

<b>VALIA &amp; TIMBADIA</b> <b>CHARTERED ACCOUNTANTS</b>	Tel: Off: 2269 2624 / 2269 9664 Resi: 2409 5981/ 2409 6420 Fax: 2264 1937
<b>ARVIND P. VALIA</b> B.COM. (Hons.), F.C.A. <b>HITEN C. TIMBADIA</b> B.COM. L.L.B. (GEN), F.C.A.	E-mail: <a href="mailto:valtim09@gmail.com">valtim09@gmail.com</a> 32, Trinity Chambers, 117, Bora Bazar Street, Fort, Mumbai – 400 001.

## INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF SUN PHARMA SWITZERLAND LTD.**

### **Report on the Financial Statements**

We have audited the attached Balance Sheet of **Sun Pharma Switzerland Ltd.** as at 31st March, 2015 and also the Statement of Profit And Loss for the year ended on that date annexed thereto.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards and 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the 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. An audit also includes evaluating the appropriateness of accounting policies used and

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E-mail: [valtim09@gmail.com](mailto:valtim09@gmail.com)

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the reasonableness of the accounting estimates made by 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 financial statements 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 March 31, 2015; and
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date.

For **Valia & Timbadia**

Chartered Accountants

(Firm Registration no. 112241W)

**(Hiten C. Timbadia)**

Partner

Membership No. 038429

Place: Hoofddorp, The Netherlands

Date: 28<sup>th</sup> April, 2015

SUN PHARMA SWITZERLAND LTD.  
BALANCE SHEET AS AT 31st March, 2015

Particulars	Note No	As At 31st March, 2015		As At 31st March, 2014	
		(CHF)	(CHF)	(CHF)	(CHF)
<b>CAPITAL AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	1	100.000		100.000	
Reserves and Surplus	2	(14.582)		(6.151)	
Money received against Share Warrants		<u>0</u>	<b>85.418</b>	<u>0</u>	<b>93.849</b>
<b>Share Application Money Pending Allotment</b>			0,00		
<b>Minority Interest</b>			0,00		
<b>Non-Current Liabilities</b>					
Long-Term Borrowings	3	0		0	
Deferred Tax Liabilities (Net)	4	0		0	
Other Long-Term Liabilities	5	0		0	
Long-Term Provisions	6	<u>0</u>	0	<u>0</u>	0
<b>Current Liabilities</b>					
Short-Term Borrowings	7	0		0	
Trade Payables	8	4.622		2.400	
Other Current Liabilities	9	0		0	
Short-Term Provisions	10	<u>0</u>	4.622	<u>0</u>	2.400
<b>TOTAL</b>			<u><u>90.040</u></u>		<u><u>96.249</u></u>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets	11				
Tangible Assets		0		0	
Intangible Assets		0		0	
Capital Work-In-Progress		0			
Intangible Assets Under Development		0			
Fixed Assets Held for Sale		<u>0</u>		<u>0</u>	
Goodwill on Consolidation		0			
Non-Current Investments	12	0		0	
Deferred Tax Assets (Net)	13	0		0	
Long-Term Loans and Advances	14	0		0	
Other Non-Current Assets	15	<u>0</u>	0	<u>0</u>	0
<b>Current Assets</b>					
Current Investments	16	0		0	
Inventories	17	0		0	
Trade Receivables	18	0		0	
Cash and Cash Equivalents	19	88.825		95.034	
Short-Term Loans and Advances	20	1.215		1.215	
Other current assets	21	<u>0</u>	90.040	<u>0</u>	96.249
<b>TOTAL</b>			<u><u>90.040</u></u>		<u><u>96.249</u></u>
<b>See accompanying other notes forming part of the Financial Statements</b>	30				

In terms of our report of even date attached

For Valia & Timbadia  
Chartered Accountants

For and on behalf of the Board

HITEN C. TIMBADIA  
Partner

PRASHANT SAVLA  
Director

Date : 28th April , 2015

Date : 28th April , 2015

Place : Hoofddorp , The Netherlands

Place : Hoofddorp , The Netherlands



SUN PHARMA SWITZERLAND LTD.  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2015

