

Sun Pharmaceutical Industries Limited

Registered Office: Sun Pharma Advanced Research Centre, Tandalja, Vadodara - 390012.
Corporate Office: Sun House, CTS No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Tel.: +91 22 4324 4324.
CIN: L24230GJ1993PLC019050, Website : www.sunpharma.com

Statement of Unaudited Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2019

(₹ In Crore)

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations						
a. Revenue from contracts with customers	8,038.65	7,949.19	7,656.71	24,247.14	21,642.02	28,686.28
b. Other operating revenues	116.20	174.16	83.48	405.42	259.97	379.63
Total revenue from operations (I)	8,154.85	8,123.35	7,740.19	24,652.56	21,901.99	29,065.91
II Other income	119.88	200.85	193.06	533.75	743.96	1,025.49
III Total income (I+II)	8,274.73	8,324.20	7,933.25	25,186.31	22,645.95	30,091.40
IV Expenses						
Cost of materials consumed	1,495.77	1,474.05	1,432.97	4,305.65	3,716.16	5,782.70
Purchases of stock-in-trade	842.37	851.13	721.51	2,503.73	2,321.76	2,519.38
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(138.15)	(57.32)	11.18	116.26	(7.74)	(433.11)
Employee benefits expense	1,549.12	1,620.94	1,494.98	4,710.46	4,398.30	5,967.09
Finance costs	62.96	83.93	144.79	250.95	405.22	555.25
Depreciation and amortisation expense	546.99	473.28	471.05	1,477.40	1,299.20	1,753.25
Other expenses	2,646.14	2,453.31	2,153.84	7,547.39	6,144.36	8,829.06
Net (gain) / loss on foreign currency transactions	(81.80)	(8.50)	(227.18)	(157.68)	38.35	93.20
Total expenses (IV)	6,923.40	6,890.82	6,203.14	20,754.16	18,315.61	25,066.82
V Profit before exceptional item and tax (III-IV)	1,351.33	1,433.38	1,730.11	4,432.15	4,330.34	5,024.58
VI Exceptional item (Refer Note 4)	-	-	-	-	1,214.38	1,214.38
VII Profit before tax (V-VI)	1,351.33	1,433.38	1,730.11	4,432.15	3,115.96	3,810.20
VIII Tax expense for period / year	327.62	266.03	270.92	739.71	629.69	600.88
IX Profit for the period before share of profit / (loss) of associates and joint ventures (VII-VIII)	1,023.71	1,167.35	1,459.19	3,692.44	2,486.27	3,209.32
X Share of profit / (loss) of associates and joint ventures (net)	(4.33)	(4.18)	1.84	(13.24)	0.98	(1.46)
XI Net Profit after taxes and share of profit / (loss) of associates and joint ventures but before non-controlling interests (IX+X)	1,019.38	1,163.17	1,461.03	3,679.20	2,487.25	3,207.86
Non-controlling interests	105.86	99.08	219.18	314.11	457.71	542.44
XII Net Profit after taxes, share of profit / (loss) of associates and joint ventures and non-controlling interests	913.52	1,064.09	1,241.85	3,365.09	2,029.54	2,665.42
XIII Other comprehensive income (OCI)						
A. (i) Items that will not be reclassified to profit or loss	178.68	(117.89)	(179.89)	(37.50)	(58.90)	23.96
(ii) Income tax relating to items that will not be reclassified to profit or loss	(3.07)	13.11	2.42	12.96	(5.39)	(6.25)
B. (i) Items that may be reclassified to profit or loss	274.92	610.53	(1,890.82)	876.73	1,858.69	1,756.69
(ii) Income tax relating to items that may be reclassified to profit or loss	11.03	8.73	(23.09)	19.96	(8.87)	(94.41)
Total other comprehensive income (A+B) (XIII)	461.56	514.48	(2,091.38)	872.15	1,785.53	1,679.99
XIV Total comprehensive income for the period (XI+XIII)	1,480.94	1,677.65	(630.35)	4,551.35	4,272.78	4,887.85
Attributable to:						
- Owners of the Company	1,355.93	1,499.33	(539.76)	4,137.22	3,695.55	4,205.41
- Non-controlling interests	125.01	178.32	(90.59)	414.13	577.23	682.44
XV Paid-up equity share capital - face value ₹ 1 each	239.93	239.93	239.93	239.93	239.93	239.93
XVI Other equity						41,169.13
XVII Earnings per equity share of ₹ 1 each (not annualised for quarters)						
₹ (Basic)	3.81	4.43	5.18	14.03	8.46	11.11
₹ (Diluted)	3.81	4.43	5.18	14.03	8.46	11.11
See accompanying notes to the unaudited consolidated financial results						
Research and development expenses incurred (included above)	518.04	479.96	451.54	1,404.66	1,378.01	1,912.87

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Notes :

