22.38)
Net gain arising on financial assets measured at fair value through profit or loss	(57.19)	(143.36)
Net gain on sale of financial assets measured at fair value through profit or loss	(24.67)	(18.03)
Net (gain)/ loss on sale of financial assets measured at fair value through other comprehensive income	(0.04)	0.01
Provision / write off / (reversal) for doubtful trade receivables / advances	106.81	(33.94)
Sundry balances written back, net	(5.22)	(6.45)
Effect of exchange rate changes	22.77	485.67
Operating profit before working capital changes	7,002.13	5,778.86
Movements in working capital:		
(Increase) / Decrease in inventories	256.77	(709.00)
(Increase) / Decrease in trade receivables	(374.05)	(857.84)
(Increase) / Decrease in other assets	(175.19)	99.37
Increase / (Decrease) in trade payables	(136.57)	(854.46)
Increase / (Decrease) in other liabilities	236.33	13.72
Increase / (Decrease) in provisions	1,091.26	(387.79)
Cash generated from operations	7,900.68	3,082.86
Income tax paid (net of refund)	(1,345.91)	(886.41)
Net cash generated from operating activities (A)	6,554.77	2,196.45
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets and intangible assets under development)	(1,542.00)	(3,212.82)
Proceeds from disposal of property, plant and equipment and other intangible assets	92.03	50.47
Loans / inter corporate deposits given / placed	(19.13)	(78.33)
Loans / inter corporate deposits received back / matured	187.54	123.07
Purchase of investments	(33,445.39)	(35,395.73)
Proceeds from sale of investments	31,893.63	35,207.03
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	(969.45)	(448.61)
Fixed deposits / margin money matured	819.29	2,389.75
Net cash outflow on acquisition of subsidiary	-	(22.80)
Interest received	338.46	684.34
Dividend received	56.18	22.38
Net cash used in investing activities (B)	(2,588.84)	(681.25)

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Audited Consolidated Cash Flow Statement for the Year ended March 31, 2020

₹ In Crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
C. Cash flow from financing activities		
Proceeds from borrowings	10,551.57	17,697.52
Repayment of borrowings @	(13,893.46)	(16,807.37)
Payment for buy-back of equity shares of parent and buy-back of equity shares held by non-controlling interests of subsidiaries	(212.48)	(608.82)
Dividend payment to non-controlling interests	(20.14)	(845.55)
Net increase / (decrease) in working capital demand loans	218.90	(1,127.35)
Proceeds from issue of equity shares on exercise of stock options / share application money received	-	0.38
Transfer to escrow account for buy-back *	(425.00)	-
Finance costs	(271.89)	(460.66)
Dividend paid	(1,379.19)	(480.18)
Dividend distribution tax	(283.45)	(98.49)
Net cash used in financing activities (C)	(5,715.14)	(2,730.52)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(1,749.21)	(1,215.32)
Cash and cash equivalents at the beginning of the year	7,062.30	7,906.45
Cash and cash equivalents taken over on acquisition of subsidiary	-	45.52
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	363.52	325.65
Cash and cash equivalents at the end of the year	5,676.61	7,062.30

@ includes payment of lease obligation.

* represents amount transferred to escrow account in compliance with Securities and Exchange Board of India (Buy-back of Securities) Regulation, 2018.

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Notes :

