

Sun Pharmaceutical Industries Limited

Registered Office: Sun Pharma Advanced Research Centre, Tandajja, 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 Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2023

(₹ in Million)

Particulars	Quarter ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations					
a. Revenue from contracts with customers	107,255.7	111,001.4	93,860.8	432,788.7	384,264.2
b. Other operating revenues	2,051.0	1,408.3	606.8	6,068.1	2,280.7
Total revenue from operations (I)	109,306.7	112,409.7	94,467.6	438,856.8	386,544.9
II Other income	3,732.8	1,738.8	1,135.9	6,345.2	9,215.1
III Total income (I+II)	113,039.5	114,148.5	95,603.5	445,202.0	395,760.0
IV Expenses					
Cost of materials consumed	18,999.4	18,596.9	21,883.5	77,775.7	70,491.2
Purchases of stock-in-trade	8,923.3	8,872.9	7,809.4	35,715.0	34,100.3
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(5,420.5)	566.9	(4,296.6)	(6,869.1)	(1,076.1)
Employee benefits expense	21,795.5	20,370.7	18,849.1	82,960.3	73,008.3
Finance costs	927.4	461.8	373.4	1,720.0	1,273.5
Depreciation and amortisation expense	6,715.3	6,599.5	5,564.7	25,294.3	21,437.4
Other expenses	36,716.0	33,933.8	28,428.7	131,546.0	107,583.6
Net (gain) / loss on foreign currency transactions	271.7	31.3	(1,610.2)	1,261.0	(1,539.6)
Total expenses (IV)	88,928.1	89,433.8	77,002.0	349,403.2	305,278.6
V Profit / (loss) before exceptional items and tax (III-IV)	24,111.4	24,714.7	18,601.5	95,798.8	90,481.4
VI Exceptional items (Refer Note 4)	1,714.5	-	39,357.5	1,714.5	45,668.2
VII Profit / (loss) before tax (V-VI)	22,396.9	24,714.7	(20,756.0)	94,084.3	44,813.2
VIII (i) Tax expense/(credit)	2,229.1	2,834.3	2,231.8	8,475.9	11,519.2
(ii) Tax expense/(credit) - Exceptional (Refer Note 4)	-	-	(764.2)	-	(764.2)
IX Profit / (loss) for the period before share of profit / (loss) of associates and joint venture (VII-VIII)	20,167.8	21,880.4	(22,223.6)	85,608.4	34,058.2
X Share of profit / (loss) of associates and joint venture (net)	(338.8)	(72.9)	(50.2)	(479.0)	(165.4)
XI Net Profit / (loss) after taxes and share of profit / (loss) of associates and joint venture but before non-controlling interests (IX+X)	19,829.0	21,807.5	(22,273.8)	85,129.4	33,892.8
Non-controlling interests	(15.7)	147.4	498.7	393.6	1,165.5
XII Net Profit / (loss) after taxes, share of profit / (loss) of associates and joint venture and non-controlling interests	19,844.7	21,660.1	(22,772.5)	84,735.8	32,727.3
XIII Other comprehensive income (OCI)					
a. (i) Items that will not be reclassified to profit or loss	79.0	731.4	(439.8)	989.4	(1,873.5)
(ii) Income tax relating to items that will not be reclassified to profit or loss	9.2	2.4	(124.0)	(118.0)	160.9
b. (i) Items that may be reclassified to profit or loss	(1,333.6)	6,892.6	3,306.2	21,632.0	7,740.9
(ii) Income tax relating to items that may be reclassified to profit or loss	(363.8)	(142.5)	471.6	62.3	(456.2)
Total other comprehensive income (a+b) (XIII)	(1,609.2)	7,483.9	3,214.0	22,565.7	5,572.1
XIV Total comprehensive income for the period (XI+XIII)	18,219.8	29,291.4	(19,059.8)	107,695.1	39,464.9
Attributable to:					
- Owners of the Company	18,378.1	28,391.4	(19,965.4)	105,034.6	37,521.8
- Non-controlling interests	(158.3)	900.0	905.6	2,660.5	1,943.1
XV Paid-up equity share capital - face value ₹ 1 each	2,399.3	2,399.3	2,399.3	2,399.3	2,399.3
XVI Other equity				557,554.5	477,712.9
XVII Earnings per equity share of ₹ 1 each (not annualised for quarters)					
₹ (Basic)	8.3	9.0	(9.5)	35.3	13.6
₹ (Diluted)	8.3	9.0	(9.5)	35.3	13.6
See accompanying notes to the audited consolidated financial results					
Research and development expenses incurred (included above)	6,456.2	6,539.0	5,189.1	23,077.2	21,325.1

