

Sun Pharmaceutical Industries Limited

Registered Office: Sun Pharma Advanced Research Centre, Tandajia, 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, 2022

(₹ In Million)

Particulars	Quarter ended			Year ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations					
a. Revenue from contracts with customers	93,860.8	98,141.7	84,637.4	384,264.2	332,330.8
b. Other operating revenues	606.8	488.9	592.4	2,280.7	2,650.6
Total revenue from operations (I)	94,467.6	98,630.6	85,229.8	386,544.9	334,981.4
II Other income	1,135.9	4,325.1	1,110.0	9,215.1	8,355.2
III Total income (I+II)	95,603.5	102,955.7	86,339.8	395,760.0	343,336.6
IV Expenses					
Cost of materials consumed	21,883.5	17,137.3	17,468.1	70,491.2	61,531.3
Purchases of stock-in-trade	7,809.4	7,923.7	7,418.2	34,100.3	31,751.7
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(4,296.6)	1,345.2	(2,478.7)	(1,076.1)	(6,382.2)
Employee benefits expense	18,849.1	18,509.1	16,774.5	73,008.3	68,622.3
Finance costs	373.4	189.7	301.0	1,273.5	1,414.3
Depreciation and amortisation expense	5,564.7	5,536.8	5,534.9	21,437.4	20,799.5
Other expenses	28,428.7	27,546.1	25,455.5	107,583.6	94,781.1
Net (gain) / loss on foreign currency transactions	(1,610.2)	105.9	107.8	(1,539.6)	(236.5)
Total expenses (IV)	77,002.0	78,293.8	70,581.3	305,278.6	272,281.5
V Profit / (loss) before exceptional items and tax (III-IV)	18,601.5	24,661.9	15,758.5	90,481.4	71,055.1
VI Exceptional items (Refer Note 4)	39,357.5	-	6,728.1	45,668.2	43,061.4
VII Profit / (loss) before tax (V-VI)	(20,756.0)	24,661.9	9,030.4	44,813.2	27,993.7
VIII (i) Tax expense/(credit) for period / year	2,231.8	3,353.9	1,762.7	11,519.2	9,242.0
(ii) Tax expense/(credit) - Exceptional (Refer Note 4)	(764.2)	-	(1,212.3)	(764.2)	(4,095.1)
IX Profit / (loss) for the period before share of profit / (loss) of associates and joint venture (VII-VIII)	(22,223.6)	21,308.0	8,480.0	34,058.2	22,846.8
X Share of profit / (loss) of associates and joint venture (net)	(50.2)	(45.2)	(55.9)	(165.4)	(123.3)
XI Net Profit / (loss) after taxes and share of profit / (loss) of associates and joint venture but before non-controlling interests (IX+X)	(22,273.8)	21,262.8	8,424.1	33,892.8	22,723.5
Non-controlling interests	498.7	674.8	(517.4)	1,165.5	(6,314.7)
XII Net Profit / (loss) after taxes, share of profit / (loss) of associates and joint venture and non-controlling interests	(22,772.5)	20,588.0	8,941.5	32,727.3	29,038.2
XIII Other comprehensive income (OCI)					
A. (i) Items that will not be reclassified to profit or loss	(439.8)	857.7	2,158.4	(1,873.5)	3,233.9
(ii) Income tax relating to items that will not be reclassified to profit or loss	(124.0)	181.2	(156.7)	160.9	(145.4)
B. (i) Items that may be reclassified to profit or loss	3,306.2	(207.5)	(1,160.1)	7,740.9	(4,031.6)
(ii) Income tax relating to items that may be reclassified to profit or loss	471.6	(39.3)	45.3	(456.2)	(517.2)
Total other comprehensive income (A+B) (XIII)	3,214.0	792.1	886.9	5,572.1	(1,460.3)
XIV Total comprehensive income for the period (XI+XIII)	(19,059.8)	22,054.9	9,311.0	39,464.9	21,263.2
Attributable to:					
- Owners of the Company	(19,965.4)	21,395.9	9,925.5	37,521.8	28,133.4
- Non-controlling interests	905.6	659.0	(614.5)	1,943.1	(6,870.2)
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				477,712.9	462,228.5
XVII Earnings per equity share of ₹ 1 each (not annualised for quarters)					
₹ (Basic)	(9.5)	8.6	3.7	13.6	12.1
₹ (Diluted)	(9.5)	8.6	3.7	13.6	12.1
See accompanying notes to the audited consolidated financial results					
Research and development expenses incurred (included above)	5,189.1	5,224.2	5,386.5	21,325.1	21,028.2