- 1 The above audited consolidated financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 27, 2020.
- 2 These audited consolidated financial results relate to Sun Pharmaceutical Industries Limited (SPIL), its Subsidiaries (together constitute 'the Group'), Joint Venture and Associates and are prepared by applying Ind AS 110 - "Consolidated Financial Statements", and Ind AS 28 - "Investments in Associates and Joint Ventures".
- 3 The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
- 4 Exceptional items includes the following :
 - a) The Company had entered into settlement agreements with Apotex Corporation, Retailer Purchasers, end-payor plaintiffs and Direct Purchaser Plaintiffs in respect of an antitrust litigation, relating to a product Modafinil. The Company had accounted for an amount of ₹ 1,238.38 Crore in the year ended on March 31, 2019, of which ₹ 1,214.38 Crore was disclosed as an exceptional item.
During year ended March 31, 2020, the Company has entered into a settlement agreement with the last remaining Plaintiff and the settlement amount has been grouped in other expenses.
 - b) The Hon'ble Supreme Court of India while disposing various Special leave petitions filed by the Central Government with respect to central excise refund claims of various eligible industries under the Industrial Policies and Central Excise notifications in relation thereto, had held that the amendments to original notification restricting the central excise refund were clarificatory in nature. Based on the judgement by the Hon'ble Supreme Court of India , an amount of ₹104.28 Crore including interest has been charged in the statement of profit and loss.
 - c) Our U.S. subsidiary, Dusa Pharmaceuticals, Inc has reached an agreement in principle with the U.S. Department of Justice and an individual to resolve allegations relating to the sales, marketing and promotion of two of its products - Levulan and Blu-u, as extension of a Civil Investigation Demand for the period January 2010 to September 2017. The Company has made a provision of ₹ 156.36 Crore for this settlement.
- 5 The Board of Directors at its meeting held on March 17, 2020 has approved the buy-back by the Company of its equity shares from the open market through stock exchange mechanism as prescribed under Buy-back regulations at the maximum price of ₹ 425/- per share for an aggregate maximum amount of ₹ 1700 Crore.
- 6 The Group continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the Group's financial results as of and for the year ended March 31, 2020.
- 7 Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied to all lease contracts existing on April 01, 2019 using the modified retrospective method. Accordingly, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). The impact on the profit and earnings per share is not material.
- 8 Pola Pharma Inc. Japan became a step down subsidiary of the Company with effect from January 01, 2019. Accordingly, the results for year ended includes results of Pola Pharma Inc., and hence are not comparable with year ended March 31, 2019.
- 9 The Board has recommended payment of dividend of ₹ 1 per equity share of ₹ 1 each for the year ended March 31, 2020 subject to approval of the members at ensuing Annual General Meeting.
- 10 The Group has only one reportable segment namely 'Pharmaceuticals'.
- 11 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
The Company has issued listed unsecured commercial paper during the year.
 - (a) Credit Rating and change in credit rating, if any:

Name of Credit Rating Agency	Rating
CRISIL	CRISIL A1+
ICRA	ICRA A1+
 - (b) Ratios

Ratios and Formulae	March 2020	March 2019
(i) Debt Equity Ratio = (Long-term Borrowings + Short-term Borrowings + current maturities of long term borrowings) / (Total Equity)	0.18	0.25
(ii) Debt Service Coverage Ratio = Earnings before Finance Costs, Exceptional Item and Tax / (Finance Costs + Principal Repayment for borrowings made during the period)	0.40	0.32
(iii) Interest Service Coverage Ratio = Earnings before Finance Costs, Exceptional Item and Tax / Finance Costs	20.09	10.36
(iv) Asset cover = Total Assets - Intangible Assets - Current Liabilities excluding Short-term Borrowings and current maturities of Long-term Borrowings) / (Long-term Borrowings + Short-term Borrowings + current maturities of long term borrowing).	5.76	4.24

Note : the above borrowings and interest payments do not include payment related to leases

(c) Details of due dates and actual dates & amounts of repayment of listed unsecured commercial paper:

ISIN No	Due Date of Payment	Actual Date of Repayment	Redemption Amount- ₹ In Crore
INE044A14534	17-02-2020	17-02-2020	500.00
INE044A14559	18-03-2020	18-03-2020	800.00
INE044A14542	11-05-2020	N/A	500.00
INE044A14567	17-06-2020	N/A	500.00

(d) Capital Redemption Reserve and Net worth

Particulars	(₹ In Crore)	
	March 2020	March 2019
Capital Redemption Reserve	0.75	0.75
Net worth	44,891.90	41,036.51

- 12 Figures for previous periods have been regrouped / reclassified wherever considered necessary.
- 13 The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the relevant financial year which were subject to limited review by the Statutory Auditor of the Company.

For and on behalf of the Board

Dilip S. Shanghvi
Managing Director

Mumbai, May 27, 2020

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NSE Code – SUNPHARMA

BSE Limited,
Market Operations Dept.
P. J. Towers,
Dalal Street,
Mumbai - 400 001.
BSE Code– 524715

DECLARATION

We, Sun Pharmaceutical Industries Limited (the Company), hereby confirm and declare that the Statutory Auditors of the Company i.e. M/s. SRBC & Co LLP, Chartered Accountants, Mumbai, having Firm's Registration No. 324982E/E300003, have issued the audit report on Standalone and Consolidated Audited Financial Results of the Company for the year ended March 31, 2020 with unmodified opinion.

For Sun Pharmaceutical Industries Limited

A handwritten signature in black ink, appearing to read "C. S. Muralidharan".

C. S. Muralidharan
Chief Financial Officer

Date: May 27, 2020
Place: Mumbai

Registered Office: SPARC, Tandalja, Vadodara – 390 012, Gujarat, INDIA.

Reaching People. Touching Lives.