

Ranbaxy UK Tax Strategy

Ranbaxy entities in the UK are part of the Sun Pharma Group. Sun Pharma is one of the world's leading speciality generic pharmaceutical company with a global presence. This tax strategy applies to all Ranbaxy UK entities. As part of a wider multinational group, we are aligned with and follow the group principles and code of conduct. This strategy is applicable from the date of publication and would remain in force unless it is superseded.

Tax risk management and governance

The pharmaceutical industry is a highly regulated industry and any changes in the regulation could have an impact on the tax position of the company. Ranbaxy is committed to high level of compliance with all applicable tax laws, regulations and reporting requirements.

We maintain an adequate internal controls structure to identify, review, report and mitigate any tax risks. We follow the current OECD guidelines for transfer pricing which are based on an arm's length principle.

Our tax compliance and reporting effort is supported by external professional advisors. In addition, we would seek assistance of external advisors for any complex regulation, and seek an advance clearance from Her Majesty's Revenue & Customs (HMRC) where appropriate.

The overall responsibility of maintaining an adequate internal controls and appropriate tax risk mitigation framework rests with the Board of Directors. The Board of Directors would review this on a periodic basis.

Tax Planning

Ranbaxy is committed to protecting and building shareholder value by ensuring that UK tax matters are managed in line with applicable legislation and overall commercial objective. Our Code of Conduct defines and adequately governs various activities to be performed to the highest level of ethical standards by all stakeholders.

We do not seek to undertake any aggressive tax planning and are committed to honouring our tax liabilities.

Relationship with HMRC

Ranbaxy seeks to have a transparent, collaborative and constructive relationship with HMRC for UK tax matters.

We strive to build a relationship of trust and integrity in all interactions with the HMRC. An adequate, complete and prompt disclosure is made for all UK tax matters.

In case of any difference of opinion, we aim to resolve this with HMRC on a reasonable and proactive basis.

Any inadvertent mistakes or omissions in submission of the tax returns and tax computations would be disclosed to the HMRC as soon as practically possible.