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Audited Consolidated Statement of Assets and Liabilities

(₹ In Million)

Particulars	As at 31.03.2022 Audited	As at 31.03.2021 Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	103,713.8	102,349.9
(b) Capital work-in-progress	7,975.1	9,365.2
(c) Goodwill (Net)	65,494.5	62,876.4
(d) Other intangible assets	55,389.1	50,303.5
(e) Intangible assets under development	4,892.9	6,303.1
(f) Investments in associates	2,320.6	2,327.3
(g) Investments in joint venture	340.2	278.3
(h) Financial assets		
(i) Investments	49,485.7	62,218.3
(ii) Loans	7.1	7.1
(iii) Other financial assets	1,259.0	957.8
(i) Deferred tax assets (Net)	28,967.2	35,564.4
(j) Income tax assets (Net)	25,115.3	34,327.8
(k) Other non-current assets	2,888.4	5,367.4
Total non-current assets	347,848.9	372,246.5
(2) Current assets		
(a) Inventories	89,968.1	89,970.2
(b) Financial assets		
(i) Investments	76,339.4	31,300.6
(ii) Trade receivables	105,928.9	90,614.0
(iii) Cash and cash equivalents	45,082.5	62,730.3
(iv) Bank balances other than (iii) above	5,251.0	1,724.8
(v) Loans	1,699.7	560.1
(vi) Other financial assets	7,024.7	8,759.3
(c) Other current assets	18,855.5	18,761.5
Total current assets	350,149.8	304,420.8
TOTAL ASSETS	697,998.7	676,667.3
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,399.3	2,399.3
(b) Other equity	477,712.9	462,228.5
Equity attributable to owners of the Company	480,112.2	464,627.8
Non-controlling interests	30,548.9	30,170.5
Total equity	510,661.1	494,798.3
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,299.2	6,547.1
(ii) Lease liabilities	2,517.9	2,434.2
(iii) Other financial liabilities	161.2	195.8
(b) Provisions	3,690.7	3,271.2
(c) Deferred tax liabilities (Net)	318.6	445.1
(d) Other non-current liabilities	6,344.5	7,519.3
Total non-current liabilities	15,332.1	20,412.7
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	7,007.7	28,687.8
(ii) Lease liabilities	1,078.2	1,016.7
(iii) Trade payables	44,793.4	39,736.6
(iv) Other financial liabilities	18,832.7	37,118.0
(b) Other current liabilities	7,033.9	7,279.9
(c) Provisions	91,478.2	45,826.5
(d) Current tax liabilities (Net)	1,781.4	1,790.8
Total current liabilities	172,005.5	161,456.3
Total liabilities	187,337.6	181,869.0
TOTAL EQUITY AND LIABILITIES	697,998.7	676,667.3

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Audited Consolidated Cash Flow Statement for the Year ended March 31, 2022

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
	Audited	Audited
A. Cash flow from operating activities		
Profit / (Loss) before tax	44,813.2	27,993.7
Adjustments for:		
Depreciation and amortisation expense	21,437.4	20,799.5
Net (gain) / loss on sale / write off / impairment of property, plant and equipment, other intangible assets and intangible assets under development	1,656.0	16.7
Finance costs	1,273.5	1,414.3
Interest income	(5,533.7)	(2,111.3)
Dividend income on investments	(2,153.3)	(2,560.4)
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	3,619.5	(2,197.6)
Net gain on sale of financial assets measured at fair value through profit or loss	(486.1)	(138.2)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	(7.7)	(260.0)
Provision / write off / (reversal) for doubtful trade receivables / advances	175.7	43.1
Sundry balances written back, net	(59.8)	(122.8)
Effect of exchange rate changes	(172.0)	3,215.2
Operating profit before working capital changes	64,562.7	46,092.2
Movements in working capital:		
(Increase) / Decrease in inventories	3,069.5	(10,802.9)
(Increase) / Decrease in trade receivables	(13,422.6)	937.3
(Increase) / Decrease in other assets	141.1	1,166.2
Increase / (Decrease) in trade payables	3,699.2	3,814.6
Increase / (Decrease) in other liabilities	(23,333.5)	24,983.5
Increase / (Decrease) in provisions	45,436.8	5,542.2
Cash generated from operations	80,153.2	71,733.1
Net Income tax (paid) / refund received (including interest on refunds)	9,692.2	(10,029.4)
Net cash generated from operating activities (A)	89,845.4	61,703.7
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)	(14,950.4)	(11,701.3)
Proceeds from disposal of property, plant and equipment and other intangible assets	606.1	971.0
Loans / inter corporate deposits given / placed	(76.8)	-
Loans / inter corporate deposits received back / matured	140.4	882.2
Purchase of investments (includes investment in subsidiaries and associates)	(241,506.2)	(185,417.4)
Proceeds from sale of investments	207,020.8	197,088.0
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	(5,117.9)	(2,818.7)
Fixed deposits / margin money matured	1,692.6	4,880.8
Acquisition of subsidiary	(7,395.7)	(616.0)
Disposal of subsidiary	238.4	-
Interest received	763.0	717.7
Dividend received	1,338.3	1,375.9
Net cash from / (used in) investing activities (B)	(57,247.4)	5,362.2

