

June 19, 2020

Listing Department
BOMBAY STOCK EXCHANGE LIMITED
P J Towers, Dalal Street, Fort,
Mumbai-400 001

Code: **532321**

Listing Department
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Code: **CADILAHC**

Re: **Outcome of Board Meeting**

Dear Sir,

The Board of Directors at their meeting held today i.e. June 19, 2020, based on the recommendations of Audit Committee, approved the audited financial results for the quarter / year ended on March 31, 2020.

In this regard, please find enclosed the following:

1. the audited financial results (standalone and consolidated) for the quarter / year ended on March 31, 2020, reviewed by the Audit Committee and taken on record by the Board of Directors pursuant to regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ("the **Listing Regulations**").
2. the Audit Reports of Deloitte Haskins & Sells LLP, Chartered Accountants and the Statutory Auditors of the Company certifying the audit of the financial results (standalone and consolidated) of the Company for the quarter / year ended on March 31, 2020 pursuant to regulation 33 of the Listing Regulations.
3. press release proposed to be published in the newspapers in the matter of audited financial results for the quarter / year ended on March 31, 2020.
- Pursuant to the SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that the Statutory Auditors—M/s. Deloitte Haskins & Sells LLP [Firm Registration No. 117366W/W-100018], Chartered Accountants have submitted their Audit Reports (both, standalone and consolidated) for the year ended on March 31, 2020 with an unmodified opinion.

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- The Trading Window under SEBI Insider Trading Regulations, 2015 shall remain closed for trading till June 21, 2020 and shall reopen from June 22, 2020 for the Directors and Designated Persons.
 - Twenty Fifth Annual General Meeting of the members of the Company is scheduled to be held on Thursday, August 27, 2020 through Vide Conference / Other Audio Visual Means.
 - In compliance with regulation 42(5) of the Listing Regulations, we inform that the Register of Members and Share Transfer Books shall be closed from Friday, August 14, 2020 to Friday August 21, 2020 (both days inclusive).
 - The Board Meeting commenced at 12.15 p.m. and concluded at 13.40 p.m.

Please receive the information and disclosures in order.

Thanking you,

Yours faithfully,

For, **CADILA HEALTHCARE LIMITED**

DHAVAL
NARENDRA
SONI

Digitally signed by
DHAVAL NARENDRA
SONI
Date: 2020.06.19
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DHAVAL N. SONI
COMPANY SECRETARY

Encl.: As above



Cadila Healthcare Limited

Registered Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej- Gandhinagar Highway, Ahmedabad - 382481
Tel. No.: (+91-79) 4804 0100 Website: www.zyduscadila.com
CIN : L24230GJ1995PLC025878

Statement of Standalone Financial Results for the Quarter and Year Ended 31/03/2020

Sr. No.	Particulars	Rupees in Million				
		3 Months ended 31/03/2020	3 Months ended 31/12/2019	Corresponding 3 months ended 31/03/2019 in the previous year	Year ended 31/03/2020	Previous year ended 31/03/2019
		Unaudited (Refer Note-8)	(Unaudited)	Unaudited (Refer Note-8)	(Audited)	(Audited)
1	Revenue					
a	Revenue from operations					
i	Sales	17,073	16,277	14,958	59,677	57,466
ii	Other operating Income	1,049	833	741	3,797	2,908
iii	Total revenue from operations	18,122	17,110	15,699	63,474	60,374
b	Other Income	4,002	297	363	8,494	5,593
c	Total income	22,124	17,407	16,062	71,968	65,967
2	Expenses					
a	Cost of materials consumed	4,778	4,865	4,689	18,383	17,558
b	Purchases of stock-in-trade	(181)	102	532	979	1,944
c	Changes in Inventories of finished goods, work-in-progress and stock-in-trade	948	537	(219)	155	(860)
d	Employee benefits expense	2,674	2,773	2,490	10,774	9,612
e	Finance costs	626	484	257	2,339	896
f	Depreciation and amortisation expense	1,123	1,098	952	4,289	3,582
g	Other expenses	4,707	5,319	4,402	18,952	15,822
h	Total expenses	14,675	15,178	13,103	55,871	48,554
3	Profit before exceptional items and tax (1-2)	7,449	2,229	2,959	16,097	17,413
4	Exceptional items, (Refer Note-6)	520	0	0	520	0
5	Profit before tax (3-4)	6,929	2,229	2,959	15,577	17,413
6	Tax expenses					
a	Current tax	188	469	679	1,641	3,354
b	Deferred tax	676	(171)	(18)	400	(339)
c	Total tax expenses	864	298	661	2,041	3,015
7	Net Profit from continuing operations for the period/ year (5-6)	6,065	1,931	2,298	13,536	14,398
8 a	Profit before tax from discontinued operations (Refer Note-5)	137	248	155	682	552
b	Tax expense of discontinued operations	9	43	31	89	93
c	Profit after tax from Discontinued operations	128	205	124	593	459
9	Net Profit for the period/ year (7-8)	6,193	2,136	2,422	14,129	14,857
10	Other Comprehensive Income (OCI)					
	Items that will not be reclassified to profit or loss:					
i	Re-measurement gains/ (losses) on post employment defined benefit plans	39	(34)	27	(59)	(46)
ii	Net Gain/ (loss) on Fair Value through OCI Equity Securities	(307)	125	64	(167)	(280)
iii	Income tax effect on above items	(7)	5	(4)	6	8
iv	Other Comprehensive Income (net of tax)	(275)	96	87	(220)	(318)
11	Total Comprehensive Income (9+10)	5,918	2,232	2,509	13,909	14,539
12	Paid-up equity share capital (Face value Re. 1/-)	1,024	1,024	1,024	1,024	1,024
13	Reserves excluding Revaluation Reserve (i.e. Other Equity)				111,578	84,668
14 A	Earnings per share for continuing operations (not annualised for the quarter)					
a	Basic (Rs.)	5.92	1.89	2.24	13.22	14.06
b	Diluted (Rs.)	5.92	1.89	2.24	13.22	14.06
B	Earnings per share for discontinuing operations (not annualised for the quarter)					
a	Basic (Rs.)	0.13	0.20	0.12	0.58	0.45
b	Diluted (Rs.)	0.13	0.20	0.12	0.58	0.45
C	Earnings per share for continuing & discontinuing operations (not annualised for the quarter)					
a	Basic (Rs.)	6.05	2.09	2.37	13.80	14.51
b	Diluted (Rs.)	6.05	2.09	2.37	13.80	14.51

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Notes :

