

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF SUN PHARMACEUTICAL INDUSTRIES LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **SUN PHARMACEUTICAL INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



# INDEPENDENT AUDITORS' REPORT



- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 117366W)

**Rajesh K Hiranandani**  
Partner  
(Membership No. 36920)

MUMBAI, 28th May, 2013

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses vi, x, xiii, xiv, xviii, xix and xx of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventory:
  - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956, according to the information and explanations given to us:
  - (a) The Company has granted loans, including interest accrued thereon converted into loans as per the terms and conditions of loans, aggregating ₹813.4 Million to one party during the year. At the year-end, the outstanding balances of such loans granted aggregated ₹738.4 Million (number of parties - one) and the maximum amount involved during the period was ₹738.4 Million (number of parties - one).
  - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.

# INDEPENDENT AUDITORS' REPORT

- (c) The receipts of principal amounts and interest have been regular as per stipulations.
- (d) There are no overdue principal amounts and interest remaining outstanding as at the year-end.

The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.

- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of a special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
  - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered into the Register maintained under the said Section have been so entered.
  - (b) Where each of such transaction is in excess of ₹ 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time, other than certain purchases which are of a special nature for which comparable quotations are not available and in respect of which we are, therefore, unable to comment.
- (vii) In our opinion, the internal audit functions carried out during the year by firms of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
  - (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Customs Duty and Excise Duty which have not been deposited as at 31st March, 2013 on account of disputes, are given below:

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ In Million)
Income-tax Act, 1961	Income tax, Interest and Penalty	Commissioner	1997-98, 1998-99, 2002-03, 2005-06, 2007-08 and 2008-09	1,203.1
		Tribunal	1995-96	0.2
Sales Tax Act (Various States)	Sales Tax, Interest and Penalty	Assistant / Deputy / Joint Commissioner	1998-99 to 2000-01, 2003-04, 2004-05, 2006-07 and 2008-09	8.9



# INDEPENDENT AUDITORS' REPORT



Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ In Million)
		Tribunal	1998-99 to 2004-05, 2006-07, 2007-08 and 2009-10	8.2
		High Court	1999-00, 2001-02 to 2003-04, 2005-06 to 2010-11	21.2
Wealth Tax Act, 1957	Wealth tax	Commissioner	2007-08 to 2009-10	0.4
		Tribunal	2002-03 and 2003-04	0.1
Customs Act, 1962	Custom Duty, Penalty and Interest	Settlement Commission	2000-01	13.9
The Central Excise Act, 1944	Excise Duty, Interest and Penalty	Assistant / Deputy / Joint Commissioner	2000-01 to 2012-13	151.5
		Tribunal	1997-98 to 2010-11	360.4
		High Court	1998-99 and 2001-02 to 2003-04	11.2
		Supreme Court	1995-96 to 2003-04	18.6

There were no unpaid disputed dues in respect of service tax during the year.

- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company does not have any dues to financial institutions and has not issued any debentures.
- (xi) In our opinion, the Company has maintained adequate records where it has granted loans and advances on the basis of security by way of pledge of shares. The Company has not granted any loans and advances on the basis of security by way of pledge of debentures and other securities.
- (xii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions, are not prima facie prejudicial to the interests of the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xiv) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 117366W)

**Rajesh K Hiranandani**  
Partner  
(Membership No. 36920)

MUMBAI, 28th May, 2013

# BALANCE SHEET

as at 31st March, 2013

₹ in Million

	Note No.	As at 31st March, 2013		As at 31st March, 2012	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	1,035.6		1,035.6	
Reserves and Surplus	2	76,853.2	77,888.8	77,745.6	78,781.2
<b>Non-current Liabilities</b>					
Long-term Borrowings	3	46.4		-	
Deferred Tax Liabilities (Net)	4	1,654.1		1,339.1	
Other Long-term Liabilities	5	10.1		20.3	
Long-term Provisions	6	1,314.9	3,025.5	986.2	2,345.6
<b>Current Liabilities</b>					
Short-term Borrowings	7	384.9		403.0	
Trade Payables	8	3,632.7		4,001.9	
Other Current Liabilities	9	1,451.5		625.4	
Short-term Provisions	10	6,081.5	11,550.6	5,154.9	10,185.2
<b>TOTAL</b>			<b>92,464.9</b>		<b>91,312.0</b>
<b>ASSETS</b>					
<b>Non-current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	11A	11,347.6		9,759.3	
Intangible Assets	11B	10.3		13.7	
Capital Work-in-Progress		3,480.4		2,488.7	
		<b>14,838.3</b>		<b>12,261.7</b>	
Non-current Investments	12	33,764.9		35,928.0	
Long-term Loans and Advances	13	4,910.9		3,385.4	
Other Non-current Assets	14	78.3	53,592.4	28.3	51,603.4
<b>Current Assets</b>					
Current Investments	15	9,410.5		8,449.8	
Inventories	16	8,687.6		6,400.7	
Trade Receivables	17	7,375.3		7,134.8	
Cash and Cash Equivalents	18	4,311.2		13,277.1	
Short-term Loans and Advances	19	8,495.0		3,906.1	
Other Current Assets	20	592.9	38,872.5	540.1	39,708.6
<b>TOTAL</b>			<b>92,464.9</b>		<b>91,312.0</b>

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

**RAJESH K. HIRANANDANI**

Partner

For and on behalf of the Board

**DILIP S. SHANGHVI**

Managing Director

**SUDHIR V. VALIA**

Wholtime Director

**SAILESH T. DESAI**

Wholtime Director

**SUNIL R. AJMERA**

Company Secretary

Mumbai, 28th May, 2013

Mumbai, 28th May, 2013



# STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2013



₹ in Million

	Note No.	Year ended 31st March, 2013		Year ended 31st March, 2012	
Revenue from Operations	21	25,184.9		40,804.9	
Less: Excise Duty		863.5		649.3	
		<b>24,321.4</b>		<b>40,155.6</b>	
Other Income	22	2,361.7		3,428.5	
<b>Total Revenue</b>			<b>26,683.1</b>		<b>43,584.1</b>
<b>Expenses</b>					
Cost of Materials Consumed	23	7,057.9		9,517.1	
Purchases of Stock-in-Trade	32	2,009.6		1,874.8	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(105.3)		(817.3)	
Employee Benefits Expense	25	2,348.7		3,165.6	
Depreciation and Amortisation Expense	11	858.2		757.2	
Other Expenses	26	7,883.7		8,829.2	
<b>Total Expenses</b>			<b>20,052.8</b>		<b>23,326.6</b>
Profit Before Exceptional Item and Tax			6,630.3		20,257.5
Exceptional Item	49		-		(2,999.2)
Profit Before Tax			6,630.3		17,258.3
<b>Tax Expense</b>					
Current Tax	47	1,149.8		229.4	
Deferred Tax		315.0	1,464.8	54.0	283.4
<b>Profit for the Year</b>			<b>5,165.5</b>		<b>16,974.9</b>
<b>Earnings per Share</b>					
Basic and Diluted (₹) Face Value per Equity share - ₹ 1	39		5.0		16.4

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

**RAJESH K. HIRANANDANI**  
Partner

For and on behalf of the Board

**DILIP S. SHANGHVI**  
Managing Director

**SUDHIR V. VALIA**  
Wholetime Director

**SAILESH T. DESAI**  
Wholetime Director

**SUNIL R. AJMERA**  
Company Secretary

Mumbai, 28th May, 2013

Mumbai, 28th May, 2013

# CASH FLOW STATEMENT

for the year ended 31st March, 2013

₹ in Million

		Year ended 31st March, 2013	Year ended 31st March, 2012
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit Before Tax	6,630.3	17,258.3
	Adjustments for:		
	Depreciation and Amortisation Expense	858.2	757.2
	Loss on Sale of Fixed Assets (net)	6.0	36.9
	Finance Costs	4.4	4.3
	Interest Income	(2,029.6)	(1,626.9)
	Dividend Income	(0.2)	(0.2)
	Net Gain on Sale of Investments	(307.2)	(1,742.0)
	Provision for Doubtful Trade Receivable / Advances	91.5	9.6
	Net Loss / (Gain) on Cancellation of Forward Exchange Contracts	190.7	(50.1)
	Net Unrealised Foreign Exchange Loss	450.5	732.3
	Exceptional Item (Refer Note 49)	-	2,999.2
	<b>Operating Profit Before Working Capital Changes</b>	<b>5,894.6</b>	<b>18,378.6</b>
	Changes in working capital:		
	Adjustments for (Increase) / Decrease in Operating Assets:		
	Inventories	(2,286.9)	(1,678.9)
	Trade Receivables	(277.1)	(2,943.1)
	Loans and Advances	(641.5)	(487.6)
	Other Assets	(150.4)	22.1
	Adjustments for Increase / (Decrease) in Operating Liabilities:		
	Trade Payables	(355.7)	1,280.1
	Other Liabilities	731.9	109.7
	Provisions	(162.5)	155.2
	<b>Cash Generated from Operations</b>	<b>2,752.4</b>	<b>14,836.1</b>
	Net Income Tax Paid	(1,687.6)	(1,444.3)
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>1,064.8</b>	<b>13,391.8</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Capital Expenditure on Fixed Assets, including Capital Advances	(4,295.4)	(3,882.4)
	Proceeds from Sale of Fixed Assets	10.9	30.9
	Short-term Loans / Inter Corporate Deposits		
	Given / Placed	(9,931.4)	(8,285.3)
	Received back / Matured	8,620.8	8,799.1
	Purchase of Investments		
	Subsidiary Companies	(13,164.9)	(3,806.9)
	Others	(153,628.7)	(134,659.1)



# CASH FLOW STATEMENT

for the year ended 31st March, 2013



₹ in Million

	Year ended 31st March, 2013	Year ended 31st March, 2012
Proceeds from Sale of Investments	147,725.4	131,844.7
Net realisation from Investment in erstwhile Partnership Firms	17,880.8	-
Bank Balances not considered as Cash and Cash Equivalents		
Fixed Deposits Placed	(1,974.3)	(12,097.3)
Fixed Deposits Matured	11,497.2	12,843.1
Margin Money Placed	(21.4)	(21.2)
Net Gain on Cancellation of Forward Exchange Contracts	(190.7)	50.1
Interest Received	2,076.9	1,447.2
Dividend Received	0.2	0.2
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>4,605.4</b>	<b>(7,736.9)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	46.4	-
Net Decrease in Working Capital Borrowings	(18.1)	(102.3)
Finance Costs	(3.0)	(4.3)
Dividends Paid	(4,401.2)	(3,523.7)
Tax on Dividend	(714.0)	(571.8)
<b>Net Cash Flow used in Financing Activities (C)</b>	<b>(5,089.9)</b>	<b>(4,202.1)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>580.3</b>	<b>1,452.8</b>
Cash and Cash Equivalents at the Beginning of the Year	1,687.2	203.8
Effect of Exchange Differences on Restatement of Foreign Currency Cash and Cash Equivalents	(49.4)	30.6
<b>Cash and Cash Equivalents at the end of the Year (Refer Note 18)</b>	<b>2,218.1</b>	<b>1,687.2</b>