Sun Pharmaceutical Industries Limited

Registered Office: Sun Pharma Advanced Research Centre, Tandajja, 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

Audited Consolidated Statement of Assets and Liabilities

(₹ in Million)

Particulars	As at 31.03.2023 Audited	As at 31.03.2022 Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	103,903.8	103,713.8
(b) Capital work-in-progress	9,633.5	7,975.1
(c) Goodwill (Net)	87,127.1	65,912.8
(d) Other intangible assets	53,170.3	57,025.0
(e) Intangible assets under development	40,098.1	4,892.9
(f) Investments in associates	3,532.3	2,320.6
(g) Investments in joint venture	361.6	340.2
(h) Financial assets		
(i) Investments	50,680.9	49,485.7
(ii) Loans	6.1	7.1
(iii) Other financial assets	1,652.9	1,259.0
(i) Deferred tax assets (Net)	31,642.4	28,495.8
(j) Income tax assets (Net)	23,069.8	25,115.3
(k) Other non-current assets	3,723.7	2,888.4
Total non-current assets	408,602.5	349,431.7
(2) Current assets		
(a) Inventories	105,130.5	89,251.3
(b) Financial assets		
(i) Investments	93,726.1	76,339.4
(ii) Trade receivables	114,385.1	104,845.9
(iii) Cash and cash equivalents	46,237.3	45,082.5
(iv) Bank balances other than (iii) above	11,465.6	5,251.0
(v) Loans	413.2	1,699.7
(vi) Other financial assets	7,645.1	7,377.3
(c) Other current assets	19,616.5	18,798.9
Total current assets	398,619.4	348,646.0
Assets classified as held for sale	214.0	-
TOTAL ASSETS	807,435.9	698,077.7
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,399.3	2,399.3
(b) Other equity	557,554.5	477,712.9
Equity attributable to owners of the Company	559,953.8	480,112.2
Non-controlling interests	33,200.9	30,548.9
Total equity	593,154.7	510,661.1
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	-	2,299.2
(ii) Lease liabilities	5,599.1	2,517.9
(iii) Other financial liabilities	37.9	161.2
(b) Provisions	3,429.1	3,690.7
(c) Deferred tax liabilities (Net)	316.9	318.6
(d) Other non-current liabilities	5,828.2	6,344.5
Total non-current liabilities	15,211.2	15,332.1
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	61,978.8	7,007.7
(ii) Lease liabilities	1,280.8	1,078.2
(iii) Trade payables	56,815.2	44,897.6
(iv) Other financial liabilities	15,930.9	18,832.7
(b) Other current liabilities	6,427.2	7,033.9
(c) Provisions	53,543.8	91,478.2
(d) Current tax liabilities (Net)	3,087.1	1,756.2
Total current liabilities	199,063.8	172,084.5
Liabilities directly associated with assets classified as held for sale	6.2	-
Total liabilities	214,281.2	187,416.6
TOTAL EQUITY AND LIABILITIES	807,435.9	698,077.7

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

Audited Consolidated Cash Flow Statement for the Year ended March 31, 2023

(₹ in Million)