- [1] The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on June 19, 2020.
- [2] During the quarter, the Board of Directors have declared an interim dividend of Rs. 3.50/- (@ 350%) per equity share on 1,023,742,600 equity shares of Re. 1/- each for the financial year ended on March 31, 2020.
- [3] The Company has adopted Ind AS 116 "Leases" effective April 1, 2019, as notified by the Ministry of Corporate Affairs [MCA] in the Companies [Indian Accounting Standard] Amendment Rules, 2019, using modified retrospective method. This has resulted in recognising right-of-use assets, included in Property, Plant and Equipment and a corresponding lease liability, included in other financial liabilities. The adoption of this standard did not have any material impact on the profit of the current year.
- [4] Pursuant to the Scheme of Amalgamation u/s 230 to 232 of the Companies Act, 2013 of Zydus Technologies Limited [ZTL], Alidac Pharmaceutical Limited [APL], Liva Pharmaceutical Limited [LPL] and Dialforhealth India Limited [DIL] [all 100% subsidiary companies of the Company, collectively referred to as "Amalgamating Companies"] with the Company, which was sanctioned by the Ahmedabad bench of the Hon'ble National Company Law Tribunal [NCLT] vide its order dated March 16, 2020, all the businesses, undertakings, activities, properties, investments and liabilities of each of the Amalgamating Companies were transferred to and vested in the Company with effect from April 01, 2019, being the appointed date. The certified copy of order was filed with Registrar of Companies, Gujarat [ROC] at Ahmedabad on March 31, 2020, being the effective date. This being a common control business combination as per Appendix C of Ind AS 103 "Business Combinations", has been accounted for using Pooling of Interest method.
- The financial results of the Company for the previous quarter ended December 31, 2019, quarter and year ended March 31, 2019 have been restated as if this business combination had occurred from the beginning of the previous financial year i.e. 2018-19 as prescribed in the Appendix C to Ind AS-103.
- [5] Pursuant to the Definitive Agreement ["DA"] entered into by the Company on March 11, 2020 with its subsidiary Zydus Animal Health and Investments Limited ["Z AHL"] [formerly known as Violo Pharmaceuticals and Investments Limited] to achieve certain strategic and commercial objectives, the Company's Animal Healthcare Business ["AHB"] comprising of two undertakings viz. Animal Healthcare Established Markets Undertaking [AHESTM] and Animal Healthcare Emerging Markets Undertaking [AHEMGM] has been transferred to and vested in Z AHL on a going concern basis in exchange of 8% Non-cumulative Non-convertible Redeemable Preference Shares of Rs. 10/- each issued at face value ["Z AHL Preference Shares"] on a lump sum basis, without values being assigned to individual assets and liabilities.
- Accordingly, Z AHL has issued 220,00,00,000 Z AHL Preference Shares, aggregating to Rs. 22,000 Million in exchange of the said transfer of AHESTM and 7,33,50,000 Z AHL Preference Shares, aggregating to Rs. 733.50 Million in exchange of the said transfer of AHEMGM, to the Company.
- The said transfer has been given effect to in the books of the Company as on March 20, 2020 being the Closing Date for the transaction. Consequently, AHB has been considered and disclosed as "Discontinued Operations" as per Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations".
- [6] After the end of the reporting period for the financial statements [i.e. March 31, 2020] but before the date of approval of the financial statements by the Board of Directors of the Company [i.e. June 19, 2020], the Company has sold 2,40,77,940 equity shares of Rs. 10/- each fully paid-up, representing the entire stake of 51% held by the Company of the total paid-up share capital of Windtas Healthcare Private Limited ["WHPL"], a subsidiary company to Windtas Biotech Private Limited ["WBPL"] for an aggregate consideration of Rs. 1,035 Million in two tranches pursuant to two separate definitive agreements entered into by the Company with WBPL, one on April 16, 2020 and another on April 30, 2020. The value of aggregate consideration being less than the carrying value of the investment in the equity shares of WHPL on March 31, 2020, a provision of Rs. 520 Million has been made for impairment in the value of investment in the equity shares of WHPL, which is recognised under the head "Exceptional Items".
- [7] The World Health Organisation [WHO] declared Covid-19 to be a global pandemic in March 2020. Majority of the countries across the globe were into lockdown situation all throughout April 2020 and major part of May 2020, impacting business operations across various sectors with severe restrictions on movement of people and goods.
- The Company has implemented several initiatives across its manufacturing and other business locations including allowing the employees to work from homes, social distancing at work places and proper sanitization of work places etc. for ensuring safety of its employees and continuity of its business operations with minimal disruption. The Company operates in manufacturing and selling of pharmaceutical products, which are classified as essential commodities and hence its operations continued to be run with fewer challenges on people movement and supply chain.
- As per the current assessment of the situation based on the internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the Company will closely monitor any material changes to the economic environment and their impact on its business in the times to come.
- [8] The figures of the quarters ended March 31, 2020 and March 31, 2019 are balancing figures between audited figures in respect of the full financial year and year to date figures [restated as described in Note 4 above] upto the third quarter of the respective financial years.
- [9] Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.
- [10] The Company has one segment of activity viz., "Pharmaceuticals".

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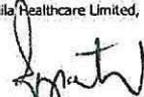
Standalone Statement of Assets and Liabilities

Particulars		Rupees in Million	
		As at 31/03/2020	As at 31/03/2019
A	ASSETS		
1	Non-current assets		
a	Property, plant and equipment	40,644	38,012
b	Capital work-in-progress	5,526	6,749
c	Goodwill	0	18
d	Other intangible assets	446	1,295
e	Financial assets		
i	Investments	64,041	41,905
ii	Loans	2,963	2,013
iii	Other Financial Assets	1,947	1,500
g	Other non-current assets	1,319	2,022
h	Assets for Current tax (Net)	702	577
	Sub-total - Non-current assets	117,588	94,091
2	Current assets		
a	Inventories	13,947	14,725
b	Financial assets		
i	Investments	0	47
ii	Trade receivables	24,567	21,121
iii	Cash and cash equivalents	3,748	1,046
iv	Bank balance other than cash and cash equivalents	105	75
v	Loans	185	43
vi	Other current financial assets	1,165	1,097
c	Other current assets	4,210	4,466
	Sub-total - Current assets	47,927	42,620
	TOTAL - ASSETS	165,515	136,711
B	EQUITY AND LIABILITIES		
1	Equity		
a	Equity share capital	1,024	1,024
b	Other equity	111,578	84,668
	Sub-total - Equity	112,602	85,692
2	Non-current liabilities		
a	Financial liabilities		
i	Borrowings	15,110	20,249
ii	Other financial liabilities	120	93
b	Provisions	1,207	1,052
c	Deferred tax liabilities (Net)	1,983	1,566
	Sub-total - Non-current liabilities	18,420	22,960
3	Current liabilities		
a	Financial liabilities		
i	Borrowings	14,434	13,179
ii	Trade payables		
-	Due to Micro and Small Enterprises	87	99
-	Due to other than Micro and Small Enterprises	8,540	6,911
iii	Other financial liabilities	10,032	6,360
b	Other current liabilities	695	614
c	Provisions	470	403
d	Current tax liabilities (Net)	235	493
	Sub-total - Current liabilities	34,493	28,059
	TOTAL - EQUITY AND LIABILITIES	165,515	136,711