See accompanying notes forming part of the Financial Statements

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

**RAJESH K. HIRANANDANI**

Partner

Mumbai, 28th May, 2013

For and on behalf of the Board

**DILIP S. SHANGHVI**

*Managing Director*

**SUNIL R. AJMERA**

*Company Secretary*

**SUDHIR V. VALIA**

*Wholetime Director*

**SAILESH T. DESAI**

*Wholetime Director*

Mumbai, 28th May, 2013



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

	As at 31st March, 2013		As at 31st March, 2012	
	Number of Equity Shares	₹ in Million	Number of Equity Shares	₹ in Million
<b>1 SHARE CAPITAL</b>				
<b>Authorised</b>				
Equity Shares of ₹ 1 each	1,500,000,000	1,500.0	1,500,000,000	1,500.0
	<b>1,500,000,000</b>	<b>1,500.0</b>	<b>1,500,000,000</b>	<b>1,500.0</b>
<b>Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of ₹ 1 each (Refer Note 29)	1,035,581,955	1,035.6	1,035,581,955	1,035.6
	<b>1,035,581,955</b>	<b>1,035.6</b>	<b>1,035,581,955</b>	<b>1,035.6</b>

₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
	<b>2 RESERVES AND SURPLUS</b>			
<b>Capital Reserve</b>				
As per Last Balance Sheet		259.1		259.1
<b>Capital Redemption Reserve</b>				
As per Last Balance Sheet		154.5		154.5
<b>Securities Premium Account</b>				
As per Last Balance Sheet		15,099.1		15,099.1
<b>General Reserve</b>				
Opening Balance	28,740.0		26,740.0	
Add: Transferred from Surplus in Statement of Profit and Loss	520.0		2,000.0	
Closing Balance		29,260.0		28,740.0
<b>Surplus in Statement of Profit and Loss</b>				
Opening Balance	33,492.9		23,517.0	
Add: Profit for the Year	5,165.5		16,974.9	
Proposed Dividend Written Back (on waiver)	-		100.0	
Corporate Dividend Tax Written Back (on waiver)	-		16.2	
	5,165.5		17,091.1	
Less: Dividend proposed to be distributed to equity Shareholders [₹ 5.00 (Previous Year ₹ 4.25) per Share]	5,177.9		4,401.2	
Corporate Dividend Tax	880.0		714.0	
Transferred to General Reserve	520.0		2,000.0	
	6,577.9		7,115.2	
Closing Balance		32,080.5		33,492.9
		<b>76,853.2</b>		<b>77,745.6</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
<b>3 LONG-TERM BORROWINGS</b>				
Loans Repayable on Demand (Secured): Department of Biotechnology (Secured by hypothecation of Assets and Goods pertaining to the project)		46.4		-
		<b>46.4</b>		<b>-</b>
[Repayable in 10 (Previous Year Nil) half-yearly installments of ₹ 4.6 Million each commencing from 31st March, 2017, Last installment is due on 30th September, 2021.]				
<b>4 DEFERRED TAX LIABILITIES (NET)</b>				
<b>Deferred Tax Liability</b>				
Depreciation on Fixed Assets	1,744.0		1,392.9	
Others	-	1,744.0	11.1	1,404.0
Less :				
<b>Deferred Tax Assets</b>				
Unpaid Liabilities Allowable on payment basis U/s 43B of the Income Tax Act, 1961	41.0		49.6	
Others	48.9	89.9	15.3	64.9
		<b>1,654.1</b>		<b>1,339.1</b>
<b>5 OTHER LONG-TERM LIABILITIES</b>				
Interest accrued but not due on borrowings		1.4		-
Trade / Security Deposits Received		8.7		20.3
		<b>10.1</b>		<b>20.3</b>
<b>6 LONG-TERM PROVISIONS</b>				
Employee Benefits - Compensated Absences		87.0		103.4
Product Returns (Refer Note 43)		-		130.0
MTM Loss on outstanding Forward Contracts		1,227.9		752.8
		<b>1,314.9</b>		<b>986.2</b>
<b>7 SHORT-TERM BORROWINGS</b>				
Loans Repayable on Demand (Secured): Cash Credit Facility from Banks (Secured by hypothecation of Inventories and Trade Receivables)		384.9		403.0
		<b>384.9</b>		<b>403.0</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
<b>8</b>	<b>TRADE PAYABLES</b>			
	Due to Micro and Small Enterprises (Refer Note 37)	66.2		39.4
	Other Payables	3,566.5		3,962.5
		<b>3,632.7</b>		<b>4,001.9</b>
<b>9</b>	<b>OTHER CURRENT LIABILITIES</b>			
	Investor Education and Protection Fund shall be credited by Unpaid Dividends (not due)	45.1		40.4
	Statutory Remittances	288.5		231.3
	Payables on Purchase of Fixed Assets	366.7		288.8
	Advances from Customers	65.3		56.9
	Payable to a Subsidiary Company	678.0		-
	Others	7.9		8.0
		<b>1,451.5</b>		<b>625.4</b>
<b>10</b>	<b>SHORT-TERM PROVISIONS</b>			
	Employee Benefits – Compensated Absences	23.6		39.7
	Dividend proposed to be distributed to equity Shareholders	5,177.9		4,401.2
	Corporate Dividend Tax	880.0		714.0
		<b>6,081.5</b>		<b>5,154.9</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

### 11 FIXED ASSETS

₹ in Million

Description of Assets	Gross Block (At Cost)			Depreciation / Amortisation / Impairment			Net Block	
	As at 01.04.2012	Additions during the year	Deletion / Adjustments during the year	As at 01.04.2012	For the year ended 31.03.2013	Transferred on spin off during the year (Refer Note 49)	As at 31.03.2013	As at 31.03.2012
<b>A. Tangible Assets</b>								
Freehold Land	173.4 (38.7)	15.3 (134.7)	- (-)	- (-)	- (-)	- (-)	188.7 (173.4)	173.4 (38.7)
Leasehold Land	137.8 (39.2)	- (98.6)	- (-)	7.3 (4.4)	2.1 (2.9)	- (-)	128.4 (130.5)	130.5 (34.8)
Buildings	2,745.5 (2,334.9)	176.2 (412.6)	- (2.0)	533.1 (465.3)	76.7 (67.8)	- (-)	2,311.9 (2,212.4)	2,212.4 (1,869.6)
Buildings - Leased *	193.6 (193.6)	- (-)	- (-)	43.5 (37.3)	6.2 (6.2)	- (-)	143.9 (150.1)	150.1 (156.3)
Plant and Equipment	10,651.2 (8,856.2)	2,146.5 (1,952.6)	27.2 (157.6)	4,047.6 (3,549.3)	706.9 (596.2)	- (-)	8,028.9 (6,603.6)	6,603.6 (5,306.9)
Plant and Equipment -Leased *	25.3 (25.3)	- (-)	- (-)	1.7 (0.5)	1.2 (1.2)	- (-)	22.4 (23.6)	23.6 (24.8)
Vehicles	183.1 (156.1)	51.6 (70.8)	9.1 (14.9)	54.6 (55.0)	18.4 (16.5)	- (7.7)	159.3 (128.5)	128.5 (101.1)
Office Equipment	321.6 (311.6)	31.9 (37.8)	2.2 (5.1)	184.9 (175.2)	21.8 (20.7)	- (6.3)	146.6 (136.7)	136.7 (136.4)
Furniture and Fixtures	344.1 (287.4)	38.5 (57.6)	0.4 (0.2)	143.6 (124.2)	21.5 (19.8)	- (0.2)	217.5 (200.5)	200.5 (163.2)
<b>Total Tangible Assets</b>	<b>14,775.6</b> (12,243.0)	<b>2,460.0</b> (2,764.7)	<b>38.9</b> (179.8)	<b>5,016.3</b> (4,411.2)	<b>854.8</b> (731.3)	<b>22.0</b> (112.0)	<b>11,347.6</b> (9,759.3)	<b>9,759.3</b>
<b>B. Intangible Assets</b>								
Trademarks, Designs and Other Intangible Assets	54.7 (444.6)	- (149.4)	- (-)	41.0 (332.5)	3.4 (25.9)	- (-)	10.3 (13.7)	13.7 (112.1)
<b>Total Intangible Assets</b>	<b>54.7</b> (444.6)	<b>-</b> (149.4)	<b>-</b> (-)	<b>41.0</b> (332.5)	<b>3.4</b> (25.9)	<b>-</b> (-)	<b>10.3</b> (13.7)	<b>13.7</b>
<b>Total Fixed Assets</b>	<b>14,830.3</b> (12,687.6)	<b>2,460.0</b> (2,914.1)	<b>38.9</b> (179.8)	<b>5,057.3</b> (4,743.7)	<b>858.2</b> (757.2)	<b>22.0</b> (112.0)	<b>11,357.9</b> (9,773.0)	<b>9,773.0</b>

\* Refer Note 42 (a)

\*\* Refer Note 48

Footnotes:

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

(ii) Includes Impairment of ₹ 29.1 Million (Previous Year ₹ 29.1 Million). Nil (Previous Year ₹ 1.7 Million) transferred on spin off. (Refer Note 49)

(iii) Previous Year figures are in brackets

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

		As at 31st March, 2013	As at 31st March, 2012
<b>12</b>	<b>NON-CURRENT INVESTMENTS</b>		
	Long-term Investments (At Cost)		
	A) Trade Investments - Unquoted		
	a) In Equity Instruments		
	i) In Subsidiary Companies		
	Caraco Pharmaceutical Laboratories Ltd. 8,387,666 (Previous Year 8,382,666) fully paid Common Shares of No Par Value	304.2	303.9
	Zao Sun Pharma Industries Ltd. 1,000 (Previous Year 1,000) Shares of Rubbles 20 each fully paid	0.2	0.2
	Sun Pharma Global Inc. BVI 2,471,515 (Previous Year 2,471,515) Shares of US \$ 1 each fully paid	9,628.9	9,628.9
	TKS Farmaceutica Ltda. 829,288 (Previous Year 829,288) quota of Capital Stock of Real (R\$) 1 each fully paid	18.3	18.3
	Sun Pharma De Mexico, S.A. DE C.V. 750 (Previous Year 750) Common Shares of no Face Value	3.3	3.3
	Sun Pharmaceutical Industries Inc. (merged with Caraco Pharmaceutical Laboratories Ltd.) Nil (Previous Year 5,000) fully paid Common Stock of \$ 1 Par Value	-	0.2
	Sun Pharmaceutical (Bangladesh) Ltd. 434,469 (Previous Year 434,469) Ordinary Shares of 100 Takas each fully paid	36.5	36.5
	Share Application Money	31.6	31.6
	Sun Pharmaceutical Peru S.A.C. [₹ 21,734 (Previous Year ₹ 21,734)] 149 (Previous Year 149) Ordinary Shares of Soles 10 each fully paid	0.0	0.0
	SPI DE Mexico SA DE CV 100 (Previous Year 100) Nominative and free Shares of \$500 Mexican Pesos each fully paid	0.2	0.2
	OOO Sun Pharmaceutical Industries Ltd Par value stock of 49,500 Rubbles (Previous Year 49,500 Rubbles)	0.1	0.1
	Green Eco Development Centre Ltd 100,000 (Previous Year 100,000) Shares of ₹ 10 each fully paid	1.0	1.0
	Sun Pharma De Venezuela, C.A. 1,000 (Previous Year 1,000) Shares of Bolivars (Bs.F.) 100 each fully paid	0.5	0.5