Particulars	Year ended 31.03.2023 Audited	Year ended 31.03.2022 Audited
A. Cash flow from operating activities		
Profit / (loss) before tax	94,084.3	44,813.2
Adjustments for:		
Depreciation and amortisation expense	25,294.3	21,437.4
Net (gain) / loss on sale / write off / impairment of property, plant and equipment, other intangible assets, intangible assets under development and goodwill	227.1	1,656.0
Finance costs	1,720.0	1,273.5
Interest income	(3,845.4)	(5,533.7)
Dividend income on investments	(1,464.5)	(2,153.3)
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	1,613.0	3,619.5
Net gain on sale of financial assets measured at fair value through profit or loss	(1,847.1)	(486.1)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	240.3	(7.7)
Provision / impairment / write off /(reversal) for doubtful trade receivables / advances / loans	2,070.5	175.7
Sundry balances written back, net	(150.7)	(59.8)
Effect of exchange rate changes	3,368.1	(172.0)
Operating profit / (loss) before working capital changes	121,309.9	64,562.7
Movements in working capital:		
(Increase) / Decrease in inventories	(12,022.0)	3,069.5
(Increase) / Decrease in trade receivables	(9,531.7)	(13,422.6)
(Increase) / Decrease in other assets	(2,158.1)	141.1
Increase / (Decrease) in trade payables	11,823.7	3,699.2
Increase / (Decrease) in other liabilities	(6,691.5)	(23,333.5)
Increase / (Decrease) in provisions	(38,038.6)	45,436.8
Cash generated / (used in) from operations	64,691.7	80,153.2
Net Income tax (paid) / refund received (including interest on refunds)	(15,098.4)	9,692.2
Net cash generated from / (used in) operating activities (A)	49,593.3	89,845.4
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets and intangible assets under development)	(20,855.8)	(14,950.4)
Proceeds from disposal of property, plant and equipment and other intangible assets	210.1	606.1
Loans / inter corporate deposits given / placed	-	(76.8)
Loans / inter corporate deposits received back / matured	-	140.4
Purchase of investments (includes investment in associates)	(219,642.3)	(241,506.2)
Proceeds from sale of investments	208,968.4	207,020.8
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	(7,251.0)	(5,117.9)
Fixed deposits / margin money matured	1,488.7	1,692.6
Acquisition of subsidiary	(46,858.2)	(7,395.7)
Disposal of subsidiary	-	238.4
Interest received	3,179.3	763.0
Dividend received	1,324.0	1,338.3
Net cash from / (used in) investing activities (B)	(79,436.8)	(57,247.4)

Sun Pharmaceutical Industries Limited

Registered Office: Sun Pharma Advanced Research Centre, Tandajja, 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

Audited Consolidated Cash Flow Statement for the Year ended March 31, 2023

(₹ in Million)

Particulars	Year ended 31.03.2023 Audited	Year ended 31.03.2022 Audited
C. Cash flow from financing activities		
Proceeds of borrowings	81,597.8	16,567.7
Repayment of borrowings	(28,996.3)	(43,999.0)
Repayment towards lease liabilities	(1,346.2)	(1,286.5)
Payment for buy-back of equity shares held by non-controlling interests of subsidiaries	-	(1,857.0)
Net increase / (decrease) in working capital demand loans	(1,304.9)	1,064.2
Finance costs	(992.4)	(732.1)
Dividend payment to non-controlling interests	(8.5)	(102.7)
Dividend paid	(25,188.8)	(21,589.2)
Net cash from / (used in) financing activities (C)	23,760.7	(51,934.6)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(6,082.8)	(19,336.6)
Cash and cash equivalents at the beginning of the period	45,082.5	62,730.3
Cash and cash equivalents transferred on sale of subsidiary / taken over on acquisition of subsidiary	5,666.9	414.5
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	1,570.7	1,274.3
Cash and cash equivalents at the end of the year	46,237.3	45,082.5