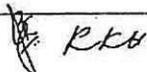
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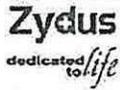
Audited Statement of Cash Flows		
Particulars	Rupees in Million	
	Year ended	
	31/03/2020	31/03/2019
Cash flows from operating activities:		
Profit before tax:		
Continuing operations	15,577	17,413
Discontinued operations	682	552
	16,259	17,965
Adjustments for:		
Depreciation and Amortisation expense	4,448	3,745
Exceptional Items	520	0
Loss on sale of property, plant and equipment [Net]	88	73
FVTPL gain/ profit on sale of investments [Net]	(58)	(828)
Interest income	(172)	(337)
Gain on valuation of Forward Contract value related to investment in a Joint Venture	(464)	(266)
Dividend income	(7,417)	(3,868)
Interest expenses (including effect of foreign exchange movement in borrowings)	3,640	625
Trade receivables written off	12	0
Expected credit loss on trade receivables [net]	(1)	(14)
Doubtful advances written off	5	6
Allowance for doubtful advances [net of written back]	68	(6)
Provision for employee benefits	318	348
Other provisions	20	5
Total	1,007	(517)
Operating profit before working capital changes	17,266	17,448
Adjustments for:		
[Increase] in trade receivables	(4,178)	(8,401)
[Increase] in inventories	(100)	(882)
Decrease in other assets	347	2,101
Increase/ [Decrease] in trade payables	2,180	(1,347)
[Decrease]/ Increase in other liabilities	(1,678)	9
Total	(3,429)	(8,520)
Cash generated from operations	13,837	8,928
Direct taxes paid [Net of refunds]	(2,018)	(3,122)
Foreign Currency Monetary items Translation Difference Account written off	6	1
Net cash from operating activities	11,825	5,807
Cash flows from investing activities:		
Purchase of property, plant and equipment	(5,969)	(7,252)
Proceeds from sale of property, plant and equipment	54	49
Purchase of non current investments in subsidiaries	(112)	(13,726)
Proceeds from sale/ redemption of non current investments in subsidiaries/ joint ventures	0	3,298
Proceeds from sale/ redemption of non current investments in others	27	0
FVTPL gain/ profit [net] on sale of investments which are considered as part of cash and cash equivalents	53	92
Advances to subsidiaries	(954)	(1,865)
Repayment of advances by subsidiaries	0	7,848
Interest received	34	372
Dividend received	7,417	3,868
Net cash from/ [used in] investing activities	550	(7,452)
Cash flows from financing activities:		
Proceeds from non current borrowings	1,799	6,772
Repayment of non current borrowings	(3,606)	(1,704)
Current Borrowings [Net]	689	(3)
Interest paid	(1,395)	(824)
Dividends paid	(7,166)	(3,583)
Tax on dividends paid	(7)	(9)
Net cash [used in]/ from financing activities	(9,686)	649
Net Increase/ [Decrease] in cash and cash equivalents	2,689	(996)
Cash and cash equivalents at the beginning of the year	1,168	1,838
Cash and cash equivalents adjusted pursuant to merger	0	326
Cash and cash equivalents adjusted pursuant to slump exchange	(4)	0
Cash and cash equivalents at the end of the year	3,853	1,168
Cash and cash equivalents comprise of:		
Particulars	31/03/2020	31/03/2019
a Cash and cash equivalents	3,748	1,046
b Bank balance other than cash and cash equivalents	105	75
c Investments - Current	-	47
d Total	3,853	1,168

By Order of the Board,
For Cadila Healthcare Limited,


Dr. Arvill P. Patel
Managing Director

Ahmedabad, June 19, 2020





Cadila Healthcare Limited

Registered Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),
Near Vaishnodevi Circle, Sarkhej- Gandhinagar Highway, Ahmedabad - 382481
Tel. No.: (+91-79) 4804 0100 Website: www.zyduscadila.com
CIN : L24230GJ1995PLC025878

Statement of Consolidated Financial Results for the Quarter and Year Ended 31/03/2020