- 1 The above unaudited consolidated financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 05, 2020 and February 06, 2020.
- 2 These unaudited consolidated financial results relate to Sun Pharmaceutical Industries Limited (SPIL), its Subsidiaries (together constitute 'the Group'), Joint Ventures and Associates and are prepared by applying Ind AS 110 - "Consolidated Financial Statements", and Ind AS 28 - "Investments in Associates and Joint Ventures".
- 3 The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
- 4 The Company had entered into settlement agreements with Apotex Corporation, Retailer Purchasers, end-payor plaintiffs and Direct Purchaser Plaintiffs in respect of an antitrust litigation, relating to a product Modafinil. The Company had accounted for an amount of ₹ 950.50 Crore and ₹ 1,238.38 Crore in the year ended on March 31, 2018 and March 31, 2019 respectively out of which ₹ 950.50 Crore and ₹ 1,214.38 Crore were disclosed as exceptional item.
During Nine months ended December 31, 2019, the Company has entered into a settlement agreement with the last remaining Plaintiff and the settlement amount has been grouped in other expenses.
- 5 Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases", and applied to all lease contracts existing on April 01, 2019 using the modified retrospective method. Accordingly, the Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). The impact on the profit and earnings per share for the Quarter ended and Nine months ended is not material.
- 6 Pola Pharma Inc. Japan became a step down subsidiary of the Company with effect from January 01, 2019. Accordingly, the results for the Quarter and Nine months ended includes results of Pola Pharma Inc., and hence are not comparable with Quarter and Nine months ended December 31, 2018.
- 7 The Board of Directors at its meeting held on February 06, 2020, have declared for the year 2019-2020 ,an interim dividend of ₹ 3 per equity share of ₹ 1 each. The record date fixed for the purpose of ascertaining the entitlement is February 18, 2020.
- 8 The Group has only one reportable segment namely 'Pharmaceuticals'.
- 9 Figures for previous periods have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board

Mumbai, February 06, 2020

Dilip S. Shanghvi
Managing Director

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Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended December 31, 2019

(₹ in Crore)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations						
a. Revenue from contracts with customers	2,920.83	3,215.01	2,192.41	9,156.33	7,525.49	9,783.29
b. Other operating revenues	92.72	158.28	68.85	539.52	225.59	519.92
Total revenue from operations (I)	3,013.55	3,373.29	2,261.26	9,695.85	7,751.08	10,303.21
II Other income	15.36	258.33	27.76	292.27	592.21	1,271.44
III Total income (I+II)	3,028.91	3,631.62	2,289.02	9,988.12	8,343.29	11,574.65
IV Expenses						
Cost of materials consumed	947.21	793.57	716.27	2,434.59	1,796.52	2,727.71
Purchases of stock-in-trade	303.12	309.16	329.73	908.53	982.45	1,196.85
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(145.17)	114.58	(64.65)	44.32	(69.66)	(251.30)
Employee benefits expense	423.97	432.77	391.20	1,283.43	1,145.34	1,571.34
Finance costs	98.76	114.47	133.38	270.48	421.55	540.92
Depreciation and amortisation expense	144.40	139.14	134.06	419.12	420.77	552.95
Other expenses	825.04	858.04	756.17	2,580.13	2,289.42	3,089.31
Net (gain) / loss on foreign currency transactions	(46.43)	30.26	(42.07)	(38.26)	409.25	213.04
Total expenses (IV)	2,550.90	2,791.99	2,354.09	7,902.34	7,395.64	9,640.82
V Profit / (Loss) before exceptional item and tax (III-IV)	478.01	839.63	(65.07)	2,085.78	947.65	1,933.83
VI Exceptional item (Refer Note 4)	-	-	-	-	1,214.38	1,214.38
VII Profit / (Loss) before tax (V-VI)	478.01	839.63	(65.07)	2,085.78	(266.73)	719.45
VIII Tax expense / (credit)	9.25	16.47	(26.39)	30.49	(15.27)	(97.15)
IX Profit / (Loss) for the period (VII-VIII)	468.76	823.16	(38.68)	2,055.29	(251.46)	816.60
X Other comprehensive income (OCI)						
a. (i) Items that will not be reclassified to profit or loss	6.56	(26.42)	(2.66)	(26.39)	12.08	11.29
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.29)	9.23	0.93	9.22	(4.22)	(3.95)
b. (i) Items that may be reclassified to profit or loss	(33.04)	(26.26)	(31.92)	(65.32)	252.47	271.15
(ii) Income tax relating to items that may be reclassified to profit or loss	11.54	9.17	(27.57)	22.82	(12.27)	(94.75)
Total other comprehensive income (a+b) (X)	(17.23)	(34.28)	(61.22)	(59.67)	248.06	183.74
XI Total comprehensive income for the period (IX+X)	451.53	788.88	(99.90)	1,995.62	(3.40)	1,000.34
XII Paid-up equity share capital - face value ₹ 1 each	239.93	239.93	239.93	239.93	239.93	239.93
XIII Other equity						22,603.68
XIV Earnings per equity share of ₹ 1 each (not annualised for quarters)						
₹ (Basic)	1.95	3.43	(0.16)	8.57	(1.05)	3.40
₹ (Diluted)	1.95	3.43	(0.16)	8.57	(1.05)	3.40
See accompanying notes to the unaudited standalone financial results						
Research and development expenses incurred (included above)	246.87	249.42	250.17	718.10	699.18	954.25

Notes:

- 1 The above unaudited standalone financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 05, 2020 and February 06, 2020.
- 2 The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
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For and on behalf of the Board

Dilip S. Shanghvi
Managing Director

Mumbai, February 6, 2020