Notes :

- 1 These audited consolidated financial results relate to Sun Pharmaceutical Industries Limited (the 'Company'), its Subsidiaries (together the 'Group'), Joint Venture and Associates and are prepared by applying Ind AS 110 - "Consolidated Financial Statements", and Ind AS 28 - "Investments in Associates and Joint Ventures".
- 2 The above audited 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 May 26, 2023.
- 3 The above audited consolidated 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 Exceptional items includes (Also refer financial results of respective period for detailed information) :
 - a) Impairment charge for the quarter and year ended March 31, 2023 include a charge on account of impairment of loans and advances given to an associate amounting to ₹ 1,644.3 Million pursuant to assessment of recoverability.
 - b) Concert acquisition related expenses of ₹ 643.9 Million incurred during the quarter and year ended March 31, 2023.
 - c) Income of ₹ 573.7 Million relating to a claim pertaining to the acquisition of a subsidiary in an earlier year settled during the quarter and year ended March 31, 2023.
 - d) Results for the year ended March 31, 2022 includes a charge of USD 60 Million (equivalent to ₹ 4,425.0 Million) in respect of multi-jurisdiction civil antitrust matters of Taro Pharmaceuticals U.S.A., ("Taro"). Further, during the quarter and year ended March 31, 2022 Sun Pharmaceutical Industries Inc. also entered into a settlement agreement with the Direct Purchaser Plaintiffs class ("DPPs") for an amount of USD 15.3 Million along with related legal charges of USD 5.5 Million (equivalent to ₹ 1,562.5 Million inclusive of legal charge).
Exceptional tax for the quarter and year ended March 31, 2022 is on account of recognition of deferred tax asset amounting to ₹ 272.7 Million arising out of above settlement.
 - e) Results for the year ended March 31, 2022 includes a charge of ₹ 1,503.3 Million towards impairment of an acquired intangible asset under development. Further, the Group disposed off assets which were classified as assets held for sale as per the requirements of IND AS 105 and a write down of ₹ 382.4 Million was disclosed as an exceptional item.
 - f) During the quarter and year ended March 31, 2022, the Company had incurred a one-time cost of ₹ 563.5 Million in relation to restructuring of operations in certain countries.
 - g) Results for the quarter and year ended March 31, 2022 includes a charge of USD 485 Million along with its related legal charges of USD 8.3 Million (equivalent to ₹ 37,231.5 Million inclusive legal charges) towards settlement of alleged violation of antitrust laws.
Exceptional tax for the quarter and year ended March 31, 2022, is on account of recognition of deferred tax asset amounting to ₹ 4,897.5 Million arising out above settlement.
 - h) Consequent to the settlement mentioned in 4(g) above, during the quarter and year ended March 31, 2022, the Company had written off MAT credit of ₹ 4,406.0 Million.
- 5 The Group has only one reportable segment namely 'Pharmaceuticals'.
- 6 As part of the ongoing simplification of the group structure in India, the Board of Directors of the Company at its meeting held on May 30, 2022, approved the Scheme of Amalgamation for the merger of Wholly-owned Subsidiaries, Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited (collectively "Transferor Companies"), with Sun Pharmaceutical Industries Limited ("Transferee Company") with an appointed date of April 01, 2022 and / or such other date as may be approved by the National Company Law Tribunal pursuant to the provisions of Sections 230 to 232 of Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.
- 7 On February 28, 2022, our subsidiary company, Taro Pharmaceutical Industries Ltd., had acquired all of the outstanding capital stock of Galderma Holdings Inc., Proactiv YK ; The Proactiv Company Corporation ; and other assets of The Proactiv Company Sarl. Accordingly, the results for the quarter and year ended March 31, 2023 are not comparable to the quarter and year ended March 31, 2022 as presented. Adjustments have been made on the finalisation of purchase price allocation and previous year's number have been restated accordingly.
- 8 In the current quarter, on March 6, 2023, the Group completed its acquisition of Concert Pharmaceuticals, Inc., ("Concert") following acceptance of the Group's tender offer to acquire all outstanding shares of Concert's common stock for an upfront payment of \$8.00 per share in cash or \$ 576 million in equity value plus one non-transferable contingent value right ("CVR") per share which represents the contractual right of erstwhile Concert Shareholders to receive contingent payments of up to \$3.50 per share, in cash upon the achievement of certain milestones prior to December 31, 2029. Accordingly, the results for the quarter and year ended March 31, 2023 are not comparable with other periods presented.
- 9 In December 2022, the US FDA issued an import alert to the Company for its Halol facility. The US FDA has excluded 14 products from this Import Alert subject to certain conditions. Previously, the facility was inspected by US FDA in May 2022 and the inspection was classified as Official Action Indicated (OAI) in August 2022. The management has considered the requisite financial impact of this development, in the audited financial results for the quarter and year ended March 31, 2023. The Company will continue to monitor further developments on this matter.
- 10 On March 1, 2023, the Group disclosed an Information security incident (the "incident") that impacted some of the Group's IT assets. The Group promptly took steps to contain and remediate the impact of the incident. As part of the containment measures, the Group proactively isolated its IT network and initiated recovery procedures. Parallely, the Group conducted an investigation and pursuant to the investigation, it currently believes that the incident's effects on its IT system include a breach of certain file systems and theft of Group's data and personal data. A ransomware group claimed responsibility for this incident. The Group continues to strengthen its cybersecurity infrastructure and is in the process of implementing certain long-term measures including improvements to its cyber and data security systems to safeguard against such risks in the future. The Group believes that there is no material legal non-compliance by the Group on account of the incident and all known impacts on its audited consolidated financial results for the quarter and year ended March 31, 2023 on account of this incident have been considered.
- 11 The Board of Directors recommended a final dividend of ₹ 4.0 per equity share of face value of ₹ 1 each in addition to the interim dividend of ₹ 7.5 per equity share declared on January 31, 2023.
- 12 The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the relevant financial year which were subject to limited review by the Statutory Auditor of the Company.
- 13 Figures for previous periods have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board