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	As at 31st March, 2013	As at 31st March, 2012
Sun Pharma Laboratories Limited (formerly Sun Resins & Polymers Pvt Ltd) 50,000 (Previous Year 9,000) Shares of ₹ 10 each fully paid	1.5	1.2
Faststone Mercantile Company Pvt Ltd 10,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	0.1	-
Neetnav Real Estate Pvt Ltd. 10,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	0.1	-
Realstone Multitrade Private Limited 10,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	0.1	-
Skisen Labs Pvt Ltd. 10,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	0.1	-
Softdeal Trading Private Limited 10,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	0.1	-
Sun Pharma Drugs Pvt. Ltd 20,000,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	200.0	-
Sun Pharma Medication Pvt. Ltd 20,000,000 (Previous Year Nil) Shares of ₹ 10 each fully paid	200.0	-
	<b>10,426.8</b>	<b>10,025.9</b>
<b>ii) In Other Company</b>		
Enviro Infrastructure Co. Ltd. 100,000 (Previous Year 100,000) Shares of ₹ 10 each fully paid	1.0	1.0
	<b>10,427.8</b>	<b>10,026.9</b>
<b>b) In Preference Shares</b>		
<b>In Subsidiary Company</b>		
Sun Pharma Laboratories Limited (formerly Sun Resins & Polymers Pvt Ltd) Nil (Previous Year ₹ 10,000) Nil (Previous Year 100) 12% Redeemable Preference Shares of ₹ 100 each fully paid	-	0.0
Sun Pharma Global Inc. BVI 83,750,000 (Previous Year Nil) 2% Redeemable Optionally Convertible Preference Shares of \$ 1 each fully paid	3,805.7	-
41,250,000 (Previous Year Nil) 5% Redeemable Preference Shares of \$ 1 each fully paid	2,252.1	-
Share Application Money	10,912.0	3,805.7
	<b>16,969.8</b>	<b>3,805.7</b>
<b>c) In Partnership Firms</b>		
Sun Pharmaceutical Industries *	-	8,998.8
Sun Pharma Sikkim **	-	11,979.3
Sun Pharma Drugs *** ₹ 94 (Previous Year ₹ 94)	0.0	0.0
	<b>0.0</b>	<b>20,978.1</b>
<b>d) In Government Securities</b>		
National Savings Certificates ₹ 10,000 (Previous Year ₹ 10,000) (Deposited with Government Authorities)	0.0	0.0
<b>TOTAL (A)</b>	<b>27,397.6</b>	<b>34,810.7</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
<b>B) OTHER INVESTMENTS</b>				
<b>a) In Debentures</b>				
<b>Quoted</b>				
Housing Development Finance Corporation Ltd - 9.9% Secured Redeemable NCD 23DC18 250 (Previous Year 250) Debentures of ₹ 1,000,000 each fully paid Market Value ₹ 267.4 Million (Previous Year ₹ 258.2 Million)		250.0		250.0
<b>b) In Bonds</b>				
<b>Quoted</b>				
National Highways Authority of India 61,809 (Previous Year 61,809) Bonds of ₹ 1,000 each fully paid Market Value ₹ 67.6 Million (Previous Year ₹ 63.9 Million)	61.8		61.8	
Power Finance Corporation Ltd Tax Free Bonds 142,393 (Previous Year 142,393) Bonds of ₹ 1,000 each fully paid Market Value ₹ 155.3 Million (Previous Year ₹ 144.7 Million)	142.4		142.4	
Indian Railway Finance Corporation Ltd -8/8.15 LOA 23FB22 163,131 (Previous Year 163,131) Bonds of ₹ 1,000 each fully paid Market Value ₹ 175.7 Million (Previous Year ₹ 165.9 Million)	163.1		163.1	
		367.3		367.3
<b>c) In Mutual Funds (Unquoted)</b>				
<b>Units of Face Value of ₹ 10 Each</b>				
Axis Mutual Fund- AXIS Fixed Term Plan - Series 34 (392) Days Direct Growth 20,000,000 (Previous Year Nil) Units	200.0		-	
Baroda Pioneer Mutual Fund- Baroda Pioneer FMP- Series B Plan B (378 Days)-Growth Plan 10,000,000 (Previous Year Nil) Units	100.0		-	
Deutsche Mutual Fund-DWS Fixed Maturity Plan- Series - 26 Direct Plan-Growth 40,000,000 (Previous Year Nil) Units	400.0		-	
DSP BlackRock Mutual Fund -DSP BlackRock FMP -Series- 12.5M-Direct-Growth 50,000,000 (Previous Year Nil) Units	500.0		-	
DSP BlackRock Mutual Fund -DSP BlackRock -FMP - Series 89 -12M-Direct-Growth 50,000,000 (Previous Year Nil) Units	500.0		-	
HSBC Global Asset Management-HSBC Fixed Term Series 90-Growth Direct Plan- Tenure 375 DAYS 10,000,000 (Previous Year Nil) Units	100.0		-	
ICICI Prudential Mutual Fund-ICICI Prudential FMP Series 66 - 420 Days Plan A Direct Plan Cumulative 25,000,000 (Previous Year Nil) Units	250.0		-	



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	As at 31st March, 2013	As at 31st March, 2012
JP Morgan Asset Management -JP Morgan India Fixed Maturity Plan Series 16-Direct Growth 35,000,000 (Previous Year Nil) Units	350.0	-
Kotak Mutual Fund-Kotak FMP Series 97 -Direct Growth 50,000,000 (Previous Year Nil) Units	500.0	-
L&T Mutual Fund-L&T FMP - VII (March 381D A) Direct Plan Growth 20,000,000 (Previous Year Nil) Units	200.0	-
Reliance Mutual Fund-Reliance Fixed Horizon Fund -XXIII-Series 5-Direct Plan-Growth Plan (8M-AG) 100,000,000 (Previous Year Nil) Units	1,000.0	-
Religare Mutual Fund- Religare Fixed Maturity Plan - Series XVII - Plan A (17 months)-Direct Plan-Growth 14,000,000 (Previous Year Nil) Units	140.0	-
Religare Mutual Fund- Religare Fixed Maturity Plan - Series XVII - Plan F (392 days)-Direct Plan-Growth 25,000,000 (Previous Year Nil) Units	250.0	-
Religare Mutual Fund- Religare Fixed Maturity Plan - Series XVIII - Plan B (386 days)-Direct Plan-Growth 16,000,000 (Previous Year Nil) Units	160.0	-
SBI Mutual Fund-SBI Debt Fund Series - 13 Months -15-Direct Plan-Growth 25,000,000 (Previous Year Nil) Units	250.0	-
Tata Mutual Fund- TATA Fixed Maturity Plan Series 42 Scheme B-Direct Plan-Growth 20,000,000 (Previous Year Nil) Units	200.0	-
<b>Units of Face Value of ₹ 1,000 each</b>		
Pramerica Mutual Fund-Pramerica Fixed Duration Fund-Series 5-Direct Plan-Growth 150,000 (Previous Year Nil) Units	150.0	-
	5,250.0	-
<b>d) In Deposit</b>		
<b>Unquoted</b>		
Housing Development Finance Corporation Ltd	500.0	500.0
<b>Total (B)</b>	<b>6,367.3</b>	<b>1,117.3</b>
<b>TOTAL (A+B)</b>	<b>33,764.9</b>	<b>35,928.0</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

AGGREGATE VALUE OF INVESTMENTS	As at 31st March, 2013		As at 31st March, 2012	
	Book Value	Market Value	Book Value	Market Value
Quoted	617.3	666.0	617.3	632.7
Unquoted	33,147.6		35,310.7	
* During the year converted into Part IX Company w.e.f 31st August, 2012	Share	Capital	Share	Capital
Partners				
Sun Pharmaceutical Industries Limited	-	-	97.5%	8,998.8
Sun Pharmaceutical Industries Key Employees' Benefit Trust	-	-	2.5%	194.3
** During the year converted into Part IX Company w.e.f 31st August, 2012	Share	Capital	Share	Capital
Partners				
Sun Pharmaceutical Industries Limited	-	-	97.5%	11,979.3
Sun Pharmaceutical Industries Key Employees' Benefit Trust	-	-	2.0%	542.1
Sun Pharma Advanced Research Company Limited Key Employees' Benefit Trust	-	-	0.5%	81.7
***Partners	Share	Capital	Share	Capital
Sun Pharmaceutical Industries Limited ₹ 94 (Previous Year ₹ 94)	98.0%	0.0	98.0%	0.0
Sun Pharmaceutical Industries Key Employees' Benefit Trust ₹ (94) (Previous Year ₹ (94))	2.0%	(0.0)	2.0%	(0.0)

13	LONG-TERM LOANS AND ADVANCES		
	(Unsecured – Considered Good)		
	Capital Advances	1,765.1	843.5
	Security Deposits	138.3	135.9
	Loans and Advances to Related Parties (Refer Notes 38 and 44)	77.4	71.3
	Loans and Advances to Employees / Others	50.9	34.6
	Prepaid Expenses	17.8	3.5
	Advance Income Tax [Net of Provisions ₹ 2,600.7 Million (Previous Year ₹ 1,450.7 Million)]	2,397.7	1,860.1
	Advance Fringe Benefit Tax [Net of Provisions Nil (Previous Year ₹ 15.0 Million)]	0.2	-
	Balances with Government Authorities	463.5	436.5
		<b>4,910.9</b>	<b>3,385.4</b>

14	OTHER NON-CURRENT ASSETS		
	(Unsecured – Considered Good)		
	Interest Accrued on Investments	77.0	26.7
	Unamortised Premium on Investments	1.3	1.6
		<b>78.3</b>	<b>28.3</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

15	CURRENT INVESTMENTS	As at 31st March, 2013		As at 31st March, 2012	
	A) Current Portion of Long-term Investments (At Cost)				
	a) In Debentures				
	Quoted				
	L&T Finance Ltd - 8.4 NCD 08MR13 Nil (Previous Year 122,464) Debentures of ₹ 1,000 each fully paid Market Value Nil (Previous Year ₹ 120.9 Million)	-		122.5	
	b) In Bonds				
	Unquoted				
	Rural Electrification Corporation Ltd Nil (Previous Year 500) Bonds of ₹ 10,000 each fully paid	-		5.0	
	c) In Mutual Funds (Units of Face Value of ₹ 10 each)				
	Unquoted				
	Baroda Pioneer Mutual Fund-Baroda Pioneer Fixed Maturity Plan- Series A Plan B Growth 15,000,000 (Previous Year Nil) Units	150.0		-	
	BNP Paribas Mutual Fund-BNP Paribas Fixed Term Fund Series 25 A Direct 20,000,000 (Previous Year Nil) Units	200.0		-	
	Deutsche Mutual Fund-DWS Fixed Maturity Plan- Series - 27 Direct Plan-Growth 30,000,000 (Previous Year Nil) Units	300.0		-	
	DSP BlackRock Mutual Fund -DSP BlackRock FMP -Series 84 - 12M-Dir-Growth 25,000,000 (Previous Year Nil) Units	250.0		-	
	HDFC Mutual Fund-HDFC FMP 369D December 2012(1) - Growth 19,999,990 (Previous Year Nil) Units	200.0		-	
	HDFC Mutual Fund-HDFC FMP 372D January 2013 (2)-Direct -Growth 10,000,000 (Previous Year Nil) Units	100.0		-	
	HDFC Mutual Fund-HDFC Annual Interval Fund Series 1 Plan A-Direct-Growth 25,000,000 (Previous Year Nil) Units	250.0		-	
	ICICI Prudential Mutual Fund-ICICI Prudential FMP Series 65-367 Days Plan H Cumulative 19,999,990 (Previous Year Nil) Units	200.0		-	
	ICICI Prudential Mutual Fund-ICICI Prudential Interval Fund Series VI Annual Interval Plan C-Direct Plan-Cumulative 25,000,000 (Previous Year Nil) Units	250.0		-	
	ICICI Prudential Mutual Fund-ICICI Prudential Interval Fund Series VI-Annual Interval Plan D-Direct Plan-Cumulative 10,000,000 (Previous Year Nil) Units	100.0		-	