Sr. No.	Particulars	Rupees in Million				
		3 Months ended 31/03/2020	3 Months ended 31/12/2019	Corresponding 3 months ended 31/03/2019 in the previous year	Year ended 31/03/2020	Previous year ended 31/03/2019
		Unaudited (Refer Note-9)	(Unaudited)	Unaudited (Refer Note-8)	(Audited)	(Audited)
1	Revenue					
a	Revenue from operations					
i	Sales	36,272	35,345	36,195	138,121	127,484
ii	Other operating Income	1,249	1,036	1,133	4,410	4,172
iii	Total revenue from operations	37,521	36,381	37,328	142,531	131,656
b	Other income	443	201	384	1,139	2,011
c	Total Income	37,964	36,582	37,712	143,670	133,667
2	Expenses					
a	Cost of materials consumed	10,338	9,258	7,924	34,596	26,741
b	Purchases of stock-in-trade	3,341	3,917	6,250	15,542	21,520
c	Changes in Inventories of finished goods, work-in-progress and stock-in-trade	(1,082)	(732)	(317)	(938)	(1,097)
d	Employee benefits expense	6,090	6,190	5,523	24,145	21,241
e	Finance costs	825	805	773	3,418	1,935
f	Depreciation and amortisation expense	1,785	1,741	1,556	6,965	5,986
g	Other expenses	10,922	10,770	9,840	41,352	33,416
h	Total expenses	32,219	31,949	31,549	125,080	109,742
3	Profit before exceptional items, tax and share of profit of joint ventures (1-2)	5,745	4,633	6,163	18,590	23,925
4	Exceptional items (Refer Note-10)	525	62	104	3,636	104
5	Profit before tax and share of profit of joint ventures (3-4)	5,220	4,571	6,059	14,954	23,821
6	Tax expenses					
a	Current tax	504	317	1,309	2,377	6,073
b	Deferred tax	581	610	(42)	821	(770)
c	Total tax expenses	1,085	927	1,267	3,198	5,303
7	Profit before share of profit of joint ventures (5-6)	4,135	3,644	4,792	11,756	18,518
8	Share of profit of joint ventures (net of tax)	2	70	25	288	469
9	Net Profit before Non-Controlling Interests (7+8)	4,137	3,714	4,817	12,044	18,987
10	Non-Controlling Interests	218	(25)	216	278	499
11	Net Profit for the period/ year (9-10)	3,919	3,739	4,601	11,766	18,488
12	Other Comprehensive Income (OCI)					
a	Items that will not be reclassified to profit or loss:					
i	Re-measurement gains/ (losses) on post employment defined benefit plans	23	(58)	88	(135)	(13)
ii	Net Gain/ (loss) on Fair Value through OCI Equity Securities	(312)	125	62	(174)	(287)
iii	Income tax effect on above items	6	12	(21)	39	(3)
iv	Total	(283)	79	129	(270)	(303)
b	Items that will be reclassified to profit or loss:					
i	Exchange differences on translation of foreign operations	(1,909)	(226)	150	(2,728)	(1,373)
ii	Income tax effect on above items	0	0	0	0	0
iii	Total	(1,909)	(226)	150	(2,728)	(1,373)
c	Share of OCI of joint ventures (net of tax)	(6)	0	0	(7)	(4)
d	Other Comprehensive Income (net of tax) before Non-Controlling Interests	(2,198)	(147)	279	(3,005)	(1,680)
e	Non-Controlling Interests	7	0	0	7	0
f	Other Comprehensive Income (net of tax)	(2,205)	(147)	279	(3,012)	(1,680)
13	Total Comprehensive Income (9+12 d)	1,939	3,567	5,096	9,039	17,307
14	Total Comprehensive Income attributable to:					
	Owners of the Company	1,714	3,592	4,880	8,754	16,808
	Non-Controlling Interests	225	(25)	216	285	499
15	Paid-up equity share capital (Face value Re. 1/-)	1,024	1,024	1,024	1,024	1,024
16	Reserves excluding Revaluation Reserve (i.e. Other Equity)				102,733	102,839
17	Earnings per share (not annualised for the quarter)					
a	Basic (Rs.)	3.83	3.65	4.49	11.49	18.06
b	Diluted (Rs.)	3.83	3.65	4.49	11.49	18.06

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Segment Information:						
Sr. No.	Particulars	Rupees in Million				
		3 Months ended 31/03/2020	3 Months ended 31/12/2019	Corresponding 3 months ended 31/03/2019 in the previous year	Year ended 31/03/2020	Previous year ended 31/03/2019
		Unaudited (Refer Note-8)	(Unaudited)	Unaudited (Refer Note-8)	(Audited)	(Audited)
1	Segment revenue:					
	a Pharmaceuticals	32,643	33,054	33,167	124,863	123,228
	b Consumer Products	4,878	3,327	4,161	17,668	8,428
	c Total revenue from operations	37,521	36,381	37,328	142,531	131,656
2	Segment results:					
	a Pharmaceuticals	5,102	4,641	5,564	16,935	22,114
	b Consumer Products	643	(8)	599	1,655	1,811
	c Total profit before tax before exceptional items	5,745	4,633	6,163	18,590	23,925
3	Segment assets:					
	a Pharmaceuticals	180,969	182,121	180,246	180,969	180,246
	b Consumer Products	55,897	53,735	54,585	55,897	54,585
	c Total assets	236,866	235,856	234,831	236,866	234,831
4	Segment liabilities:					
	a Pharmaceuticals	98,472	96,908	97,317	98,472	97,317
	b Consumer Products	21,290	19,492	20,722	21,290	20,722
	c Total liabilities	119,762	116,400	118,039	119,762	118,039

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Notes :

- [1] The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on June 19, 2020.
- [2] During the quarter, the Board of Directors of the Parent have declared an interim dividend of Rs. 3.50/- (@ 350%) per equity share on 1,023,742,600 equity shares of Re. 1/- each for the financial year ended on March 31, 2020.
- [3] The Group has adopted Ind AS 116 "Leases" effective April 1, 2019, as notified by the Ministry of Corporate Affairs [MCA] in the Companies [Indian Accounting Standard] Amendment Rules, 2019, using modified retrospective method. This has resulted in recognising right-of-use assets, included in Property, Plant and Equipment and a corresponding lease liability, included in other financial liabilities. The adoption of this standard did not have any material impact on the profit of the current year.
- [4] Pursuant to the Scheme of Amalgamation u/s 230 to 232 of the Companies Act, 2013 of Zydus Technologies Limited [ZTL], Alidac Pharmaceuticals Limited [APL], Liva Pharmaceuticals Limited [LPL] and Dialforhealth India Limited [DIL] [all 100% subsidiary companies of the Company, collectively referred to as "Amalgamating Companies"] with the Company, which was sanctioned by the Ahmedabad bench of the Hon'ble National Company Law Tribunal [NCLT] vide its order dated March 16, 2020, all the businesses, undertakings, activities, properties, investments and liabilities of each of the Amalgamating Companies were transferred to and vested in the Company with effect from April 01, 2019, being the appointed date. The certified copy of order was filed with Registrar of Companies, Gujarat [ROC] at Ahmedabad on March 31, 2020, being the effective date. This being a common control business combination as per Appendix C of Ind AS 103 – Business Combinations, did not have any impact on the consolidated financial statements of the group.
- [5] Pursuant to the Definitive Agreement ["DA"] entered into by the Company on March 11, 2020 with its subsidiary Zydus Animal Health and Investments Limited ["ZAHIL"] [formerly known as Violio Pharmaceuticals and Investments Limited] to achieve certain strategic and commercial objectives, the Company's Animal Healthcare Business ["AHB"] comprising of two undertakings viz. Animal Healthcare Established Markets Undertaking [AHESM] and Animal Healthcare Emerging Markets Undertaking [AHEMGM] has been transferred to and vested in ZAHIL on a going concern basis in exchange of 8% Non-cumulative Non-convertible Redeemable Preference Shares of Rs. 10/- each issued at face value ["ZAHIL Preference Shares"] on a lump sum basis, without values being assigned to individual assets and liabilities.
Accordingly, ZAHIL has issued 220,00,00,000 ZAHIL Preference Shares, aggregating to Rs. 22,000 Million in exchange of the said transfer of AHESM and 7,33,50,000 ZAHIL Preference Shares, aggregating to Rs. 733.50 Million in exchange of the said transfer of AHEMGM, to the Company.
The said transfer has been given effect to in the books of the Company and ZAHIL on March 20, 2020 being the Closing Date for the transaction. This transaction did not have any impact on the consolidated financial statements of the group.
- [6] The World Health Organisation [WHO] declared Covid-19 to be a global pandemic in March 2020. Majority of the countries across the globe were into lockdown situation all throughout April 2020 and major part of May 2020, impacting business operations across various sectors with severe restrictions on movement of people and goods.
The Group has implemented several initiatives across its manufacturing and other business locations including allowing the employees to work from homes, social distancing at work places and proper sanitization of work places etc. for ensuring safety of its employees and continuity of its business operations with minimal disruption. The Group operates in manufacturing and selling of pharmaceutical products, which are classified as essential commodities and hence its operations continued to be run with fewer challenges on people movement and supply chain.
As per the current assessment of the situation based on the internal and external information available up to the date of approval of these financial results by the Board of Directors, the Group believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results and the Group will closely monitor any material changes to the economic environment and their impact on its business in the times to come.
- [7] Pursuant to the definitive agreements entered into by the Company jointly with Zydus Wellness Limited [ZWL], a subsidiary of the Company on October 24, 2018 to acquire Heinz India Private Limited [HIPL], ZWL along with ZWL's wholly-owned entity, M/s. Zydus Wellness – Sikkim [a partnership firm] had completed the acquisition of HIPL on January 30, 2019. The consolidated financial results for the quarter and year ended March 31, 2020 include the operations of Heinz India Private Limited which got merged into Zydus Wellness Products Limited [Formerly known as "Zydus Nutritions Limited"]. Hence, the financial results for the quarter and year ended March 31, 2020 are not comparable with those of the previous periods.
- [8] The figures of the quarters ended March 31, 2020 and March 31, 2019 are balancing figures between audited figures in respect of the full financial year and year to date figures upto the third quarter of the respective financial years.
- [9] Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.
- [10] Exceptional items include:

No.	Particulars	Rupees in Million				
		3 Months ended 31/03/2020	3 Months ended 31/12/2019	Corresponding 3 months ended 31/03/2019 in the previous year	Year ended 31/03/2020	Previous year ended 31/03/2019
		Unaudited (Refer Note-8)	(Unaudited)	Unaudited (Refer Note-8)	(Audited)	(Audited)
1	Impairment charge on "Levorphanol", a product forming part of the US Specialty product segment, and other products	45	16	0	2,742	0
2	Impairment of Goodwill in Windlas Healthcare Private Limited, a subsidiary company *	452	0	0	452	0
3	Expenses incurred pursuant to acquisitions	28	46	104	442	104
4	Total	525	62	104	3,636	104

* After the end of the reporting period for the financial statements [i.e. March 31, 2020] but before the date of approval of the financial statements by the Board of Directors of the Company [i.e. June 19, 2020], the Company has sold 2,40,77,940 equity shares of Rs. 10/- each fully paid-up, representing the entire stake of 51% held by the Company of the total paid-up share capital of Windlas Healthcare Private Limited ["WHPL"], a subsidiary company, to Windlas Biotech Private Limited ["WBPL"] for an aggregate consideration of Rs. 1,035 Million in two tranches pursuant to two separate definitive agreements entered into by the Company with WBPL, one on April 16, 2020 and another on April 30, 2020. The value of aggregate consideration being less than the carrying value of the net assets [including Goodwill] of WHPL in the consolidated financial statements of the group on March 31, 2020, a provision of Rs. 452 Million has been made for impairment in the value of the net assets and goodwill of WHPL, which is recognised under the head "Exceptional items".

- [11] The detailed standalone results are available on the Company's website: www.zyduscadilla.com, on the website of BSE [www.bseindia.com] and on the website of NSE [www.nseindia.com].
The summarised standalone financial results of the Company are as below:

Particulars	Rupees in Million				
	3 Months ended 31/03/2020	3 Months ended 31/12/2019	Corresponding 3 months ended 31/03/2019 in the previous year	Year ended 31/03/2020	Previous year ended 31/03/2019
	Unaudited (Refer Note-8)	(Unaudited)	Unaudited (Refer Note-8)	(Audited)	(Audited)
Revenue from operations	18,122	17,110	15,699	63,474	60,374
Profit before Tax	6,929	2,229	2,959	15,577	17,413
Profit after Tax	6,193	2,136	2,422	14,129	14,857

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Audited Consolidated Statement of Assets and Liabilities

Particulars		Rupees in Million	
		As at 31/03/2020	As at 31/03/2019
A	ASSETS		
1	Non-current assets		
a	Property, plant and equipment	54,522	51,059
b	Capital work-in-progress	7,415	8,372
c	Goodwill	53,915	52,890
d	Other intangible assets	13,868	17,688
e	Investments in joint ventures	3,516	3,484
f	Financial assets		
i	Investments	2,006	952
ii	Other Financial Assets	2,860	2,239
g	Deferred Tax Assets (Net)	8,529	9,703
h	Other non-current assets	1,575	2,398
i	Assets for Current tax (Net)	1,506	1,065
	Sub-total - Non-current assets	149,712	149,850
2	Current assets		
a	Inventories	27,890	26,880
b	Financial assets		
i	Investments	2,128	2,299
ii	Trade receivables	36,632	39,508
iii	Cash and cash equivalents	8,453	4,207
iv	Bank balance other than cash and cash equivalents	1,196	1,282
v	Loans	0	100
vi	Other current financial assets	2,306	2,216
c	Other current assets	8,549	8,489
	Sub-total - Current assets	87,154	84,981
	TOTAL - ASSETS	236,866	234,831
B	EQUITY AND LIABILITIES		
1	Equity		
a	Equity share capital	1,024	1,024
b	Other equity	102,733	102,839
c	Equity attributable to equity holders of the Company	103,757	103,863
d	Non-Controlling Interest	13,347	12,929
	Sub-total - Equity	117,104	116,792
2	Non-current liabilities		
a	Financial liabilities		
i	Borrowings	32,146	39,497
ii	Other financial liabilities	454	727
b	Provisions	2,352	1,841
c	Deferred tax liabilities (Net)	2,099	2,523
d	Other Non-Current Liabilities	17	26
	Sub-total - Non-current liabilities	37,068	44,614
3	Current liabilities		
a	Financial liabilities		
i	Borrowings	38,265	31,969
ii	Trade payables		
-	Due to Micro and Small Enterprises	170	121
-	Due to other than Micro and Small Enterprises	20,140	19,105
iii	Other financial liabilities	19,492	18,623
b	Other current liabilities	1,904	1,713
c	Provisions	2,432	1,357
d	Current tax liabilities (Net)	291	537
	Sub-total - Current liabilities	82,694	73,425
	TOTAL - EQUITY AND LIABILITIES	236,866	234,831