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Audited Consolidated Cash Flow Statement for the Year ended March 31, 2022

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
	Audited	Audited
C. Cash flow from financing activities		
Proceeds from borrowings	16,567.7	66,028.7
Repayment of borrowings	(43,999.0)	(108,020.8)
Repayment towards lease liabilities	(1,286.5)	(1,177.9)
Payment for buy-back of equity shares held by non-controlling interests of subsidiaries	(1,857.0)	(1,854.2)
Net increase / (decrease) in working capital demand loans	1,064.2	(1,726.4)
Refund from escrow account for buy-back	-	4,250.0
Finance costs	(732.1)	(1,442.5)
Dividend payment to non-controlling interests	(102.7)	(267.0)
Dividend paid	(21,589.2)	(15,594.7)
Net cash used in financing activities (C)	(51,934.6)	(59,804.8)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(19,336.6)	7,261.1
Cash and cash equivalents at the beginning of the year	62,730.3	56,766.1
Cash and cash equivalents transferred on sale of subsidiary / taken over on acquisition of subsidiary	414.5	-
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	1,274.3	(1,296.9)
Cash and cash equivalents at the end of the year	45,082.5	62,730.3

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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 30, 2022.
- 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 the following :
 - a) On July 23, 2020, Taro Pharmaceuticals U.S.A., Inc. ("Taro"), our subsidiary, globally resolved all matters in connection with the multi-year investigations by the Department of Justice, Antitrust Division and Civil Division ("DOJ") into the United States generic pharmaceutical industry. Under a Deferred Prosecution Agreement reached with DOJ Antitrust, the DOJ filed an Information for conduct that took place between 2013 and 2015. If Taro adheres to the terms of the agreement, including the payment of \$ 205.7 Million (equivalent to ₹ 15,601.8 Million), the DOJ will dismiss the Information at the end of a three-year period. Taro has paid this amount in full to the Antitrust Division. Taro also reached an agreement with the DOJ Civil Division on September 30, 2021, pursuant to which Taro agreed to pay \$ 213.3 Million (equivalent to ₹ 16,179.6 Million) to resolve all claims related to federal healthcare programs. Taro U.S.A. has paid this amount in full to the Civil Division. Further, in respect of ongoing multi-jurisdiction civil antitrust matters, currently in progress, Taro has made a provision of \$ 200 million (equivalent to ₹ 14,809.4 Million). Of the \$ 200 Million (equivalent to ₹ 14,809.4 Million), amounts of \$ 60 Million and \$ 80 Million (equivalent to ₹ 4,551.9 Million and ₹ 5,832.5 Million) were accounted for in quarters ended June 30, 2020 and March 31, 2021 respectively. Further, an additional provision of \$ 60 million (equivalent to ₹ 4,425.0 Million) was recognised in the quarter ended June 30, 2021.
On April 08, 2022, our U.S. subsidiaries, Taro and Sun Pharmaceutical Industries Inc. (SPIINC) each entered into settlement agreements that resolve the above-reference civil anti-trust matter with the Direct Purchaser Plaintiffs class ("DPPs"), without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing, pursuant to which Taro will pay approximately USD 59.6 Million (provided for in earlier period) depending on the number of certain class members that may opt-out of the settlement, and SPIINC will pay approximately USD 15.3 Million (equivalent to ₹ 1,151.8 Million) depending on the number of certain class members that may opt-out of the settlement. Taro's and SPIINC's settlements with the DPPs is subject to final approval by the Court.
During the current quarter SPIINC provided USD 15.3 Million for payments to DPPs. This along with related legal charges of USD 5.5 Million pertaining to this lawsuit (equivalent to ₹ 1,562.5 Million inclusive of legal charge) has been disclosed as exceptional item during the quarter and year ended March 31, 2022.
Exceptional tax for the quarter and year ended March 31, 2022 and March 31, 2021, is on account of recognition of deferred tax asset amounting to ₹ 272.7 Million and ₹ 1,212.3 Million arising out of the above settlements.
