

HISTORICAL PERFORMANCE

(Rs. in million)

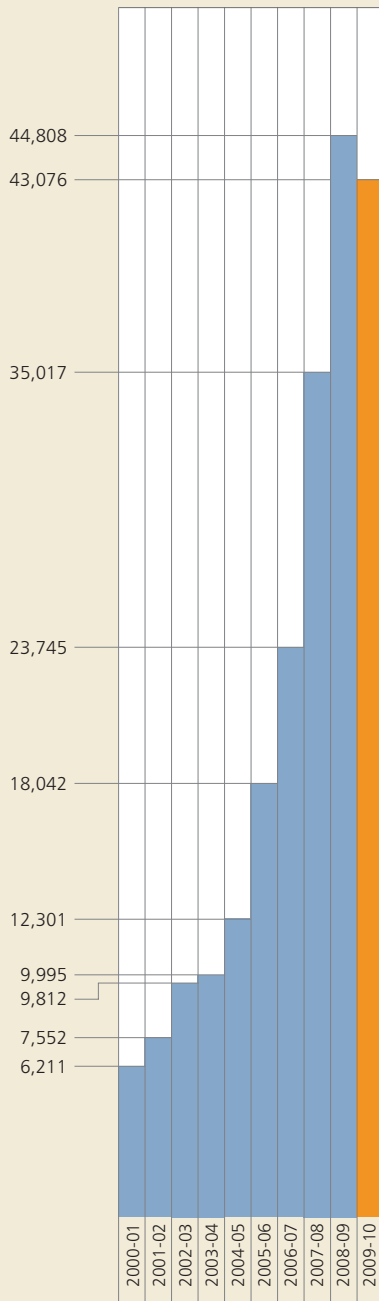
Particulars	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Operating Performance										
Income from operations	6,148	7,505	9,725	9,847	11,983	17,372	22,373	34,606	43,751	39,815
Total income	6,211	7,552	9,812	9,995	12,301	18,042	23,745	35,017	44,808	43,076
Profit after tax	1,352	1,707	2,444	3,446	4,002	5,730	8,402	15,509	18,780	13,470
R&D Expenditure	250	336	966	1,268	1,427	2,015	2,787	2,859	3,320	2,242
a) Capital	71	197	363	598	418	481	347	134	222	159
b) Revenue	179	139	603	670	1,009	1,534	2,440	2,725	3,098	2,083
c) % of Turnover	4%	5%	12%	13%	12%	12%	13%	9%	8%	6%
Financial Position										
Equity Share capital	468	468	465	464	928	929	967	1,036	1,036	1,036
Reserve and surplus	3,859	4,956	5,141	7,540	10,366	14,959	26,747	48,879	69,414	77,254
Gross block	2,675	3,007	4,033	6,232	7,806	12,342	14,252	15,960	21,476	23,340
Net block	1,891	2,092	2,682	4,518	5,719	8,563	9,514	10,354	14,625	15,328
Investments	397	818	38	1,765	6,485	3,541	2,543	6,565	18,595	30,664
Net current assets	2,632	2,410	3,725	4,808	16,360	23,006	26,843	33,995	35,485	29,542
Stock Information										
Number of Shares	46,756,018	46,774,537	93,048,478	92,755,678	185,511,356	185,731,637	193,402,120	207,116,391	207,116,391	207,116,391
Earnings Per Share										
- Basic (In Rs.)	27.8	35.6	26.4	35.4	21.3	30.9	41.7	74.7	87.8	65.2
Earnings Per Share										
- Diluted (In Rs.)	27.8	35.6	13.2	17.7	20.7	27.7	38.9	71.8	87.8	65.2

Note :