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
ICICI Prudential Mutual Fund-ICICI Prudential FMP Series 67 - 366 Days Plan B Direct Plan Cumulative 20,000,000 (Previous Year Nil) Units	200.0		-	
IDFC Mutual Fund-IDFC Fixed Maturity Plan-Yearly Series 57 Nil (Previous Year 25,000,000) Units	-		250.0	
JP Morgan Asset Management -JP Morgan India Fixed Maturity Plan Series 17-Direct Growth 40,000,000 (Previous Year Nil) Units	400.0		-	
L&T Mutual Fund-L&T FMP - VII (March 367D A) Direct Plan Growth 25,000,000 (Previous Year Nil) Units	250.0		-	
Reliance Mutual Fund-Reliance Fixed Horizon Fund -XXII-Series 35-Growth Plan (8D-GP) 19,999,990 (Previous Year Nil) Units	200.0		-	
Reliance Mutual Fund-Reliance Yearly Interval Fund Series 1 -Direct Plan-Growth (Y1-AG) 20,000,000 (Previous Year Nil) Units	200.0		-	
Reliance Mutual Fund-Reliance Yearly Interval Fund Series 4 -Direct Plan-Growth (Y4-AG) 25,000,000 (Previous Year Nil) Units	250.0		-	
Religare Mutual Fund-Religare FMP Series XVI Plan D (370 Days) Growth 10,000,000 (Previous Year Nil) Units	100.0		-	
Religare Mutual Fund- Religare Fixed Maturity Plan - Series XVII - Plan E (369 days)-Direct Plan-Growth 20,000,000 (Previous Year Nil) Units	200.0		-	
Religare Mutual Fund- Religare Fixed Maturity Plan - Series XVIII - Plan A (369 days)-Direct Plan-Growth 15,000,000 (Previous Year Nil) Units	150.0		-	
SBI Mutual Fund-SBI Debt Fund Series - 366 Days -23-Direct Plan-Growth 25,000,000 (Previous Year Nil) Units	250.0		-	
UTI Mutual Fund-UTI Fixed Term Income Fund Series XIV-V (366 Days) Direct-Growth 40,000,000 (Previous Year Nil) Units	400.0		-	
		4,600.0		250.0
<b>d) In Deposits</b>				
<b>Unquoted</b>				
Housing Development Finance Corporation Ltd	500.0		4,500.0	
SICOM Limited	250.0	750.0	760.0	5,260.0
<b>TOTAL (A)</b>		<b>5,350.0</b>		<b>5,637.5</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
<b>B) Other Current Investments (Unquoted)</b>				
<b>a) In Mutual Funds</b>				
<b>Units of Face Value of ₹ 10 each</b>				
BNP Mutual Fund - BNP Paribas Overnight-Inst Growth Nil (Previous Year 15,159,967) Units	-		250.0	
JPMorgan Mutual Fund-JP Morgan Liquid Super IP - Growth Nil (Previous Year 17,992,212) Units	-		250.0	
JM Financial Mutual Fund-JM High Liquidity Fund-Growth Option (13) 3,756,339 (Previous Year Nil) Units	120.0		-	
Religare Mutual Fund-Religare Credit Opportunities Fund-Inst Growth Nil (Previous Year 20,697,591) Units	-		250.0	
<b>Units of Face Value of ₹ 100 each</b>				
ICICI Prudential Mutual Fund - ICICI Prudential Money Market Fund Cash Option Growth Nil (Previous Year 1,686,038) Units	-		250.0	
ICICI Prudential Mutual Fund-ICICI Prudential Money Market Fund Regular Plan Growth 1,233,984 (Previous Year Nil) Units	200.0		-	
<b>Units of Face Value of ₹ 1,000 each</b>				
Axis Mutual Fund - Axis Liquid Fund-Institutional Growth Nil (Previous Year 210,385) Units	-		250.0	
Axis Mutual Fund - Axis Liquid Fund- Direct Plan Growth 92,395 (Previous Year Nil) Units	120.0		-	
Daiwa Mutual Fund-Daiwa Liquid Fund-Inst Plan-Growth Nil (Previous Year 208,291) Units	-		250.0	
IDBI Mutual Fund-IDBI Liquid Fund - Growth Nil (Previous Year 217,297) Units	-		250.0	
Indiabulls Mutual Fund- Indiabulls Liquid Fund -Direct Plan- Growth 175,447 (Previous Year Nil) Units	200.0		-	
Morgan Stanley Mutual Fund-Morgan Stanley Liquid Fund- Growth Plan 130,335 (Previous Year 237,514) Units	150.0		250.0	
Pramerica Mutual Fund-Pramerica Dynamic Bond Fund- Growth Nil (Previous Year 99,824) Units	-		100.0	
Pramerica Mutual Fund-Pramerica Liquid Fund-Growth 119,904 (Previous Year 218,551) Units	150.0		250.0	
Religare Mutual Fund-Religare Liquid Fund-Direct Plan-Growth 93,096 (Previous Year Nil) Units	150.0		-	
		1,090.0		2,350.0

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

	As at 31st March, 2013		As at 31st March, 2012	
<b>b) In Commercial Paper</b>				
Morgan Stanley India Capital Pvt Ltd - 272D CP 290T12 Nil (Previous Year 1,000) Units of ₹ 500,000 each fully paid	-		462.3	
Morgan Stanley India Capital Pvt Ltd - 180D CP 14AG13 500 (Previous Year Nil) Units of ₹ 500,000 each fully paid	238.1		-	
Morgan Stanley India Capital Pvt Ltd - 270D CP 12NV13 500 (Previous Year Nil) Units of ₹ 500,000 each fully paid	232.4		-	
		470.5		462.3
<b>c) In Deposits</b>				
<b>Unquoted</b>				
Housing Development Finance Corporation Ltd.	2,000.0		-	
SICOM Limited	500.0		-	
		2,500.0		-
<b>TOTAL (B)</b>		<b>4,060.5</b>		<b>2,812.3</b>
<b>TOTAL (A+B)</b>		<b>9,410.5</b>		<b>8,449.8</b>

AGGREGATE VALUE OF INVESTMENTS	Book Value	Market Value	Book Value	Market Value
Quoted	-	-	122.5	120.9
Unquoted	9,410.5		8,327.3	

16 INVENTORIES				
Raw Materials and Packing Materials	4,907.7		4,171.2	
Goods-in-Transit	25.6		27.5	
	<b>4,933.3</b>		<b>4,198.7</b>	
Less : Transferred on spin-off ( * )	-	4,933.3	(857.1)	3,341.6
Work-in-Progress	2,072.6		1,977.1	
Less : Transferred on spin-off ( * )	-	2,072.6	(146.5)	1,830.6
Finished Goods	1,461.2		1,266.6	
Goods-in-Transit	-		22.8	
	<b>1,461.2</b>		<b>1,289.4</b>	
Less : Transferred on spin-off ( * )	-	1,461.2	(295.2)	994.2
Stock-in-Trade	-		162.0	
Less : Transferred on spin-off ( * )	-	-	(162.0)	-
Other Materials and Consumables	220.3		234.2	
Goods-in-Transit	0.2	220.5	0.1	234.3
( * ) Refer Note 49				
		<b>8,687.6</b>		<b>6,400.7</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

17	TRADE RECEIVABLES	As at 31st March, 2013		As at 31st March, 2012	
	(Unsecured – Considered Good unless stated otherwise)				
	Outstanding for a period exceeding Six Months from the date they are due for payment				
	Considered Good	661.4		538.0	
	Doubtful	131.7		42.4	
		793.1		580.4	
	Less: Provision for Doubtful Trade Receivables	131.7	661.4	42.4	538.0
	Other Trade Receivables		6,713.9		6,596.8
			7,375.3		7,134.8

18	CASH AND CASH EQUIVALENTS	As at 31st March, 2013		As at 31st March, 2012	
	Balances that meet the definition of Cash and Cash Equivalents as per AS3 Cash Flow Statements				
	Cash on Hand		4.7		5.4
	Cheques, Drafts on Hand		-		3.3
	Balances with Banks				
	In Current Accounts	155.5		50.4	
	In Deposit Accounts with Original Maturity less than 3 Months	140.0		430.4	
	In EEFC Accounts	1,917.9	2,213.4	1,197.7	1,678.5
			2,218.1		1,687.2
	<b>Other Bank Balances</b>				
	In Deposit Accounts (Refer Footnote)	1,974.5		11,497.4	
	In Earmarked Accounts				
	Unpaid Dividend Accounts	42.4		37.7	
	Balances held as Margin Money or Security against Guarantees and Other Commitments (Refer Footnote)	76.2	2,093.1	54.8	11,589.9
			4,311.2		13,277.1

**Footnote**

Other Bank Balances include Deposits amounting to ₹ 252.7 Million (Previous Year ₹ 1,539.1 Million) and Margin Monies amounting to ₹ 76.2 Million (Previous Year ₹ 54.8 Million) which have an Original Maturity of more than 12 Months.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

		As at 31st March, 2013		As at 31st March, 2012	
<b>19</b>	<b>SHORT-TERM LOANS AND ADVANCES</b>				
	(Unsecured – Considered Good unless stated otherwise)				
	Loans and Advances to Related Parties (Refer Notes 38 and 44)		3,435.7		-
	Loans and Advances to Employees / Others				
	Secured	252.5		300.0	
	Unsecured	2,783.4		2,158.6	
	Considered Doubtful	4.5		4.5	
		3,040.4		2,463.1	
	Less: Provision for Doubtful Loans and Advances	4.5	3,035.9	4.5	2,458.6
	Prepaid Expenses		76.2		68.5
	Balances with Government Authorities		1,639.9		976.5
	Advances for Supply of Goods and Services		307.3		402.5
			<b>8,495.0</b>		<b>3,906.1</b>

<b>20</b>	<b>OTHER CURRENT ASSETS</b>				
	(Unsecured – Considered Good)				
	Interest Accrued on Investments		239.1		336.7
	Unamortised Premium on Investments		0.3		0.3
	Export Incentives		353.5		203.1
			<b>592.9</b>		<b>540.1</b>