 - b) On March 25, 2021 the CJEU (Court of Justice to the European Union) issued a final judgment and upheld the European Commission's ("EC") decision dated June 19, 2013 that a settlement agreement between Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited (together "Ranbaxy") with Lundbeck was anti-competitive. Ranbaxy had made a provisional payment of the fine of Euros 10.3 Million on September 20, 2013. Since there were no further rights of appeal, this amount of ₹ 895.6 Million (inclusive of legal charges) was debited to the audited consolidated statement of profit and loss for the year ended March 31, 2021.
 - c) Results for the year ended March 31, 2022 include charges 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 taken in the quarter ended June 30, 2021 and disclosed as an exceptional item.
 - d) During the quarter and year ended March 31, 2022 the Company has incurred a one-time cost of ₹ 563.5 Million in relation to restructuring of operations in certain countries. This has been disclosed as an exceptional item.
 - e) Tax gain (exceptional) for the year ended March 31, 2021 also includes creation of a deferred tax asset amounting to ₹ 2,882.8 Million arising out of subsequent measurement attributable to restructuring of an acquired entity.
 - f) The parent company and certain of its subsidiaries are defendants in a number of class action lawsuits brought by purchasers and payors in the U.S. alleging violation of antitrust laws with respect to its ANDAs for Valganciclovir, Valsartan and Esomeprazole. The cases were transferred to the U.S. District Court for the District of Massachusetts for coordinated proceedings. With a view to resolve the dispute and avoid uncertainty, a settlement without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing was reached with all of the plaintiff classes on March 23, 2022, for a total settlement amount of USD 485 Million and incurred related legal charges of USD 8.3 Million pertaining to this lawsuit (equivalent to ₹ 37,231.5 Million inclusive of legal charges). The settlement is subject to final approval by the Court.
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.
 - g) Consequent to the settlement of lawsuit mentioned in 4(f) above, during the quarter and year ended March 31, 2022, the parent company has reassessed the expected timing of utilisation of Minimum Alternate Tax (MAT) credit and based on this reassessment written off MAT credit of ₹ 4,406.0 Million and disclosed the charge as an exceptional item.
- 5 Pursuant to the Scheme of Amalgamation and Merger of Sun Pharma Global FZE, with the Company, as approved by the National Company Law Tribunal on August 31, 2021, Sun Pharma Global FZE, merged with the Company w.e.f. January 01, 2020. The effect of this merger including the tax impact was given in the financial results of the year ended March 31, 2022 in accordance with Ind AS 103 – Business Combinations.
- 6 The Group continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the audited consolidated financial results for the quarter and year ended March 31, 2022.
- 7 The Group has only one reportable segment namely 'Pharmaceuticals'.
- 8 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") to be effective from such date as may be decided under the authorization by the Board of Directors of the Transferor Companies and the Board of Directors of the Transferee Company 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.
- 9 The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. The Group will assess the impact of these Codes and give effect in the audited consolidated financial results when the Rules/Schemes thereunder are notified.
- 10 During the quarter and year ended March 31, 2022 our subsidiary company, Taro Pharmaceutical Industries Ltd., has 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, 2022 are not comparable to the earlier periods presented.
- 11 In the current quarter, the Company has acquired additional 11.28 % stake in Zenotech Laboratories Limited (Zenotech), a subsidiary of the Company, from Daichi Sankyo Company Ltd. for a total consideration of ₹ 53.2 Million pursuant to a share purchase agreement entered during the quarter. Post this acquisition, the Company's shareholding in Zenotech has increased from 57.56 % to 68.84 %
- 12 The Board of Directors recommended a final dividend of ₹ 3.0 per equity share of face value of ₹ 1 each in addition to the interim dividend of ₹ 7.0 per equity share declared on January 31, 2022.
- 13 The figures for the quarter ended March 31, 2022 and March 31, 2021 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.