Dilip S. Shanghvi
Managing Director

Statement of Audited Standalone Financial Results for the Quarter and Year ended March 31, 2023

(₹ in Million)

Particulars	Quarter ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations					
a. Revenue from contracts with customers	58,008.5	45,499.0	39,882.2	203,946.3	155,185.0
b. Other operating revenues	1,473.7	958.5	186.6	4,175.1	674.8
Total revenue from operations (I)	59,482.2	46,457.5	40,068.8	208,121.4	155,859.8
II Other income	1,203.0	680.3	3,004.1	2,790.3	9,579.2
III Total income (I+II)	60,685.2	47,137.8	43,072.9	210,911.7	165,439.0
IV Expenses					
Cost of materials consumed	11,898.6	12,487.6	12,862.4	51,656.3	45,849.7
Purchases of stock-in-trade	2,623.6	2,675.1	2,378.4	11,264.6	12,486.0
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1,326.4)	(96.6)	(1,501.3)	(2,379.3)	(1,831.8)
Employee benefits expense	5,290.5	5,262.4	4,979.4	21,569.5	20,007.8
Finance costs	1,614.5	1,308.9	911.9	4,721.8	3,881.0
Depreciation and amortisation expense	4,119.8	4,304.4	3,541.4	16,008.7	13,499.5
Other expenses	17,337.6	16,201.2	12,752.3	61,784.3	52,662.5
Net (gain) / loss on foreign currency transactions	51.8	(66.0)	(1,400.8)	(502.6)	(2,389.6)
Total expenses (IV)	41,610.0	42,077.0	34,523.7	164,123.3	144,165.1
V Profit / (loss) before exceptional items and tax (III-IV)	19,075.2	5,060.8	8,549.2	46,788.4	21,273.9
VI Exceptional items (Refer Note 3)	29,377.9	-	16,549.6	29,377.9	18,205.3
VII Profit / (loss) before tax (V-VI)	(10,302.7)	5,060.8	(8,000.4)	17,410.5	3,068.6
VIII (i) Tax expense / (credit)	(94.5)	193.5	455.7	503.3	(337.5)
(ii) Tax expense - Exceptional (Refer Note 3)	-	-	4,406.0	-	4,406.0
IX Profit / (loss) for the period (VII-VIII)	(10,208.2)	4,867.3	(12,862.1)	16,907.2	(999.9)
X Other comprehensive income (OCI)					
a. (i) Items that will not be reclassified to profit or loss	(197.9)	(28.7)	484.4	23.2	10.5
(ii) Income tax relating to items that will not be reclassified to profit or loss	69.2	10.0	(105.5)	(8.1)	57.3
b. (i) Items that may be reclassified to profit or loss	827.2	222.4	(1,194.4)	(192.4)	(396.9)
(ii) Income tax relating to items that may be reclassified to profit or loss	(289.1)	(77.7)	384.2	67.2	(587.1)
Total other comprehensive income (a+b) (X)	409.4	126.0	(431.3)	(110.1)	(916.2)
XI Total comprehensive income for the period (IX+X)	(9,798.8)	4,993.3	(13,293.4)	16,797.1	(1,916.1)
XII Paid-up equity share capital - face value ₹ 1 each	2,399.3	2,399.3	2,399.3	2,399.3	2,399.3
XIII Other equity				235,084.3	243,480.2
XIV Earnings per equity share of ₹ 1 each (not annualised for quarters)					