₹ in Million

		Year ended 31st March, 2013		Year ended 31st March, 2012	
<b>21</b>	<b>REVENUE FROM OPERATIONS</b>				
	Sale of Products		23,297.5		24,631.0
	Other Operating Revenues				
	Share of Income from Partnership Firms	1,002.7		16,081.4	
	Others	884.7	1,887.4	92.5	16,173.9
			<b>25,184.9</b>		<b>40,804.9</b>

<b>22</b>	<b>OTHER INCOME</b>				
	Net Interest Income				
	Interest Income on:				
	Deposits with Banks	1,484.9		782.9	
	Loans and Advances	428.4		255.4	
	Current Investments	46.3		426.0	
	Long-term Investments	67.9		160.8	
	Others	2.1		1.8	
			<b>2,029.6</b>		<b>1,626.9</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	Year ended 31st March, 2013		Year ended 31st March, 2012	
Less : Finance Costs				
Interest Expense on:				
Borrowings	4.2		3.0	
Others	0.2		1.3	
	4.4	2,025.2	4.3	1,622.6
Dividend Income on Long-term Investments		0.2		0.2
Net Gain on Sale of:				
Current Investments	283.0		1,272.0	
Long-term Investments	24.2	307.2	470.0	1,742.0
Insurance Claims		6.7		18.4
Lease Rental and Hire Charges		13.8		13.8
Miscellaneous Income		8.6		31.5
		<b>2,361.7</b>		<b>3,428.5</b>
<b>23 COST OF MATERIALS CONSUMED</b>				
<b>Raw and Packing Materials</b>				
Inventory at the beginning of the year		4,198.7		3,415.9
Purchases during the year		7,792.5		10,299.9
Inventory (Previous year - prior to spin off) at the end of the year		(4,933.3)		(4,198.7)
		<b>7,057.9</b>		<b>9,517.1</b>
<b>24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>				
Inventories at the beginning of the year		3,428.5		2,611.2
Inventories (Previous year - prior to spin off) at the end of the year		(3,533.8)		(3,428.5)
		<b>(105.3)</b>		<b>(817.3)</b>
<b>25 EMPLOYEE BENEFITS EXPENSE</b>				
Salaries and Wages		1,826.8		2,708.8
Contribution to Provident and Other Funds		200.3		170.5
Staff Welfare Expenses		321.6		286.3
		<b>2,348.7</b>		<b>3,165.6</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

26	OTHER EXPENSES	Year ended 31st March, 2013		Year ended 31st March, 2012	
	Consumption of Materials, Stores and Spare Parts		1,711.2		1,186.0
	Conversion and Other Manufacturing Charges		497.2		541.3
	Power and Fuel		934.0		687.6
	Rent		29.3		24.5
	Rates and Taxes		88.8		68.0
	Insurance		63.1		42.5
	Selling and Distribution		57.3		2,424.3
	Commission and Discount		215.0		467.9
	Repairs				
	Buildings	87.2		43.9	
	Machinery	442.2		348.6	
	Others	201.2	730.6	120.7	513.2
	Printing and Stationery		50.5		47.4
	Travelling and Conveyance		133.3		237.5
	Overseas Travel and Export Promotion		1,288.3		1,115.1
	Communication		71.9		58.3
	Provision for Doubtful Trade Receivables / Advances				
	Provision for Doubtful Trade Receivables	90.6		15.5	
	Sundry Balances / Trade Receivables written off (Net)	2.2		48.1	
	Less : Adjusted out of Provision of earlier year	1.3	91.5	54.0	9.6
	Professional and Consultancy		1,182.5		558.4
	Donations		22.1		0.1
	Loss on Sale of Fixed Assets (Net)		6.0		36.9
	Increase / (Decrease) of Excise Duty on Inventory		26.1		73.5
	Net Loss on Foreign Currency Transactions and Translation		522.1		549.3
	Payments to Auditors (Net of Service Tax)				
	As Auditors [includes ₹ Nil (Previous Year ₹ 0.4 Million) in respect of Previous Year]	7.8		7.0	
	For Other Services	1.5		1.7	
	Reimbursement of Expenses	0.1	9.4	0.2	8.9
	Miscellaneous Expenses		493.6		337.5
			8,223.8		8,987.8
	Less :				
	Receipts from Research Activities		(340.1)		(158.6)
			<b>7,883.7</b>		<b>8,829.2</b>



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	Year ended 31st March, 2013		Year ended 31st March, 2012	
<b>Note: Research and Development Expenditure included in note 22 to 26</b>				
Salaries and Wages		620.9		502.4
Contribution to Provident and Other Funds		29.4		25.7
Staff Welfare Expenses		61.3		48.0
Consumption of Materials, Stores and Spare Parts		1,101.9		707.6
Power and Fuel		65.0		55.3
Rent		0.1		0.0
Rates and Taxes		4.4		5.0
Insurance		1.9		1.6
Repairs				
Buildings	15.4		9.2	
Machinery	39.9		36.5	
Others	39.2	94.5	30.0	75.7
Printing and Stationery		14.9		11.6
Travelling and Conveyance		37.6		24.9
Communication		14.1		9.4
Professional and Consultancy		440.2		203.0
Loss on Sale of Fixed Assets (Net)		0.2		0.8
Miscellaneous Expenses		238.6		160.9
		2,725.0		1,831.9
Less :				
Net Interest Income [net of Interest expense on borrowings ₹ 1.4 Million (Previous year Nil)]	1.4		1.6	
Receipts from Research Activities	340.1		158.6	
Miscellaneous Income	25.0	366.5	15.1	175.3
		<b>2,358.5</b>		<b>1,656.6</b>

## 27 SIGNIFICANT ACCOUNTING POLICIES

### I Basis of Accounting

These financial statements are prepared under historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India and the Accounting Standards (AS) as notified under the Companies (Accounting Standards) Rules, 2006.

### II Use of estimates

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

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

### III Fixed Assets and Depreciation / Amortisation

Fixed Assets including intangible assets are stated at historical cost (net of cenvat credit) less accumulated depreciation/ amortisation thereon and impairment losses, if any. Depreciation on tangible assets is provided on Straight Line Method at the rates specified in Schedule XIV to The Companies Act, 1956. Assets costing ₹ 5,000/- or less are charged off as expense in the year of purchase. Intangible assets consisting of trademarks, designs, technical knowhow, non-compete fees and other intangible assets are amortised on Straight Line Method from the date they are available for use, over the useful lives of the assets (10/20 years), as estimated by the Management considering the terms of agreement. Leasehold land is amortised over the period of lease.

### IV Leases

Lease rental for assets taken / given on operating lease are charged / credited to the Statement of Profit and Loss in accordance with Accounting Standard 19 on Leases.

### V Revenue Recognition

Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on despatch of products. Export sales are recognised on the basis of Bill of lading / Airway bill. Sales includes delayed payment charges and are stated net of returns including provision made on account of estimated Breakages and Expiry based on past experience and VAT / Sales Tax, if any.

### VI Investments

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

### VII Inventories

Inventories consisting of raw and packing materials, other materials and consumables including R&D materials, work-in-progress, stock-in-trade and finished goods are stated at lower of cost (raw and packing materials and stock-in-trade - specific identification method; other materials and consumables - FIFO basis; work-in-progress and finished goods - weighted average method) and net realisable value.

### VIII Research and Development

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

### IX Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate that approximates the actual rate prevailing at the date of the transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items, which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. The exchange differences arising on settlement / translation are recognised in the Statement of Profit and Loss.



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



### X Derivative Accounting:

Forward Contracts in the nature of highly probable forecasted transactions / firm commitments entered into for hedging the risk of foreign currency exposure are accounted for on the principles of prudence as enunciated in Accounting Standard 1 (AS-1) "Disclosure of Accounting Policies". Pursuant to this, losses, if any, on Mark to Market basis, are recognised in the Statement of Profit and Loss and gains are not recognised on prudent basis.

### XI Taxes on Income

Provision for taxation comprises of Current Tax and Deferred Tax. Current Tax provision has been made on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted in accordance with Accounting Standard 22 (AS-22) "Accounting for taxes on income" notified under the Companies (Accounting Standards) Rules, 2006, using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance sheet date.

### XII Employee Benefits

- (a) The Company's contribution in respect of provident fund is charged to the Statement of Profit and Loss each year.
- (b) With respect to gratuity liability, Company contributes to Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy. Gratuity liability as determined on actuarial basis by the independent valuer is charged to the Statement of Profit and Loss.
- (c) Liability for accumulated compensated absences of employees is ascertained for on actuarial valuation basis and provided for as per the Company rules.

### XIII Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### XIV Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements, since this may result in the recognition of income that may never be realised.

### XV Government Grants / Subsidy

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

### XVI Impairment of Assets

The Company assesses, at each Balance Sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss being recognised.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

		As at 31st March, 2013		As at 31st March, 2012	
<b>28</b>	<b>CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</b>				
	<b>i Contingent Liabilities</b>				
	<b>A Claims against the Company not acknowledged as debts</b>		34.6		23.6
	<b>B Guarantees :</b>				
	Guarantees Given by the bankers on behalf of the Company		227.4		226.9
	Corporate Guarantees		149.2		157.5
	<b>C Others :</b>				
	Letters of Credit for Imports		463.2		243.3
	Liabilities Disputed - Appeals filed with respect to :				
	Income Tax on account of Disallowances / Additions		2,771.2		2,134.4
	Sales Tax on account of Rebate / Classification		48.4		22.9
	Excise Duty on account of Valuation / Cenvat Credit		322.2		319.4
	ESIC Contribution on account of applicability		0.2		0.2
	Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit, including interest thereon, enjoyed by the Company		14.0		14.0
	Demand by JDGFT import duty with respect to import alleged to be in excess of entitlement as per the Advanced Licence Scheme		13.9		12.0
	<b>ii Commitments</b>				
	<b>a Estimated amount of contracts remaining to be executed on capital account [net of advances].</b>		2,647.0		2,647.5
	<b>b Derivative related Commitments - Forward Foreign Exchange Contracts</b>		4,342.4		2,034.8

### 29 DISCLOSURES RELATING TO SHARE CAPITAL

#### i Rights, Preferences and Restrictions attached to Equity Shares

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

#### ii Equity Shares held by each shareholder holding more than 5 percent Equity Shares in the Company are as follows:

Name of Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dilip Shantilal Shanghvi	115,570,240	11.2	115,570,240	11.2
Viditi Investments Pvt. Ltd.	100,692,660	9.7	100,692,660	9.7
Tejaskiran Pharmachem Inds. Pvt. Ltd.	97,671,880	9.4	97,671,880	9.4
Family Investment Pvt. Ltd.	91,463,720	8.8	91,463,720	8.8
Quality Investment Pvt. Ltd.	91,434,320	8.8	91,434,320	8.8



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



₹ in Million

	Year ended 31st March, 2013	Year ended 31st March, 2012
<b>30 RESEARCH AND DEVELOPMENT EXPENDITURE</b>		
Revenue (Excluding Depreciation)	2,358.5	1,656.6
Capital	377.2	352.1
<b>TOTAL</b>	<b>2,735.7</b>	<b>2,008.7</b>

₹ in Million

	Year ended 31st March, 2013		Year ended 31st March, 2012	
<b>31 INFORMATION RELATING TO CONSUMPTION OF MATERIALS</b>				
Raw and Packing Materials				
Raw Materials		5,839.0		8,328.1
Packing Materials		1,218.9		1,189.0
<b>TOTAL</b>		<b>7,057.9</b>		<b>9,517.1</b>

None of the items individually account for more than 10% of total consumption.