Particular	Note No	Year ended 31st March, 2015		Year ended 31st March, 2014	
		(CHF)	(CHF)	(CHF)	(CHF)
<b>Income</b>					
Revenue from Operations (Gross)	22	0		0	
Less: Excise Duty					
Revenue from Operations (Net)			0		0
Other Income	23		7		14
<b>Total Revenue</b>			<b>7</b>		<b>14</b>
<b>Expenses</b>					
Cost of Materials Consumed	24		0		0
Purchase of Stock-in-Trade			0		0
Changes in Inventories of Stock-in-Trade	25		0		0
Employee Benefits Expense	26		0		0
Finance Costs	27		0		0
Depreciation/Amortisation/Impairment Expense			0		0
Other Expenses	28		8.358		6.120
Research and Development Expenditure	29				
<b>Total Expenses</b>			<b>8.358</b>		<b>6.120</b>
<b>Profit Before Exceptional Items and Tax</b>			<b>(8.351)</b>		<b>(6.106)</b>
Exceptional Items					
<b>Profit Before Tax</b>			<b>(8.351)</b>		<b>(6.106)</b>
<b>Tax Expense:</b>					
Current Tax		80		45	
Deferred Tax		0	80		45
<b>Profit / (Loss) from the Period from Continuing Operations</b>			<b>(8.431)</b>		<b>(6.151)</b>
Profit / (Loss) from Discontinuing Operations Before Tax			0		
Tax Expense of Discontinuing Operations			0		
<b>Profit / (Loss) from Discontinuing Operations</b>			<b>0</b>		<b>0</b>
<b>Profit / (Loss) for the Year</b>			<b>(8.431)</b>		<b>(6.151)</b>
<b>Minority Interest</b>					
<b>Profit / (Loss) for the Year After Minority Interest</b>			<b>(8.431)</b>		<b>(6.151)</b>
<b>Earning Per Share</b>					
Basic and Diluted CHF Face Value per share of CHF 1000			<b>(84)</b>		<b>(62)</b>
<b>See accompanying other notes forming part of the Financial Statements</b>	30				

In terms of our report of even date attached

For Valia & Timbadia  
Chartered Accountants

For and on behalf of the Board

HITEN C. TIMBADIA  
Partner

PRASHANT SAVLA  
Director

Date : 28th April , 2015

Date : 28th April , 2015

Place : Hoofddorp , The Netherlands

Place : Hoofddorp , The Netherlands

SUN PHARMA SWITZERLAND LTD.  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Note No	As At 31st March, 2015		As At 31st March, 2014	
		Number of Shares	(CHF)	Number of Shares	(CHF)
Share Capital	1				
Authorised Capital					
		-	-	-	-
Issued, Subscribed and Fully Paid					
100 Shares of 1,000 CHF each		100	100.000	100	100.000
		<u>100</u>	<u>100.000</u>	<u>100</u>	<u>100.000</u>

Reconciliation of the Number of Shares Outstanding

	Number of Shares	(CHF)	Number of Shares	(CHF)
Outstanding at the Beginning of the Year	100	100.000	0	0
Add: Shares Issued During the Year	0	-	100	100.000
Less: Shares Bought Back During the Year	-	-	-	-
Outstanding at the End of the Year	100	100.000	100	100.000

Sun Pharma Switzerland Ltd is 100 % owned by Alkaloida Chemical Company Zrt . with its head office in Hungary

Reserve and Surplus

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Surplus / Deficit in statement of Profit and Loss			
Opening Balance	(6.151)		0
Add: Profit / (Loss) for the Year	(8.431)		(6.151)
Transfer from General Reserve			
Proposed Dividend and Dividend Tax Written back			
Less: Proposed Dividend			
Corporate Dividend Tax			
Closing Balance		<u>(14.582)</u>	<u>(6.151)</u>
		<u>(14.582)</u>	<u>(6.151)</u>

Long-Term borrowings

3

NIL

NIL

Deferred Tax Liabilities (Net)