₹ (Basic)	(4.3)	2.0	(5.4)	7.0	(0.4)
₹ (Diluted)	(4.3)	2.0	(5.4)	7.0	(0.4)
See accompanying notes to the audited standalone financial results					
Research and development expenses incurred (included above)	4,327.8	4,503.6	3,777.3	16,560.1	16,104.8

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

Audited Standalone Statement of Assets and Liabilities

(₹ in Million)

Particulars	As at 31.03.2023 Audited	As at 31.03.2022 Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	47,332.5	49,695.7
(b) Capital work-in-progress	3,288.7	3,589.4
(c) Goodwill	1,208.0	1,208.0
(d) Other intangible assets	38,576.2	46,224.1
(e) Intangible assets under development	5,240.4	4,697.0
(f) Investments in the nature of equity in subsidiaries	124,017.4	153,404.1
(g) Financial assets		
(i) Investments	144.0	154.2
(ii) Loans	6,327.0	36,566.3
(iii) Other financial assets	538.9	651.3
(h) Deferred tax assets (Net)	10,323.9	3,240.4
(i) Income tax assets (Net)	5,861.3	8,836.7
(j) Other non-current assets	2,365.1	2,350.1
Total non-current assets	245,223.4	310,617.3
(2) Current assets		
(a) Inventories	39,891.9	34,037.4
(b) Financial assets		
(i) Investments	2,002.6	1,930.4
(ii) Trade receivables	71,250.2	42,451.6
(iii) Cash and cash equivalents	4,102.8	4,195.3
(iv) Bank balances other than (iii) above	110.0	1,154.3
(v) Loans	33,470.3	91.0
(vi) Other financial assets	5,824.0	4,021.8
(c) Other current assets	7,785.7	9,155.7
Total current assets	164,437.5	97,037.5
Assets classified as held for sale	214.0	-
TOTAL ASSETS	409,874.9	407,654.8
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,399.3	2,399.3
(b) Other equity	235,084.3	243,480.2
Total equity	237,483.6	245,879.5
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	75,867.3	48,656.4
(ii) Lease liabilities	1,815.1	1,896.8
(iii) Other financial liabilities	3,912.2	-
(b) Other non-current liabilities	5,074.5	6,187.5
(c) Provisions	2,061.6	3,976.3
Total non-current liabilities	88,730.7	60,717.0
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	59.4	30.7
(ii) Trade payables		
(a) total outstanding dues of micro and small enterprises	1,194.2	1,052.8
(b) total outstanding dues of creditors other than micro and small enterprises	30,061.6	26,051.6
(iii) Lease liabilities	166.4	156.5
(iv) Other financial liabilities	40,640.1	40,678.1
(b) Other current liabilities	3,437.7	7,463.1
(c) Provisions	8,095.0	25,625.5
Total current liabilities	83,654.4	101,058.3
Liabilities directly associated with assets classified as held for sale	6.2	-
Total liabilities	172,391.3	161,775.3
TOTAL EQUITY AND LIABILITIES	409,874.9	407,654.8