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14 Figures for previous periods have been regrouped / reclassified wherever considered necessary.

For and on behalf of the Board

Mumbai, May 30, 2022

Dilip S. Shanghvi
Managing Director

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Statement of Audited Standalone Financial Results for the Quarter and Year ended March 31, 2022

(₹ in Million)

Particulars	Quarter ended			Year ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	Audited	Unaudited	Audited	Audited	Audited
I Revenue from operations					
a. Revenue from contracts with customers	39,882.2	37,574.7	36,495.2	155,185.0	139,884.0
b. Other operating revenues	186.6	131.9	177.4	674.8	1,276.5
Total revenue from operations (I)	40,068.8	37,706.6	36,672.6	155,859.8	141,160.5
II Other income	3,004.1	3,052.3	382.7	9,579.2	1,920.7
III Total income (I+II)	43,072.9	40,758.9	37,055.3	165,439.0	143,081.2
IV Expenses					
Cost of materials consumed	12,862.4	11,270.5	11,880.5	45,849.7	40,829.1
Purchases of stock-in-trade	2,378.4	3,253.2	3,627.5	12,486.0	12,042.1
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(1,501.3)	(251.0)	(2,590.9)	(1,831.8)	(1,796.4)
Employee benefits expense	4,979.4	5,017.9	4,268.5	20,007.8	18,059.8
Finance costs	911.9	854.7	1,053.1	3,881.0	2,675.2
Depreciation and amortisation expense	3,541.4	3,552.4	3,220.7	13,499.5	12,364.3
Other expenses	12,752.3	11,932.3	12,208.0	52,662.5	49,318.2
Net (gain) / loss on foreign currency transactions	(1,400.8)	(80.2)	206.7	(2,389.6)	137.6
Total expenses (IV)	34,523.7	35,549.8	33,874.1	144,165.1	133,629.9
V Profit / (loss) before exceptional item and tax (III-IV)	8,549.2	5,209.1	3,181.2	21,273.9	9,451.3
VI Exceptional items (Refer Note 4)	16,549.6	-	895.6	18,205.3	895.6
VII Profit / (loss) before tax (V-VI)	(8,000.4)	5,209.1	2,285.6	3,068.6	8,555.7
VIII (i) Tax expense / (credit)	455.7	54.8	436.8	(337.5)	131.7
(ii) Tax expense - Exceptional (Refer Note 4)	4,406.0	-	-	4,406.0	-
IX Profit / (loss) for the period (VII-VIII)	(12,862.1)	5,154.3	1,848.8	(999.9)	8,424.0
X Other comprehensive income (OCI)					
a. (i) Items that will not be reclassified to profit or loss	484.4	78.7	562.7	10.5	585.6
(ii) Income tax relating to items that will not be reclassified to profit or loss	(105.5)	113.0	(38.8)	57.3	36.0
b. (i) Items that may be reclassified to profit or loss	(1,194.4)	229.2	83.6	(396.9)	(250.8)
(ii) Income tax relating to items that may be reclassified to profit or loss	384.2	(62.3)	3.9	(587.1)	(376.0)
Total other comprehensive income (a+b) (X)	(431.3)	358.6	611.4	(916.2)	(5.2)
XI Total comprehensive income for the period (IX+X)	(13,293.4)	5,512.9	2,460.2	(1,916.1)	8,418.8
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				243,480.2	266,985.4
XIV Earnings per equity share of ₹ 1 each (not annualised for quarters)					
₹ (Basic)	(5.4)	2.1	0.8	(0.4)	3.5
₹ (Diluted)	(5.4)	2.1	0.8	(0.4)	3.5
See accompanying notes to the audited standalone financial results					
Research and development expenses incurred (included above)	3,777.3	3,877.1	3,943.4	16,104.8	15,141.0

Sun Pharmaceutical Industries Limited

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Tel.: +91 22 4324 4324.