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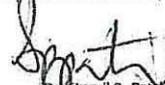
Audited Consolidated Statement of Cash Flows

Particulars	Rupees in Million	
	Year ended	
	31/03/2020	31/03/2019
Cash flows from operating activities:		
Profit before tax and share of profit/ (loss) of joint ventures	14,954	23,821
Adjustments for:		
Depreciation and Amortisation expense	6,965	5,986
Exceptional Items	3,636	0
Loss on sale of property, plant and equipment [Net]	147	77
FVTPL gain/ profit on sale of Investments [Net]	(261)	(1,128)
Interest income	(325)	(530)
Dividend income	(5)	(6)
Gain on valuation of Forward Contract value related to investment in a Joint Venture	(464)	(266)
Interest expenses [including effect of foreign exchange movement in borrowings]	3,236	1,905
Exchange Rate Fluctuation and other adjustments arising on Consolidation	(2,819)	(1,252)
Trade receivables written off	14	39
Expected credit loss on trade receivables [net]	26	(12)
Doubtful advances written off	50	6
Allowance for doubtful advances [net of written back]	176	(7)
Provision for employee benefits	436	395
Provision for probable product expiry claims and return of goods [net of written back]	1,015	184
Total	11,827	5,391
Operating profit before working capital changes	26,781	29,212
Adjustments for:		
Decrease/ [Increase] in trade receivables	2,824	(6,428)
[Increase] in inventories	(1,010)	(1,004)
Decrease in other assets	435	(264)
Increase/ [Decrease] in trade payables	564	(2,259)
[Decrease]/ Increase in other liabilities	(1,519)	238
Total	1,294	(9,717)
Cash generated from operations	28,075	19,495
Direct taxes paid [Net of refunds]	(3,025)	(6,754)
Foreign Currency Monetary Items Translation Difference Account written off	4	78
Net cash from operating activities	25,054	12,819
Cash flows from Investing activities:		
Purchase of property, plant and equipment	(9,041)	(10,574)
Proceeds from sale of property, plant and equipment	153	110
Purchase of non current investments in subsidiaries	(1,850)	0
Purchase of non current investments in others	0	(48,813)
Proceeds from sale of non current investments	29	890
Proceeds from stake dilution in a subsidiary	0	15,000
FVTPL gain/ profit [net] on sale of Investments which are considered as part of cash and cash equivalents	256	464
Interest received	325	530
Dividend received	5	6
Net cash used in Investing activities	(10,123)	(42,387)
Cash flows from financing activities:		
Proceeds from non current borrowings	0	20,727
Repayment of non current borrowings	(7,855)	(2,646)
Current Borrowings [Net]	4,366	5,874
Interest paid	1,116	(795)
Dividends paid	(7,166)	(3,583)
Tax on dividends paid	(1,403)	(731)
Net cash [used in]/ from financing activities	(10,942)	18,846
Net increase/ [decrease] in cash and cash equivalents	3,989	(10,722)
Cash and cash equivalents at the beginning of the year	7,788	15,897
Cash and cash equivalents of the acquired subsidiaries	0	2,613
Cash and cash equivalents at the end of the year	11,777	7,788

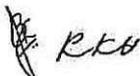
Cash and cash equivalents comprise of:

Particulars	31/03/2020	31/03/2019
a Cash and cash equivalents	8,453	4,207
b Bank balance other than cash and cash equivalents	1,196	1,282
c Investments - Current	2,128	2,299
d Total	11,777	7,788

By Order of the Board,
For Cadila Healthcare Limited,


Dr. Sharvil P. Patel
Managing Director

Ahmedabad, June 19, 2020



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF CADILA HEALTHCARE LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2020 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2020" of **CADILA HEALTHCARE LIMITED** ("the Company"), which includes a branch located at Philippines ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

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 audit report of the branch auditor as referred to in Other Matters section below, the Standalone Financial Results for the year ended March 31, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2020

With respect to the Standalone Financial Results for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, and based on the consideration of the audit report for the year ended March 31, 2020 of the branch auditor as referred in Other Matters section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2020 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditor in terms of their report referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for issuance. The Standalone Financial Results for the year ended March 31, 2020 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian 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 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, 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 financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 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

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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 these Standalone Financial Results.

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 Annual Standalone Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 Company 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company and its branch to express an opinion on the Annual Standalone Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of the entity and its business activities included in the Annual Standalone Financial Results of which we are the independent auditors. For the other entity and its business activities included in the Annual Standalone Financial Results, which have been audited by the branch auditor, such branch auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2020

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As part of the annual audit we also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- (a) Due to COVID-19 related lockdown, we were unable to observe physical verification of inventory carried out by the Management subsequent to the year-end. We have performed alternate procedures to audit the existence and condition of inventory as per the guidance provided in Standard on Auditing 501 "Audit Evidence – Specific Considerations for Selected Items", which includes inspection of supporting documentation, on test check basis, relating to purchases, production, sales, results of cyclical counts performed by the Management through the year and such other third party evidences as applicable, and have obtained sufficient appropriate audit evidence to issue an unmodified opinion on these Standalone Financial Results. Our report on the Statement is not modified in respect of this matter.
- (b) As stated in Note 4 to the Statement, pursuant to the Scheme of Amalgamation of certain wholly owned subsidiaries, as stated in the said Note (collectively, "the Transferor Companies"), into the Company becoming effective during the quarter ended March 31, 2020, the corresponding financial information for the quarter ended December 31, 2019 and for the quarter and year ended March 31, 2019 has been restated.

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The financial information of the Transferor Companies for the quarter and year ended March 31, 2019, included in the restated corresponding financial information of the Company for the quarter and year so ended, is based solely on the financial statements / financial information for the year ended March 31, 2019 and for the 9 month period ended December 31, 2018 of those companies which have not been audited / reviewed by us. Those financial statements / financial information were audited / reviewed by other auditors on which they had issued unmodified audit opinion / conclusion. Our report on the Statement is not modified in respect of this matter.