4

NIL

NIL

Other Long-Term Liabilities

5

NIL

NIL

Long-Term Provisions

6

NIL

NIL

SUN PHARMA SWITZERLAND LTD.  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars		As At 31st March, 2015		As At 31st March, 2014	
		(CHF)	(CHF)	(CHF)	(CHF)
Short-Term Borrowings	7		NIL		NIL
Trade Payables	8				
Acceptances			0		0
Other than Acceptances			<u>4.622</u>		<u>2.400</u>
			<u>4.622</u>		<u>2.400</u>
Other Current Liabilities	9		NIL		NIL
Short-Term Provisions	10		NIL		NIL
Non-Current Investment	12		NIL		NIL
Deferred Tax Assets (Net)	13		NIL		NIL
Long-Term Loans and Advances	14		NIL		NIL
Other Non-Current Assets	15		NIL		NIL
SUN PHARMA SWITZERLAND LTD. NOTES FORMING PART OF THE FINANCIAL STATEMENTS					
Current Investment	16		NIL		NIL
Inventories (Valued at Lower of Cost and Net Realisable Value)	17		NIL		NIL
Trade Receivables	18		NIL		NIL
Cash and Cash Equivalents	19				
Cash available in less than 3 month					
Balance with Banks					
In Current Accounts		88.825		95.034	
			<u>88.825</u>		<u>95.034</u>
Short-Terms Loans and Advances	20				
(Unsecured – Considered Good unless stated otherwise)					
Prepaid Expenses			<u>1.215</u>		<u>1.215</u>
			<u>1.215</u>		<u>1.215</u>
Other Current Assets	21		NIL		NIL

SUN PHARMA SWITZERLAND LTD.  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particular		Year ended 31st March, 2015		Year ended 31st March, 2014	
		(CHF)	(CHF)	(CHF)	(CHF)
Revenue from Operations	22		NIL		NIL
Other Income	23				
Interest on					
Deposits with Banks			0		0
Others			7		14
			<u>7</u>		<u>14</u>
<b>Cost of Material Consumed</b>					
<b>Raw Material &amp; Packing Material</b>	24		NIL		NIL
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	25		NIL		NIL
Employee Benefits Expense	26		NIL		NIL
Finance Costs	27		NIL		NIL
Other Expenses	28				
Professional and Consultancy			5.088		3.582
Audit Fees		502		400	
Taxation Matters		-			
Company Law Matter		-			
Management Service			-		
Other Services					
For Reimbursement Expenses			502		400
Miscellaneous Expenses			<u>2.768</u>		<u>2.138</u>
			<u>8.358</u>		<u>6.120</u>

SUN PHARMA SWITZERLAND LTD.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	30				
<b>Research And Development Expenditure</b>	29				
Salaries, Wages, Bonus and Benefits					
Contribution to Provident and Other Funds					
Staff Welfare Expenses					
Raw Material, Stores and Spares Consumed					
Power and Fuel					
Rates and Taxes					
Rent					
Insurance					
Repairs					
-Building					
-Plant and Machinery					
-Others			0,0		-
Printing and Stationery					
Travelling and Conveyance					
Communication					
Professional and Consultancy					
Loss on Sale of Fixed Assets					
Miscellaneous Expenses					
			<u>0,0</u>		<u>-</u>
<b>Less:</b>					
Interest Income					
Misc. Income					
Bad Debts Recovered / Sundry balances written Back					
Receipts from Research activities					
Rent Income			0,0		-
			<u>0,0</u>		<u>-</u>

## **Sun Pharma Switzerland Ltd.**

### **30. Notes to the Balance Sheet as at 31 March 2015 and the Statement of Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2015.**

#### **1.1 General**

##### **General information**

Sun Pharma Switzerland Ltd, incorporated on 10<sup>th</sup> June, 2013, is 100,00% owned by Alkaloida Chemical Company Zrt . with its head office in Hungary. Alkaloida owns 100 shares at 1000 CHF per share.

The Company has changed its Financial Year from January to December To April to March at its extra ordinary shareholder's meeting held on 25<sup>th</sup> April, 2014.

##### **Going concern**

The company is dependent on the continuing financial support of its shareholders, which the directors believe will be available. The accounts do not reflect any adjustment, which would have to be made should continuing finance not be available. The directors consider it appropriate for the accounts to be prepared on a going concern basis.

#### **1.2 Accounting Policy**

##### **Basis of Accounting**

The financial statements have been prepared under historical cost convention on an accrual basis

##### **General**

Assets are liabilities are stated at nominal value, unless indicated otherwise.

##### **Accounting Standard (AS-20) on Earnings Per Share**

Profit for the year -	CHF (-) 8,431
Weighted Average number of Shares-	100
Nominal value per share (in CHF ) -	1,000
Basic and Diluted Earnings Per Share (in CHF) –	(-) 84

**For and on behalf of the Board**

**PRASHANT SAVLA**

*Director*

Date : 28th April, 2015

Place : Hoofddorp , Netherlands