	%		%	
Imported and Indigenous				
Raw and Packing Materials				
Imported	54.47	3,844.5	39.93	3,800.2
Indigenous	45.53	3,213.4	60.07	5,716.9
<b>TOTAL</b>	<b>100.00</b>	<b>7,057.9</b>	<b>100.00</b>	<b>9,517.1</b>
Stores and Spare Parts and Other Materials				
Imported	30.74	526.0	30.30	359.4
Indigenous	69.26	1,185.2	69.70	826.6
<b>TOTAL</b>	<b>100.00</b>	<b>1,711.2</b>	<b>100.00</b>	<b>1,186.0</b>

<b>32 INFORMATION RELATING TO PURCHASES OF STOCK-IN-TRADE</b>		
Formulations	1,922.1	1,828.4
Bulk Drugs	48.7	27.4
Others	38.8	19.0
<b>TOTAL</b>	<b>2,009.6</b>	<b>1,874.8</b>

<b>33 INFORMATION RELATING TO SALE OF PRODUCTS</b>		
Formulations	16,580.2	19,413.8
Bulk Drugs	6,618.8	5,181.9
Others	98.5	35.3
<b>TOTAL</b>	<b>23,297.5</b>	<b>24,631.0</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

### 34 INFORMATION RELATING TO INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in Million

	As at 31st March, 2013			As at 31st March, 2012		
	Finished Goods	Work-in-Progress	Stock-in-Trade	Finished Goods	Work-in-Progress	Stock-in-Trade
Formulations	297.2	497.7	-	410.0	434.6	162.0
Bulk Drugs	1,164.0	1,574.9	-	879.4	1,542.5	-
<b>TOTAL</b>	<b>1,461.2</b>	<b>2,072.6</b>	<b>-</b>	<b>1,289.4</b>	<b>1,977.1</b>	<b>162.0</b>

₹ in Million

35	INCOME/EXPENDITURE IN FOREIGN CURRENCY	Year ended	Year ended
		31st March, 2013	31st March, 2012
	Income		
	Exports (FOB basis)	19,238.0	14,628.2
	Interest	4.1	-
	Royalty	3.3	3.0
	Others	369.8	14.7
	Expenditure		
	Raw Materials (CIF basis)	2,692.0	2,895.2
	Packing Materials (CIF basis)	944.4	669.0
	Capital Goods (CIF basis)	1,217.6	907.8
	Spares and Components (CIF basis)	498.6	347.1
	Professional Charges	1,025.6	452.8
	Overseas Travel	110.0	50.2
	Others	1,388.4	1,046.4

36 The net Exchange Loss of ₹ 39.9 Million (Previous Year ₹ 618.5 Million) is included under Revenue from Operations, Other Income, Cost of Materials Consumed and Other Expenses in the Statement of Profit and Loss.

### 37 DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

- An amount of ₹ 66.2 Million (Previous Year ₹ 39.4 Million) and ₹ NIL (Previous Year ₹ NIL) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- No interest was paid during the year.
- No interest is payable at the end of the year under Micro, Small and Medium Enterprises Development Act, 2006.
- No amount of interest was accrued and unpaid at the end of the accounting year.

The above information and that given in Note 8 "Trade Payables" regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

### 38 RELATED PARTY DISCLOSURE (AS-18) - AS PER ANNEXURE 'A'



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



### 39 ACCOUNTING STANDARD (AS-20) ON EARNINGS PER SHARE

₹ in Million

	Year ended 31st March, 2013	Year ended 31st March, 2012
Profit After Tax - used as Numerator for calculating Earnings per share	5,165.5	16,974.9
Weighted Average number of Shares used in computing basic and diluted earnings per share	1,035,581,955	1,035,581,955
Nominal Value Per Share (in ₹)	1	1
Basic and Diluted Earnings Per Share (in ₹)	<b>5.0</b>	<b>16.4</b>

### 40 ACCOUNTING STANDARD (AS-17) ON SEGMENT REPORTING

(a) Primary Segment		
The Company has identified "Pharmaceuticals" as the only primary reportable business segment.		
(b) Secondary Segment (by Geographical Segment )		
India	3,318.9	9,898.5
Outside India	19,978.6	14,732.5
Sale of Products	<b>23,297.5</b>	<b>24,631.0</b>

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

### 41 ACCOUNTING STANDARD (AS-15) ON EMPLOYEE BENEFITS

Contributions are made to Recognised Provident Fund, Family Pension Fund, ESIC and other Statutory Funds which covers all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 94.8 Million (Previous year ₹ 132.1 Million)

₹ in Million

	Year ended 31st March, 2013	Year ended 31st March, 2012
Contribution to Provident Fund	87.6	125.5
Contribution to Employees State Insurance Scheme (ESIC) and Employees Deposit Linked Insurance (EDLI)	7.1	6.5
Contribution to Labour Welfare Fund	0.1	0.1

In respect of Gratuity, Contributions are made to LIC's Recognised Group Gratuity Fund Scheme based on amount demanded by LIC of India. Provision for Gratuity is based on actuarial valuation done by independent actuary as at the year end. Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 75.5 Million (Previous Year ₹ 52.0 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

**Category of Plan Assets:** The Company's Plan Assets in respect of Gratuity are funded through the Group Scheme of the LIC of India.



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

₹ in Million

	Year ended 31st March, 2013	Year ended 31st March, 2012
<b>In respect of gratuity (funded):</b>		
<b>Reconciliation of liability / (asset) recognised in the Balance sheet</b>		
Present value of commitments (as per Actuarial Valuation)	256.9	299.2
Fair value of plan assets	(249.3)	(333.4)
Net liability / (asset) in the Balance sheet	7.6	(34.2)
<b>Movement in net liability / (asset) recognised in the Balance sheet</b>		
Net liability / (asset) as at the beginning of the year	(34.2)	(25.9)
Net plan assets transferred	12.1	-
Net expense recognised in the Statement of Profit and Loss	66.5	36.9
Contribution during the year	(36.8)	(45.2)
Net liability / (asset) in the Balance sheet	7.6	(34.2)
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	20.1	29.4
Interest cost	15.0	20.5
Expected return on plan assets	(16.9)	(22.6)
Actuarial loss	48.3	9.6
Expense charged to the Statement of Profit and Loss	66.5	36.9
<b>Return on plan assets</b>		
Expected return on plan assets	16.9	22.6
Actuarial gain	4.7	6.4
Actual return on plan assets	21.6	29.0
<b>Reconciliation of defined-benefit commitments</b>		
Commitments as at the beginning of the year	299.2	248.3
Commiments transferred	(122.3)	-
Current service cost	20.1	29.4
Interest cost	15.0	20.5
Paid benefits	(8.1)	(15.0)
Actuarial loss	53.0	16.0
Commitments as at the year end	256.9	299.2
<b>Reconciliation of plan assets</b>		
Plan assets as at the beginning of the year	333.4	274.2
Plan assets transferred	(134.4)	-
Expected return on plan assets	16.9	22.6
Contributions during the year	36.8	45.2
Paid benefits	(8.1)	(15.0)
Actuarial gain	4.7	6.4
Plan assets as at the year end	249.3	333.4

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

Discount rate	8.25%	8.50%
Expected return on plan assets	8.25%	8.50%
Expected rate of salary increase	7.00%	6.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	LIC (1994-96) Ultimate



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



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

	₹ in Million				
	Year ended				
	31st March, 2013	31st March, 2012	31st March, 2011	31st March, 2010	31st March, 2009
Experience adjustment					
On plan liabilities	20.2	25.2	17.5	56.5	5.2
On plan assets	4.7	6.4	3.3	3.3	3.9
Present value of benefit obligation	256.9	299.2	248.3	212.7	142.4
Fair value of plan assets	(249.3)	(333.4)	(274.2)	(228.5)	(187.2)
Excess of obligation over plan assets / (plan assets over obligation)	7.6	(34.2)	(25.9)	(15.8)	(44.8)

The contribution expected to be made by the Company during financial year ending 31st March, 2014 is ₹ 48.1 Million (Previous Year ₹ 32.7 Million).

#### 42 ACCOUNTING STANDARD (AS-19) ON LEASES

- (a) The Company has given certain premises for its operations and Plant and Machinery under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 5 years under leave and licence, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has received refundable interest free security deposits where applicable in accordance with the agreed terms. (b) The Company has obtained certain premises for its business operations (including furniture and fittings, therein as applicable) under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 5 years under leave and licence, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. (c) Lease receipts / payments are recognised in the Statement of Profit and Loss under "Rent" in Note 22 and 26 respectively.

- 43 As per the best estimate of the management, provision has been made towards breakages and expiry of products return, as per Accounting Standard (AS) 29 notified under the Companies (Accounting Standards) Rules, 2006.

₹ in Million

	Year ended 31st March, 2013	Year ended 31st March, 2012
Opening balance	130.0	-
Add: Provision for the year	-	130.0
Less: Utilisation / Settlement	130.0	-
Closing balance	-	130.0

#### 44 LOANS / ADVANCES DUE FROM SUBSIDIARIES

₹ in Million

	As at 31st March, 2013	Maximum Balance 2012-13	As at 31st March, 2012	Maximum Balance 2011-12
<b>Loans</b>				
Green Eco Development Centre Ltd	4.4	4.4	2.9	2.9
Sun Pharma Drugs Private Limited	1,865.5	7,879.1	-	-
Sun Pharma Medication Private Limited	831.8	7,302.4	-	-
Sun Pharma Laboratories Ltd.	-	507.1	-	-
Sun Pharma De Venezuela, C.A.	-	-	-	1.2
Sun Pharma Global Inc. BVI	-	-	-	2,125.4
<b>Advances: Share Application Money to</b>				
Sun Pharma De Mexico, S.A. DE C.V.	73.0	73.0	68.4	68.4
	<b>2,774.7</b>		<b>71.3</b>	

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

- 45 Intangible assets consisting of trademarks, designs, technical knowhow, non compete fees and other intangible assets are stated at cost of acquisition based on their agreements and are available to the Company in perpetuity. The depreciable amount of intangible assets is arrived at based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Company.
- 46 LEGAL PROCEEDINGS
- The Company and / or its subsidiaries are involved in various legal proceedings including product liability, contracts, employment claims and other regulatory matters relating to conduct of its business. The Company carries product liability insurance / is contractually indemnified by the manufacturer, in an amount it believes is sufficient for its needs. In respect of other claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defences the ultimate disposition of these matters will not have material adverse effect on its Financial Statements.
- 47 Current Tax is net of write back of Provision for Fringe Benefit Tax (net) of ₹ 0.2 Million (Previous Year ₹ 0.6 Million) pertaining to earlier year.
- 48 During the year, the Company has received Government Grant of Nil (Previous Year ₹ 2.0 Million) and Nil (Previous Year ₹ 3.0 Million) in respect of Building and Plant and Equipment respectively.
- 49 Pursuant to the scheme of arrangement in the nature of spin off and transfer of Domestic Formulation undertaking of the Company to its wholly owned subsidiary, Sun Pharma Laboratories Ltd (SPLL - formerly known as Sun Resins & Polymers Private Ltd.) as approved by the Hon'ble High Court of Gujarat and the Hon'ble High Court of Bombay vide their Orders dated 3rd May, 2013, on and with effect from the close of the business hours on 31st March 2012, the appointed date, all the specified assets, movable, tangible and intangible assets, without any liabilities, pertaining to the Domestic Formulation undertaking stands transferred to and /or vested in the SPLL as a going concern without consideration. The scheme has been given effect to in the financial statements for the previous year ended 31st March, 2012 and accordingly, specified intangible assets, tangible and other assets of the Domestic Formulation undertaking having book value of ₹ 2,999.2 Million have been transferred to SPLL with corresponding debit to the Statement of Profit and Loss as an Exceptional Item.
- 50 The Company enters into Forward Exchange Contracts being derivative instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date.