- (c) As stated in Note 8 to the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 month period ended December 31, 2018 [both restated, as described in paragraph (b) above]. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Statement is not modified in respect of this matter.
- (d) The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures for the 9 month period ended December 31, 2019 which were subject to limited review by us [and restated, as described in paragraph (b) above]. Our report on the Statement is not modified in respect of this matter.
- (e) We did not audit the financial statements of the branch included in the Statement, whose financial statements reflect total assets of Rs. 15.15 million as at December 31, 2019 and total revenues of Rs. 0.02 million for the year ended December 31, 2019, total net loss after tax and total comprehensive loss, both, of Rs. 0.17 million for the year ended December 31, 2019, and net cash outflows of Rs. 0.17 million for the year ended December 31, 2019 as considered in the Statement. The financial statements of this branch have been audited by the branch auditor whose report has been furnished to us. The reporting date of the branch at December 31, 2019 is different from the reporting date of the Company. No adjustments have been made by the Management of the Company in respect of financial information of the branch for the periods from January 1, 2019 to March 31, 2019 and January 1, 2020 to March 31, 2020 as the amounts are insignificant. Our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor and the procedures performed by us as stated under the Auditor's Responsibilities section above. Our report on the Statement is not modified in respect of this matter.

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



Rajesh K. Hiranandani
Partner
(Membership No. 36920)
(UDIN: 20036920AAAABN2571)

Place: Mumbai
Date: June 19, 2020



**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED
FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS
TO THE BOARD OF DIRECTORS OF
CADILA HEALTHCARE LIMITED**

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2020" of **CADILA HEALTHCARE LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its joint ventures for the quarter and year ended March 31, 2020, which includes a branch of the Group located at Philippines ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

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 audit reports of the branch auditor and other auditors on separate financial statements of branch, subsidiaries and joint ventures referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2020:

- (i) includes the results of the entities as per the Annexure
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group including its joint ventures for the year ended March 31, 2020.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2020

With respect to the Consolidated Financial Results for the quarter ended March 31, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, and based on the consideration of the audit reports for the year ended March 31, 2020 of the branch auditor and the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Deloitte Haskins & Sells LLP

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2020 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 ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditor and the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for issuance. The Consolidated Financial Results for the year ended March 31, 2020, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its joint ventures, in accordance with the recognition and measurement principles laid down in the Indian 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 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures 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 respective financial results 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 this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the respective entities 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 their respective entities 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 joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 as a whole are 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 these Consolidated Financial Results.

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 Annual Consolidated Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 joint ventures 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 Consolidated 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 Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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- Perform procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the branch, entities within the Group and its joint ventures to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the branch or other entities included in the Annual Consolidated Financial Results, which have been audited by the branch auditor or the other auditors, such branch auditor or 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.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results 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.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2020

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under Section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed in the Annexure referred to in paragraph (a)(i) of the Opinion and Conclusion section above.

As part of our annual audit we also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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Other Matters

- Due to COVID-19 related lockdown, we were unable to observe physical verification of inventory carried out by the Management of the Parent and a subsidiary, audited by us, subsequent to the year-end. We have performed alternate procedures to audit the existence and condition of inventory as per the guidance provided in the Standard on Auditing 501 "Audit Evidence – Specific Considerations for Selected Items", which includes inspection of supporting documentation, on test check basis, relating to purchases, production, sales, results of cyclical counts performed by the Management through the year and such other third party evidences as applicable, and have obtained sufficient appropriate audit evidence to issue an unmodified opinion on the Annual Consolidated Financial Results. Our report on the Statement is not modified in respect of this matter.
- The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.
- We did not audit the financial statements of the branch included in the Statement, whose financial statements reflect total assets of Rs. 15.15 million as at December 31, 2019 and total revenues of Rs. 0.02 million for the year ended December 31, 2019, total net loss after tax and total comprehensive loss, both, of Rs. 0.17 million for the year ended December 31, 2019, and net cash outflows of Rs. 0.17 million for the year ended December 31, 2019 as considered in the Statement. The financial statements of this branch have been audited by the branch auditor whose report has been furnished to us. The reporting date of the branch at December 31, 2019 is different from the reporting date of the Parent. No adjustments have been made by the Management of the Parent in respect of financial information of the branch for the periods from January 1, 2019 to March 31, 2019 and January 1, 2020 to March 31, 2020 as the amounts are insignificant. Our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.
- We did not audit the financial statements of 23 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 219,473 million as at March 31, 2020 and total revenues of Rs. 92,182 million for the year ended March 31, 2020, total net loss after tax of Rs. 6,487 million for the year ended March 31, 2020 and total comprehensive loss of Rs. 6,469 million for the year ended March 31, 2020 and net cash inflows of Rs. 1056 million for the year ended March 31, 2020, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax of Rs. 250 million for the year ended March 31, 2020 and total comprehensive income of Rs. 250 million for the year ended March 31, 2020, as considered in the Statement, in respect of 2 joint ventures whose financial statements have not been audited by us. These financial statements have been audited by the other auditors, whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of the branch auditor and the other auditors.

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- The consolidated financial results includes the unaudited financial statements / financial information of 16 subsidiaries, whose financial statements reflect total assets of Rs. 30,062 million as at March 31, 2020 and total revenues of Rs. 3,960 million for the year ended March 31, 2020, total net loss after tax of Rs. 591 million for the year ended March 31, 2020 and total comprehensive loss of Rs. 596 million for the year ended March 31, 2020 and net cash inflows of Rs. 41 million for the year ended March 31, 2020, as considered in the Statement. The consolidated financial results also includes the Group's share of loss after tax of Rs. 2 million for the year ended March 31, 2020 and total comprehensive loss of Rs. 2 million for the year ended March 31, 2020, as considered in the Statement, in respect of 1 joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the 1 joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Board of the Directors.

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



Rajesh K. Hiranandani
Partner
(Membership No. 36920)

(UDIN: 20036920AAAABO7780)

Place: Mumbai
Date: June 19, 2020



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS:

Name of the Entities
Parent Company Cadila Healthcare Limited
Subsidiaries Sentynl Therapeutics Inc Zydus Animal Health & Investments Limited (formerly known as Violio Pharmaceuticals & Investments Limited) Windlas Healthcare Private Limited Zydus Healthcare (USA) LLC Zydus Healthcare Limited Zydus Healthcare Philippines Inc. Zydus International Private Limited Zydus Lanka (Private) Limited Zydus Noveltech Inc. Zydus Pharmaceuticals (USA) Inc. Zydus Wellness Limited Zydus Worldwide DMCC Dialforhealth Greencross Limited Dialforhealth Unity Limited Zydus Pharmaceuticals Limited
Subsidiaries of Zydus Animal Health & Investments Limited (formerly known as Violio Pharmaceuticals & Investments Limited) Viona Pharmaceuticals Inc., USA (formerly known as Violio Pharmaceuticals Inc., USA) Violio Healthcare Limited Biochem Pharmaceuticals Private Limited
Subsidiary of Windlas Healthcare Private Limited Windlas Inc [USA]
Subsidiaries of Zydus Healthcare Limited German Remedies Pharma Private Limited (formerly known as Acme Pharmaceuticals Private Limited) M/s. Recon Pharmaceuticals and Investments
Subsidiaries of Zydus International Private Limited Zydus Pharmaceuticals Mexico SA De CV Zydus Pharmaceuticals Mexico Services Company SA De C.V.