CIN: L24230GJ1993PLC019050, Website : www.sunpharma.com

Audited Standalone Statement of Assets and Liabilities

(₹ in Million)

Particulars	As at 31.03.2022 Audited	As at 31.03.2021 Audited
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	49,695.7	48,918.1
(b) Capital work-in-progress	3,589.4	4,592.0
(c) Goodwill	1,208.0	1,208.0
(d) Other Intangible assets	46,224.1	46,561.8
(e) Intangible assets under development	4,697.0	6,311.8
(f) Investments in the nature of equity in subsidiaries	153,404.1	150,903.3
(g) Financial assets		
(i) Investments	154.2	4,158.7
(ii) Loans	36,566.3	8,527.7
(iii) Other financial assets	651.3	751.0
(h) Deferred tax assets (Net)	3,240.4	13,374.5
(i) Income tax assets (Net)	8,836.7	20,826.3
(j) Other non-current assets	2,350.1	3,913.9
Total non-current assets	310,617.3	310,047.1
(2) Current assets		
(a) Inventories	34,037.4	34,234.2
(b) Financial assets		
(i) Investments	1,930.4	310.0
(ii) Trade receivables	42,451.6	65,852.4
(iii) Cash and cash equivalents	4,195.3	3,510.6
(iv) Bank balances other than (iii) above	1,154.3	99.2
(v) Loans	91.0	7,471.1
(vi) Other financial assets	4,021.8	5,266.0
(c) Other current assets	9,155.7	10,557.3
Total current assets	97,037.5	127,300.8
TOTAL ASSETS	407,654.8	437,347.9
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,399.3	2,399.3
(b) Other equity	243,480.2	266,985.4
Total equity	245,879.5	269,384.7
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	48,656.4	53,000.2
(ii) Lease liabilities	1,896.8	2,028.4
(b) Other non-current liabilities	6,187.5	7,185.5
(c) Provisions	3,976.3	6,235.8
Total non-current liabilities	60,717.0	68,449.9
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	30.7	18,364.5
(ii) Trade payables		
(a) total outstanding dues of micro and small enterprises	1,052.8	852.0
(b) total outstanding dues of creditors other than micro and small enterprises	26,051.6	39,433.4
(iii) Lease liabilities	156.5	188.1
(iv) Other financial liabilities	40,678.1	22,294.8
(b) Other current liabilities	7,463.1	6,333.9
(c) Provisions	25,625.5	12,046.6
Total current liabilities	101,058.3	99,513.3
Total liabilities	161,775.3	167,963.2
TOTAL EQUITY AND LIABILITIES	407,654.8	437,347.9

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Audited Standalone Cash Flow Statement for the year ended March 31, 2022

(₹ in Million)

Particulars	Year ended 31.03.2022 Audited	Year ended 31.03.2021 Audited
A. Cash flow from operating activities		
Profit / (loss) before tax	3,068.6	8,555.7
Adjustments for:		
Depreciation and amortisation expense	13,499.5	12,364.3
Net (gain) / loss on sale/write off /impairment of property, plant and equipment,other intangible assets and intangible assets under development	1,348.3	19.2
Finance costs	3,881.0	2,675.2
Interest income	(4,390.2)	(825.8)
Dividend income on investments	(135.4)	(383.4)
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	(0.5)	(71.7)
Net (gain) / loss on sale of financial assets measured at fair value through profit or loss	(65.0)	(107.3)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	(57.7)	(0.4)
Gain on sale of investment in subsidiary	(2,075.7)	-
Provision / write off / (reversal) for doubtful trade receivables / advances	263.2	244.4
Sundry balances written back, net	(48.8)	(75.6)
Effect of exchange rate changes	444.2	3,339.8
Operating profit before working capital changes	15,731.5	25,734.4
Movements in working capital:		
(Increase)/ decrease in inventories	196.8	(4,950.4)
(Increase)/ decrease in trade receivables	23,384.4	(6,436.9)
(Increase)/ decrease in other assets	2,561.1	757.2
Increase / (decrease) in trade payables	(13,388.6)	(8,679.9)
Increase / (decrease) in other liabilities	15,187.0	(1,452.4)
Increase / (decrease) in provisions	11,096.0	(6,760.4)
Cash generated from operations	54,768.2	(1,788.4)
Net Income tax (paid) / refund received (including interest on refunds)	21,595.4	(2,376.7)
Net cash generated from / (used in) operating activities (A)	76,363.6	(4,165.1)
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)	(8,499.0)	(8,080.7)
Proceeds from disposal of property, plant and equipment and other intangible assets	465.0	702.2
Loans / Inter corporate deposits given / placed	(28,302.3)	(9,208.1)
Loans / Inter corporate deposits received back / matured	8,129.0	26,427.5
Purchase of investments	(69,645.3)	(78,361.0)
Proceeds from sale of investments	71,507.8	82,098.3
Bank balances not considered as cash and cash equivalents		
Fixed deposits/ margin money placed	(1,050.1)	(11.8)
Fixed deposits/ margin money matured	12.5	16.5
Interest received	226.0	671.8
Dividend received	135.4	383.4
Net cash from / (used in) investing activities (B)	(27,021.0)	14,638.1
C. Cash flow from financing activities		
Proceeds from borrowings	85,611.2	144,458.8
Repayment of borrowings	(108,854.2)	(139,804.2)
Net increase / (decrease) in working capital demand	17.3	13.4
Repayment towards lease liabilities	(370.2)	(391.8)
Refund from escrow account for buy-back	-	4,250.0
Finance costs	(3,523.4)	(2,928.8)
Dividend paid	(21,589.2)	(15,594.7)
Net cash used in financing activities (C)	(48,708.5)	(9,997.3)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	634.1	475.7
Cash and cash equivalents at the beginning of the year	3,510.6	3,148.3
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	50.6	(113.4)
Cash and cash equivalents at the end of the year	4,195.3	3,510.6