A) The following are the outstanding Forward Exchange Contracts entered into by the Company as on 31st March, 2013

Currency	Buy/Sell	Cross Currency	Amount in Million	
			31st March, 2013	31st March, 2012
US Dollar	Sell	₹	\$250.0	\$260.0

B) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following :

	Currency	As at 31st March, 2013		As at 31st March, 2012	
Exports of Goods and Services	US Dollar	\$17.6	₹955.6	\$73.2	₹3,725.1
	Euro	€ 3.9	₹269.3	€ 5.4	₹369.4
	British Pound	£0.7	₹56.5	£0.8	₹61.5
CHF 15,000 (Previous Year CHF 15,000)	Swiss Franc	CHF 0.0	₹0.9	CHF 0.0	₹0.8
	Russian Rubble	RUB 321.9	₹566.6	RUB 21.3	₹37.0



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



b) Amounts payable in foreign currency on account of the following :

Amount in Million

	Currency	As at 31st March, 2013		As at 31st March, 2012	
Import of Goods and Services	US Dollar	\$7.5	₹407.6	\$8.0	₹406.8
	Euro	€ 0.8	₹57.0	€ 0.8	₹56.0
	British Pound	£0.1	₹8.4	£0.2	₹16.8
CHF 33,214 (Previous Year CHF 315, ₹ 17,811)	Swiss Franc	CHF 0.0	₹1.9	CHF 0.0	₹0.0
ILS 30,191	Israel Shaker	ILS 0.0	₹0.3	-	-
	Japanese Yen	JPY 52.3	₹30.2	-	-
Commission Payable	US Dollar	\$6.0	₹323.6	\$4.4	₹222.4
	Euro	€ 0.9	₹62.2	€ 2.0	₹134.7

51 Previous years' figures are regrouped wherever necessary. Further, current years' figures are not comparable with those of the previous year in view of the spin off as stated in Note 49.

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

### ANNEXURE 'A'

#### Names of related parties and description of relationship

##### 1 Subsidiaries

Alkaloida Chemical Company Zrt.  
 Caraco Pharmaceutical Laboratories Ltd.  
 Chattem Chemicals Inc  
 Green Eco Development Centre Ltd.  
 OOO "Sun Pharmaceutical Industries" Ltd.  
 TKS Farmaceutica Ltda  
 Sun Pharma De Mexico S.A. DE C.V.  
 Sun Pharma De Venezuela, CA.  
 Sun Pharma Global Inc.  
 Sun Pharmaceutical (Bangladesh) Ltd.  
 Sun Pharmaceutical Industries (Europe) B.V.  
 Sun Pharmaceutical Industries Inc.  
 (merged with Caraco Pharmaceutical Laboratories Ltd. w.e.f. 28th February, 2013)  
 Sun Pharmaceutical Spain, SL.  
 Sun Pharmaceuticals France  
 Sun Pharmaceuticals Germany GmbH  
 Sun Pharma Global (FZE)  
 Sun Pharmaceuticals Italia S.R.L.  
 Sun Pharmaceutical UK Ltd.  
 Taro Pharmaceutical Industries Ltd.  
 Sun Pharmaceutical Industries (Australia) Pty. Ltd.  
 Aditya Acquisition Company Ltd.  
 Sun Pharmaceuticals (SA) (Pty) Ltd.  
 Sun Global Canada Pty. Ltd.  
 Sun Pharmaceutical Peru S.A.C.  
 Taro Development Corporation

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

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

### ANNEXURE 'A'

#### Names of related parties and description of relationship

ZAO Sun Pharma Industries Ltd.  
SPIL De Mexico S.A. DE C.V.  
Caraco Pharma Inc  
3 Skyline LLC  
One Commerce Drive LLC  
Taro Hungary Intellectual Property Licensing LLC.  
Taro International Ltd.  
Taro Pharmaceuticals Inc.  
Taro Pharmaceutical India Private Ltd.  
Taro Pharmaceutical Laboratories INC  
Taro Pharmaceuticals U.S.A., Inc.  
Taro Pharmaceuticals Europe B.V.  
Taro Pharmaceuticals Ireland Ltd.  
Taro Pharmaceuticals North America, Inc.  
Taro Pharmaceuticals UK Ltd.  
Taro Research Institute Ltd  
(merged with Taro Pharmaceutical Industries Ltd. w.e.f. 31st March , 2012)  
Tarochem Ltd.  
Morley and Company Inc  
Sun Laboratories FZE  
Taro Pharmaceuticals Canada, Ltd.  
Sun Global Development FZE  
Sun Pharmaceuticals Korea Ltd.  
Sun Pharma Philippines Inc.  
Caraco Pharmaceuticals Pvt. Ltd  
Sun Pharma MEA JLT  
Sun Pharma Healthcare FZE  
Sun Pharma Japan Ltd  
Sun Pharma Laboratories Ltd.(Formerly, Sun Resin & Polymers Pvt Ltd)  
\* Sun Pharma Medication Pvt Ltd.  
\* Sun Pharma Drugs Pvt Ltd.  
Universal Enterprise Pvt Ltd (w.e.f. 31st August, 2012)  
\*\* Faststone Mercantile Company Private Limited  
\*\* Neetnav Real Estate Private Limited  
\*\* Realstone Multitrade Private Limited  
\*\* Skisen Labs Private Limited  
\*\* Softdeal Trading Company Private Limited  
\*\* Orta Ltd.  
\*\* Sun Universal Ltd  
\*\* Khyati Realty ME Ltd  
\*\* Aditya Pharma limited Liability Company



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013



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

### ANNEXURE 'A'

#### Names of related parties and description of relationship

	** Alkaloida Sweden AB									
	** Dusa Pharmaceuticals Inc									
	** Dusa Pharmaceuticals New York Inc									
	** Sirius Laboratories Inc									
	** URL Pharma Inc									
	** AR Scientific.Inc									
	** Mutual Pharmaceutical Company, Inc.									
	** United Research Laboratories, Ltd.									
	** Dungan Mutual Associates, LLC									
	** URL PharmPro, LLC									
2	Controlled Entity	<ul style="list-style-type: none"> <li>* Sun Pharmaceutical Industries</li> <li>* Sun Pharma Sikkim</li> <li>Sun Pharma Drugs</li> <li>Universal Enterprise Pvt Ltd (upto 31st August, 2012)</li> </ul>								
3	Key Management Personnel	<table border="0"> <tbody> <tr> <td>Mr. Dilip S. Shanghvi</td> <td>Managing Director</td> </tr> <tr> <td>Mr. Sudhir V. Valia</td> <td>Wholetime Director</td> </tr> <tr> <td>Mr. Sailesh T. Desai</td> <td>Wholetime Director</td> </tr> <tr> <td>Mr. S. Kalyanasundaram (upto 31st March, 2012)</td> <td>Chief Executive Officer and Wholetime Director</td> </tr> </tbody> </table>	Mr. Dilip S. Shanghvi	Managing Director	Mr. Sudhir V. Valia	Wholetime Director	Mr. Sailesh T. Desai	Wholetime Director	Mr. S. Kalyanasundaram (upto 31st March, 2012)	Chief Executive Officer and Wholetime Director
Mr. Dilip S. Shanghvi	Managing Director									
Mr. Sudhir V. Valia	Wholetime Director									
Mr. Sailesh T. Desai	Wholetime Director									
Mr. S. Kalyanasundaram (upto 31st March, 2012)	Chief Executive Officer and Wholetime Director									
4	Relatives of Key Management Personnel	<table border="0"> <tbody> <tr> <td>Mr. Aalok Shanghvi</td> <td>Son of Managing Director</td> </tr> <tr> <td>Ms. Vidhi Shanghvi (w.e.f. 9th November, 2012)</td> <td>Daughter of Managing Director</td> </tr> </tbody> </table>	Mr. Aalok Shanghvi	Son of Managing Director	Ms. Vidhi Shanghvi (w.e.f. 9th November, 2012)	Daughter of Managing Director				
Mr. Aalok Shanghvi	Son of Managing Director									
Ms. Vidhi Shanghvi (w.e.f. 9th November, 2012)	Daughter of Managing Director									
5	Enterprise under significant Influence of Key Management Personnel or their relatives	<ul style="list-style-type: none"> <li>Sun Petrochemicals Pvt Ltd</li> <li>Navjivan Rasayan (Gujarat) Pvt Ltd</li> <li>Sun Pharma Advanced Research Company Ltd</li> </ul> <p>* Controlled entities converted into private limited companies under Part IX of the Companies Act, 1956 w.e.f. 31st August, 2012.</p> <p>** Incorporated / Acquired during the year</p>								

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

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

ANNEXURE 'A'

Particulars	Subsidiaries		Controlled Entity		Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Key Management Personnel or their relatives		Total	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
Purchases of goods	1,198.8	42.5	668.1	515.2	-	-	-	-	-	2.0	1,866.9	559.7
Sun Pharma Medication Pvt. Ltd.	1,031.6	-	-	-	-	-	-	-	-	-	1,031.6	-
Sun Pharmaceutical Industries	-	-	650.7	487.5	-	-	-	-	-	-	650.7	487.5
Others	167.2	42.5	17.4	27.7	-	-	-	-	-	2.0	184.6	72.2
Purchase of Fixed Assets	27.9	19.2	-	44.1	-	-	-	-	0.4	-	28.3	63.3
Sun Pharma Medication Pvt. Ltd.	25.4	-	-	-	-	-	-	-	-	-	25.4	-
Taro Pharmaceutical Industries Ltd	2.5	17.7	-	-	-	-	-	-	-	-	2.5	17.7
Sun Pharma Sikkim	-	-	-	42.7	-	-	-	-	-	-	-	42.7
Others	-	1.5	-	1.4	-	-	-	-	0.4	-	0.4	2.9
Sale of goods	12,154.6	8,937.5	652.6	1,277.6	-	-	-	-	23.5	7.8	12,830.7	10,222.9
Caraco Pharmaceutical Laboratories Ltd	6,333.2	6,004.1	-	-	-	-	-	-	-	-	6,333.2	6,004.1
Sun Pharma Global (FZE)	3,389.1	2,092.7	-	-	-	-	-	-	-	-	3,389.1	2,092.7
Others	2,432.3	840.7	652.6	1,277.6	-	-	-	-	23.5	7.8	3,108.4	2,126.1
Sale of Fixed Assets	6.7	-	-	4.3	-	-	-	-	-	-	6.7	4.3
Sun Pharmaceutical Industries	-	-	-	4.3	-	-	-	-	-	-	-	4.3
Alkaloida Chemical Company Zrt	6.7	-	-	-	-	-	-	-	-	-	6.7	-
Receiving of Service	-	-	-	-	-	-	-	-	-	-	-	-
Services	-	-	-	7.6	-	-	-	-	31.0	35.4	31.0	43.0
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	31.0	35.4	31.0	35.4
Sun Pharmaceutical Industries	-	-	-	7.6	-	-	-	-	-	-	-	7.6
Reimbursement of Expenses	386.6	209.8	-	-	-	-	-	-	1.3	-	387.9	209.8
Caraco Pharmaceutical Laboratories Ltd	250.9	134.4	-	-	-	-	-	-	-	-	250.9	134.4
Sun Pharmaceutical Industries (Europe) B.V.	78.1	45.3	-	-	-	-	-	-	-	-	78.1	45.3
Taro Pharmaceutical Industries Ltd	43.8	-	-	-	-	-	-	-	-	-	43.8	-
Others	13.8	30.1	-	-	-	-	-	-	1.3	-	15.1	30.1
Rendering of Service	-	-	-	-	-	-	-	-	-	-	-	-
Services	337.0	-	-	-	-	-	-	-	-	-	337.0	-
Sun Pharma Laboratories Ltd.(Formerly, Sun Resin & Polymers Pvt Ltd)	273.6	-	-	-	-	-	-	-	-	-	273.6	-
Sun Pharmaceutical (Bangladesh) Ltd	63.4	-	-	-	-	-	-	-	-	-	63.4	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