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Name of the Entities
Subsidiary of Zydus Noveltech Inc. Hercon Pharmaceuticals LLC
Subsidiaries of Zydus Pharmaceuticals (USA) Inc. Nesher Pharmaceuticals (USA) Inc ZyVet Animal Health Inc [USA]
Subsidiaries of Zydus Wellness Limited Liva Investment Limited Liva Nutritions Limited Zydus Wellness Products Limited (formerly known as Zydus Nutritions Limited) Zydus Wellness International DMCC [Dubai]
Subsidiaries of Zydus Worldwide DMCC Alidac Healthcare Myanmar Limited Etna Biotech S.R.L. Zydus Discovery DMCC Zydus France SAS Zydus Healthcare S.A. (Pty) Ltd. Zydus Netherland B.V
Subsidiaries of Zydus Healthcare S.A. (Pty) Ltd. Script Management Services (Pty) Ltd. Simayla Pharmaceuticals (Pty) Ltd.
Subsidiaries of Zydus Netherland B.V Laboratorios Combix S.L. Zydus Nikkho Farmaceutica Ltda.
Joint Ventures of Cadila Healthcare Limited Bayer Zydus Pharma Private Limited Zydus Hospira Oncology Private Limited Zydus Takeda Healthcare Private Limited
Joint Venture of Windlas Healthcare Private Limited US Pharma Windlas LLC

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Zydus Cadila's Q4 operating profits up by 13% on a sequential basis

Ahmedabad, June 19, 2020

Announcing the results for the fourth quarter ended 31st March 2020, Zydus Cadila registered total income from operations of Rs. 3752 crores, up by 3% on a Q-o-Q basis from Rs. 3638 crores registered during third quarter of the financial year 2019-20. Operating profits i.e. Earnings before Interest, Depreciation and Tax (EBIDTA) grew by 13% on a sequential basis to Rs. 791 crores during the fourth quarter. Net profit was up by 5% on a Q-o-Q basis to Rs. 392 crores. For the year ended 31st March 2020, on a consolidated basis, the Company registered the total income from operations of Rs. 14,253 crores, up by 8%.

Strengthening its regulatory pipeline, the Company filed 30 additional ANDAs during the year with the USFDA, taking the cumulative filings to 390. The Company received 28 ANDA approvals during the year, taking the total to 282 product approvals.

During the year, the Company launched the oral anti-diabetic agent, Vinglyn (Vildagliptin) and Vinglyn M (Vildagliptin plus Metformin) in India. Vinglyn is now one of the most affordable brands of Vildagliptin for diabetic patients in India.

In a pathbreaking move in the treatment of metabolic disorders, the Company received an approval for the use of Saroglitazar in the treatment of Non-Alcoholic SteatoHepatitis (NASH). With this approval, Zydus' Saroglitazar becomes the world's first drug to be approved for NASH, an unmet medical need, as there is currently no approved drug for the treatment of the disease anywhere in the world. NASH is highly prevalent with 10% to 30% of the global population being affected by it. Saroglitazar is already approved for use in India to treat diabetic dyslipidemia and hypertriglyceridemia in patients with type-2 diabetes not controlled by statins alone. In the last seven years, over a million patients have benefitted from this drug. In January this year, Saroglitazar also received an approval for the treatment of Type 2 Diabetes Mellitus in India.

A presentation on Saroglitazar in NAFLD was presented at AASLD 2019 held at Boston which highlighted the statistical significance of Saroglitazar when compared to the placebo in primary endpoint. This paper was selected as one of the best NAFLD/NASH debriefs presented at the AASLD Conference. The Company also initiated patient enrolment for EVIDENCES VII, Phase II clinical trials for evaluating the effect of Saroglitazar Magnesium in the treatment of NAFLD in women with Polycystic Ovary Syndrome (PCOS).

Making progress with its vaccine research programme, the Company received the marketing authorization in India from the DCGI for Hepatitis B vaccine. The Phase II/ III clinical trials for Pentavalent Vaccine were also completed during the year. The Company completed Phase I clinical trials for Inactivated Hepatitis A Vaccine while Phase I clinical trials for its Recombinant Hepatitis E Vaccine is currently in progress.

For further information please contact :
The Corporate Communications Department

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CIN : L24230GJ1995PLC025878

In a major breakthrough, the Company received the marketing authorization for Twinrab™ (RabiMabs) from the Drug Controller General of India. The novel biologic which is a first-of-its-kind next gen therapy, is indicated in combination with rabies vaccine for rabies post-exposure prophylaxis. The United States Food and Drug Administration (USFDA) has granted an orphan drug status to this candidate.

The Company also announced the Phase III, DREAM-D trials of Desidustat, an Investigational New Drug (IND) targeted at treating anaemia in dialysis dependent CKD, as well as non-dialysis dependent chronic kidney disease (NDD-CKD) patients.

To offer treatment options for the COVID-19, the Company explored multiple options from its portfolio of biological products and based on the available evidence, has selected the long-acting biological therapy, Pegylated Interferon alpha-2b as a potential treatment. The Company is working with the USFDA to open an Investigational New Drug (IND) filing for Pegylated Interferon alpha-2b as a treatment option for COVID 19.

The Company is also working on a DNA vaccine to fight COVID 19. The vaccine is currently in the animal testing stage. The Company has also in collaboration with ICMR-NIV, Pune manufactured Covid Kavach Elisa test kits for antibody detection. The first batch of 30,000 test kits was supplied free of cost to ICMR.

The company recently signed a non-exclusive licensing agreement with Gilead Sciences Inc., for the manufacturing and marketing of Remdesivir, the investigational drug, in 127 countries.

The company in 2019 was also conferred with the CSIR Diamond Jubilee Technology Award for Discovery & Development of Saroglitazar.