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 30, 2022.
- 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 Pursuant to the Scheme of Amalgamation and Merger of Sun Pharma Global FZE, with the Company, as approved by the National Company Law Tribunal on August 31, 2021, Sun Pharma Global FZE, merged with the Company w.e.f. January 01, 2020. The effect of this merger including the tax impact was given in the financial results of the year ended March 31, 2022 in accordance with Ind AS 103 – Business Combinations. The results for previous periods have been restated to give effect to the merger.
- 4 Exceptional items includes
 - a) On March 25, 2021 the CJEU (Court of Justice to the European Union) issued a final judgment and upheld the European Commission's ("EC") decision dated June 19, 2013 that a settlement agreement between Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited (together "Ranbaxy") with Lundbeck was anti-competitive. Ranbaxy had made a provisional payment of the fine of Euros 10.3 Million on September 20, 2013. Since there were no further rights of appeal, this amount of ₹ 895.6 Million (inclusive of legal charges) was debited to the audited standalone financial results for the year ended March 31, 2021.
 - b) Results for the year ended March 31, 2022 include a charge of ₹ 1,655.7 Million towards impairment of an acquired intangible asset under development.
 - c) The Company and certain of its subsidiaries are defendants in a number of class action lawsuits brought by purchasers and payors in the U.S. alleging violation of antitrust laws with respect to its ANDAs for Valganciclovir, Valsartan and Esomeprazole. The cases were transferred to the U.S. District Court for the District of Massachusetts for coordinated proceedings. With a view to resolve the dispute and avoid uncertainty, a settlement without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing was reached with all of the plaintiff classes on March 23, 2022, for a total settlement amount of USD 485 Million of which USD 210 Million was borne by the Company along with its related legal charges of USD 8.3 Million pertaining to this lawsuit (equivalent to ₹ 16,549.6 Million inclusive of legal charges). The settlement is subject to final approval by the Court.
 - d) Consequent to the settlement of lawsuit mentioned in 4(c) above, during the quarter and year ended March 31, 2022, the Company has reassessed the expected timing of utilisation of Minimum Alternate Tax (MAT) credit and based on this reassessment written off a MAT credit of ₹ 4,406.0 Million and disclosed the charge as an
- 5 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") to be effective from such date as may be decided under the authorization by the Board of Directors of the Transferor Companies and the Board of Directors of the Transferee Company 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.
- 6 The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgements and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the Company's audited standalone financial results for the quarter and year ended March 31, 2022.
- 7 The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. The Company will assess the impact of these Codes and give effect in the audited standalone financial results when the Rules/Schemes thereunder are notified.
- 8 The Company has only one reportable segment namely 'Pharmaceuticals'.
- 9 In the current quarter, the Company has acquired additional 11.28 % stake in Zenotech Laboratories Limited (Zenotech), a subsidiary of the Company, from Daiichi Sankyo Company Ltd. for a total consideration of ₹ 53.23 Million pursuant to a share purchase agreement entered during the quarter. Post this acquisition, the Company's shareholding in Zenotech has increased from 57.56 % to 68.84 %.
- 10 The Board of Directors recommended a final dividend of ₹ 3.00 per equity share of face value of ₹ 1 each in addition to the interim dividend of ₹ 7.00 per equity share declared on January 31, 2022.
- 11 The figures for the quarter ended March 31, 2022 and March 31, 2021 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.
- 12 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 30, 2022