Sun Pharmaceutical Industries Limited

Registered Office: Sun Pharma Advanced Research Centre, Tandajla, 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

Audited Standalone Cash Flow Statement for the year ended March 31, 2023

(₹ in Million)

Particulars	Year ended 31.03.2023 Audited	Year ended 31.03.2022 Audited
A. Cash flow from operating activities		
Profit / (loss) before tax	17,410.5	3,068.6
Adjustments for:		
Depreciation and amortisation expense	16,008.7	13,499.5
Net (gain) / loss on sale/write off /impairment of property, plant and equipment, other intangible assets and intangible assets under development	40.4	1,348.3
(Gain) / loss on derecognition of Right-of-use assets	(0.4)	-
Finance costs	4,721.8	3,881.0
Interest income	(2,202.0)	(4,390.2)
Dividend income on investments	-	(135.4)
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	(2.2)	(0.5)
Net (gain) / loss on sale of financial assets measured at fair value through profit or loss	(173.0)	(65.0)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	-	(57.7)
Gain on sale of investment in subsidiary	-	(2,075.7)
Provision / write off / (reversal) for doubtful trade receivables / advances	242.5	263.2
Sundry balances written back	(128.5)	(48.8)
Write off of investment due to dissolution of subsidiary	8.8	-
Impairment in value of investment	29,377.9	-
Effect of exchange rate changes	340.0	444.2
Operating profit / (loss) before working capital changes	65,644.5	15,731.5
Movements in working capital:		
(Increase)/ decrease in inventories	(5,854.5)	196.8
(Increase)/ decrease in trade receivables	(29,320.1)	23,384.4
(Increase)/ decrease in other assets	(825.3)	2,561.1
Increase / (decrease) in trade payables	4,063.6	(13,388.6)
Increase / (decrease) in other liabilities	(4,985.7)	15,187.0
Increase / (decrease) in provisions	(19,331.8)	11,096.0
Cash generated from / (used in) operations	9,390.7	54,768.2
Net Income tax (paid) / refund received (including interest on refunds)	(4,319.9)	21,595.4
Net cash generated from / (used in) operating activities (A)	5,070.8	76,363.6
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets and intangible assets under development)	(9,624.3)	(8,499.0)
Proceeds from disposal of property, plant and equipment and other intangible assets	83.0	465.0
Loans / Inter corporate deposits given / placed	(159.2)	(28,302.3)
Loans / Inter corporate deposits received back / matured	60.0	8,129.0
Purchase of investments	(36,929.5)	(69,645.3)
Proceeds from sale of investments	36,952.5	71,507.8
Bank balances not considered as cash and cash equivalents		
Fixed deposits/ margin money placed	-	(1,050.1)
Fixed deposits/ margin money matured	1,043.5	12.5
Interest received	1,522.3	226.0
Dividend received	-	135.4
Net cash from / (used in) investing activities (B)	(7,051.7)	(27,021.0)
C. Cash flow from financing activities		
Proceeds from borrowings	82,140.5	85,611.2
Repayment of borrowings	(54,929.6)	(108,854.2)
Net increase / (decrease) in working capital demand loans	28.7	17.3
Repayment towards lease liabilities	(348.1)	(370.2)
Finance costs	(9.6)	(3,523.4)
Dividend paid	(25,188.8)	(21,589.2)
Net cash (used in) / from financing activities (C)	1,693.1	(48,708.5)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(287.8)	634.1
Cash and cash equivalents at the beginning of the year	4,195.3	3,510.6
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	195.3	50.6
Cash and cash equivalents at the end of the year	4,102.8	4,195.3