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

ANNEXURE 'A'

₹ in Million

Particulars	Subsidiaries		Controlled Entity		Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Management Personnel or their relatives		Total	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	
Reimbursement of Expenses	159.6	113.4	0.5	0.2	-	-	-	-	35.9	31.4	196.0	145.0
Sun Pharma Global (FZE)	151.4	110.6	-	-	-	-	-	-	-	-	151.4	110.6
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	35.9	31.4	35.9	31.4
Others	8.2	2.8	0.5	0.2	-	-	-	-	-	-	8.7	3.0
<b>Finance (including loans, Investment and equity contributions)</b>												
Capital Contribution / (Withdrawal)	13,175.0	5,932.3	(21,969.5)	(3,206.2)	-	-	-	-	-	-	(8,794.5)	2,726.1
Sun Pharma Global Inc	13,164.1	5,931.2	-	-	-	-	-	-	-	-	13,164.1	5,931.2
Sun Pharma Sikkim	-	-	(12,884.0)	(5,468.5)	-	-	-	-	-	-	(12,884.0)	(5,468.5)
Sun Pharmaceutical Industries	-	-	(9,085.5)	2,278.2	-	-	-	-	-	-	(9,085.5)	2,278.2
Others	10.9	1.1	-	(15.9)	-	-	-	-	-	-	10.9	(14.8)
<b>Loans given</b>	<b>1,512.2</b>	<b>2.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>780.0</b>	<b>-</b>	<b>2,292.2</b>	<b>2.8</b>
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	780.0	-	780.0	-
Sun Pharma Laboratories Ltd. (Formerly, Sun Resin & Polymers Pvt Ltd)	508.2	-	-	-	-	-	-	-	-	-	508.2	-
Green Eco Development Centre Ltd	1.5	2.8	-	-	-	-	-	-	-	-	1.5	2.8
Others	1,002.5	-	-	-	-	-	-	-	-	-	1,002.5	-
<b>Loans Received back</b>	<b>1,507.9</b>	<b>2,178.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75.0</b>	<b>-</b>	<b>1,582.9</b>	<b>2,178.6</b>
Sun Pharma Laboratories Ltd. (Formerly, Sun Resin & Polymers Pvt Ltd)	505.4	-	-	-	-	-	-	-	-	-	505.4	-
Softdeal Trading Private Limited	200.9	-	-	-	-	-	-	-	-	-	200.9	-
Faststone Mercantile Company Pvt Ltd	200.4	-	-	-	-	-	-	-	-	-	200.4	-
Neetnav Real Estate Pvt Ltd.	200.4	-	-	-	-	-	-	-	-	-	200.4	-
Realstone Multitrade Private Limited	200.4	-	-	-	-	-	-	-	-	-	200.4	-
Skisen Labs Pvt Ltd.	200.4	-	-	-	-	-	-	-	-	-	200.4	-
Sun Pharma Global Inc	-	2,178.6	-	-	-	-	-	-	-	-	-	2,178.6
Others	-	-	-	-	-	-	-	-	75.0	-	75.0	-



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

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

ANNEXURE 'A'

₹ in Million

Particulars	Subsidiaries		Controlled Entity		Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant Influence of Key Management Personnel or their relatives		Total	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
Corporate Guarantees Given / (Released) on behalf of	3.6	(133.6)	-	-	-	-	-	-	-	-	3.6	(133.6)
Sun Pharmaceuticals Italia S.R.L.	156.2	-	-	-	-	-	-	-	-	-	156.2	-
Sun Pharma De Mexico S.A. DE C.V.	-	(133.6)	-	-	-	-	-	-	-	-	-	(133.6)
Sun Pharmaceutical (Bangladesh) Ltd	(152.6)	-	-	-	-	-	-	-	-	-	(152.6)	-
Interest Income	4.1	-	4.2	2.2	-	-	-	-	37.1	-	45.4	2.2
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	37.1	-	37.1	-
Sun Pharmaceutical Industries	-	-	2.1	1.1	-	-	-	-	-	-	2.1	1.1
Sun Pharma Sikkim	-	-	2.1	1.1	-	-	-	-	-	-	2.1	1.1
Others	4.1	-	-	-	-	-	-	-	-	-	4.1	-
Rent Income	1.5	-	1.3	3.0	-	-	-	-	1.5	1.4	4.3	4.4
Sun Pharma Drugs Pvt. Ltd.	0.8	-	-	-	-	-	-	-	-	-	0.8	-
Sun Pharma Medication Pvt. Ltd.	0.7	-	-	-	-	-	-	-	-	-	0.7	-
Sun Pharmaceutical Industries	-	-	0.7	1.6	-	-	-	-	-	-	0.7	1.6
Sun Pharma Sikkim	-	-	0.6	1.4	-	-	-	-	-	-	0.6	1.4
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	1.4	1.3	1.4	1.3
Others	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1
Director's Remuneration	-	-	-	-	53.0	78.7	-	-	-	-	53.0	78.7
Mr. Dilip S. Shanghvi	-	-	-	-	22.3	23.3	-	-	-	-	22.3	23.3
Mr. Sudhir V. Valia	-	-	-	-	22.2	23.4	-	-	-	-	22.2	23.4
Mr. Suresh T. Desai	-	-	-	-	8.5	7.5	-	-	-	-	8.5	7.5
Mr. S. Kalyanasundaram	-	-	-	-	-	24.5	-	-	-	-	-	24.5
Apprenticeship Stipend / Remuneration	-	-	-	-	-	-	3.3	3.0	-	-	3.3	3.0
Mr. Aalok Shanghvi	-	-	-	-	-	-	3.1	3.0	-	-	3.1	3.0
Ms. Vidhi Shanghvi	-	-	-	-	-	-	0.2	-	-	-	0.2	-
Remuneration received from Partnership Firms	-	-	82.9	2012.3	-	-	-	-	-	-	82.9	2012.3
Sun Pharma Sikkim	-	-	46.4	1829.2	-	-	-	-	-	-	46.4	1829.2
Sun Pharmaceutical Industries	-	-	36.5	183.1	-	-	-	-	-	-	36.5	183.1
Share of profit from Partnership Firms	-	-	919.8	14069.0	-	-	-	-	-	-	919.8	14069.0
Sun Pharma Sikkim	-	-	441.9	11523.9	-	-	-	-	-	-	441.9	11523.9
Sun Pharmaceutical Industries	-	-	477.9	2545.1	-	-	-	-	-	-	477.9	2545.1
Others Nil (Previous Year ₹ (2,123))	-	-	-	(0.0)	-	-	-	-	-	-	-	(0.0)

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## for the year ended 31st March, 2013

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

### ANNEXURE 'A'

Particulars	Subsidiaries		Controlled Entity		Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant influence of Key Management Personnel or their relatives		Total	
	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12	31/03/13	31/03/12
Exceptional Item	-	2,999.2	-	-	-	-	-	-	-	-	-	2,999.2
Sun Pharma Laboratories Limited (formerly Sun Resins & Polymers Pvt. Ltd.) (Refer Note 49)	-	2,999.2	-	-	-	-	-	-	-	-	-	2,999.2
Outstanding Corporate Guarantee to Bank	774.0	170.4	-	600.0	-	-	-	-	-	-	774.0	770.4
Sun Pharma Medication Pvt. Ltd. (Actual Utilised ₹ 98.2 Million (Previous Year Nil))	400.0	-	-	-	-	-	-	-	-	-	400.0	-
Sun Pharma Drugs Pvt. Ltd. (Actual Utilised ₹ 83.3 Million (Previous Year Nil))	200.0	-	-	-	-	-	-	-	-	-	200.0	-
Sun Pharmaceuticals Italia S.R.L. (Actual Utilised Nil (Previous Year Nil))	174.0	17.8	-	-	-	-	-	-	-	-	174.0	17.8
Sun Pharmaceutical Industries (Actual Utilised Nil (Previous Year ₹ 67.1 Million))	-	-	-	400.0	-	-	-	-	-	-	-	400.0
Sun Pharma Sikkim (Actual Utilised Nil (Previous Year ₹ 90.4 Million))	-	-	-	200.0	-	-	-	-	-	-	-	200.0
Sun Pharmaceutical (Bangladesh) Ltd (Actual Utilised ₹ Nil (Previous Year ₹ Nil))	-	152.6	-	-	-	-	-	-	-	-	-	152.6
Outstanding Receivables / Payables (Net) as on	4,879.7	3,966.1	-	(0.1)	(15.1)	(14.7)	(0.8)	(0.4)	755.6	60.2	5,619.4	4,011.1
Sun Pharma Drugs Pvt. Ltd.	1,670.5	-	-	-	-	-	-	-	-	-	1,670.5	-
Sun Pharma Medication Pvt. Ltd.	1,026.8	-	-	-	-	-	-	-	-	-	1,026.8	-
Caraco Pharmaceutical Laboratories Ltd	958.8	2,518.6	-	-	-	-	-	-	-	-	958.8	2,518.6
000 "Sun Pharmaceutical Industries" Ltd	768.4	516.9	-	-	-	-	-	-	-	-	768.4	516.9
Sun Pharma Advanced Research Company Ltd	-	-	-	-	-	-	-	-	755.6	60.2	755.6	60.2
Sun Pharma Global (FZE)	718.0	662.7	-	-	-	-	-	-	-	-	718.0	662.7
Sun Pharma Laboratories Ltd.(Formerly, Sun Resin & Polymers Pvt Ltd)	(678.0)	-	-	-	-	-	-	-	-	-	(678.0)	-
Others	415.2	267.9	-	(0.1)	(15.1)	(14.7)	(0.8)	(0.4)	-	-	399.3	252.7