Notes:

- 1 The above audited 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 May 26, 2023.
- 2 The above audited standalone 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.
- 3 Exceptional items includes (Also refer financial results of respective period for detailed information):
 - a) Impairment charge for the quarter and year ended on March 31, 2023 include charges on account impairment of investments in a wholly owned subsidiary amounting to ₹ 29,377.9 Million pursuant to assessment of recoverability due to changes in certain internal and external economic indicators.
 - b) Results for the year ended March 31, 2022 includes a charge of ₹ 1,655.7 Million towards impairment of an acquired intangible asset under development.
 - c) Results for the quarter and year ended March 31, 2022 includes a charge of USD 210 Million along with its related legal charges of USD 8.3 Million (equivalent to ₹ 16,549.6 Million inclusive of legal charges) towards settlement of alleged violation of antitrust laws.
 - d) Consequent to the settlement mentioned in 3(c) above, during the quarter and year ended March 31, 2022, the Company had written off MAT credit of ₹ 4,406.0 Million.
- 4 As part of the ongoing simplification of the group structure in India, the Board of Directors of the Company at its meeting held on May 30, 2022, approved the Scheme of Amalgamation for the merger of Wholly-owned Subsidiaries, Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited (collectively "Transferor Companies"), with Sun Pharmaceutical Industries Limited ("Transferee Company") with an appointed date of April 01, 2022 and / or such other date as may be approved by the National Company Law Tribunal pursuant to the provisions of Sections 230 to 232 of Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.
- 5 In December 2022, the US FDA issued an import alert to the Company for its Halol facility. The US FDA has excluded 14 products from this Import Alert subject to certain conditions. Previously, the facility was inspected by US FDA in May 2022 and the inspection was classified as Official Action Indicated (OAI) in August 2022. The management has considered requisite financial impact consequent to this development, in the audited standalone financial results for the quarter and year ended March 31, 2023. The Company will continue to monitor further developments on this matter.
- 6 On March 1, 2023, the Company disclosed an Information security incident (the "incident") that impacted some of the Company's IT assets. The Company promptly took steps to contain and remediate the impact of the incident. As part of the containment measures, the Company proactively isolated its IT network and initiated recovery procedures. Parallely, the Company conducted an investigation and pursuant to the investigation, it currently believes that the incident's effects on its IT system include a breach of certain file systems and theft of Company's data and personal data. A ransomware group claimed responsibility for this incident. The Company continues to strengthen its cybersecurity infrastructure and is in the process of implementing certain long-term measures including improvements to its cyber and data security systems to safeguard against such risks in the future. The Company believes that there is no material legal non-compliance by the Company on account of the incident and all known impacts on its audited standalone financial results for the quarter and year ended March 31, 2023 on account of this incident have been considered.
- 7 The Board of Directors recommended a final dividend of ₹ 4.0 per equity share of face value of ₹ 1 each in addition to the interim dividend of ₹ 7.5 per equity share declared on January 31, 2023.
- 8 The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the relevant financial year which were subject to limited review by the Statutory Auditor of the Company.
- 9 The Company has only one reportable segment namely 'Pharmaceuticals'.
- 10 Figures for previous periods have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board

Dilip S. Shanghvi
Managing Director

Mumbai May 26, 2023