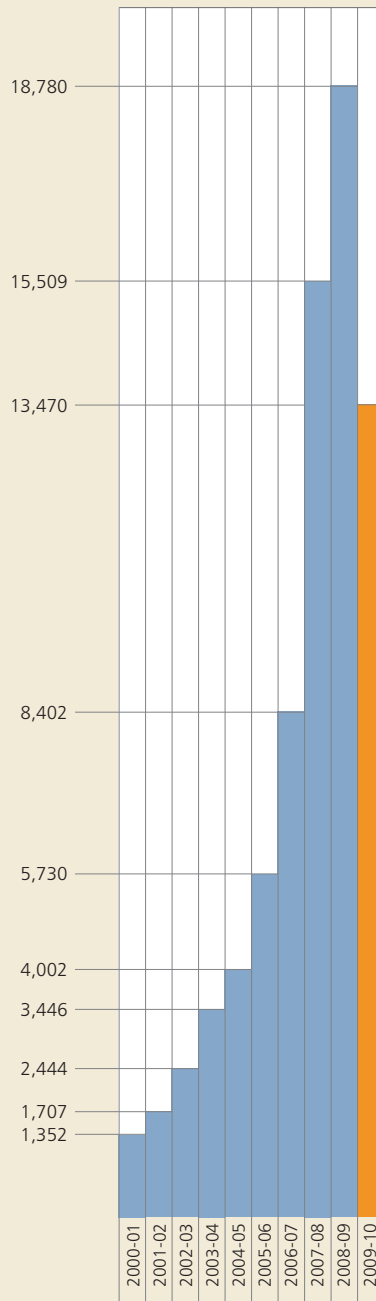
1. The Company started preparing Consolidated Financial Statements from Financial Year 2001-02 onwards.
2. During the financial year 2002-03, each Equity Shares of Rs. 10/- each was split into two Equity Shares of Rs. 5/- each.

KEY PERFORMANCE INDICATORS

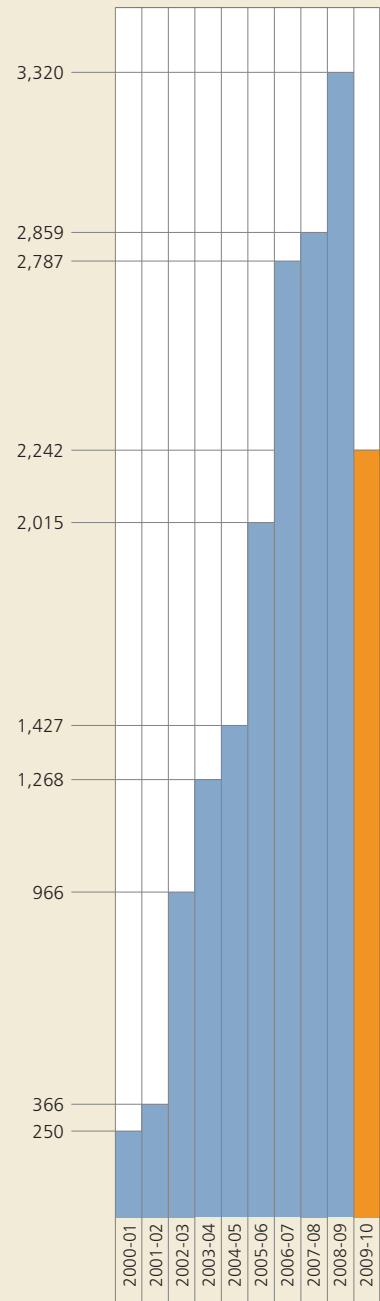
Total income
(Rs. in million)



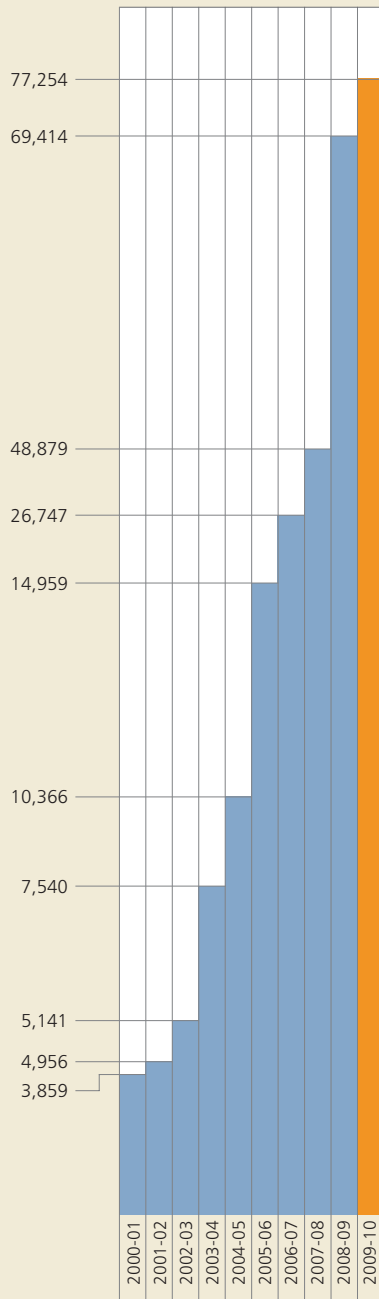
Profit after tax
(Rs. in million)



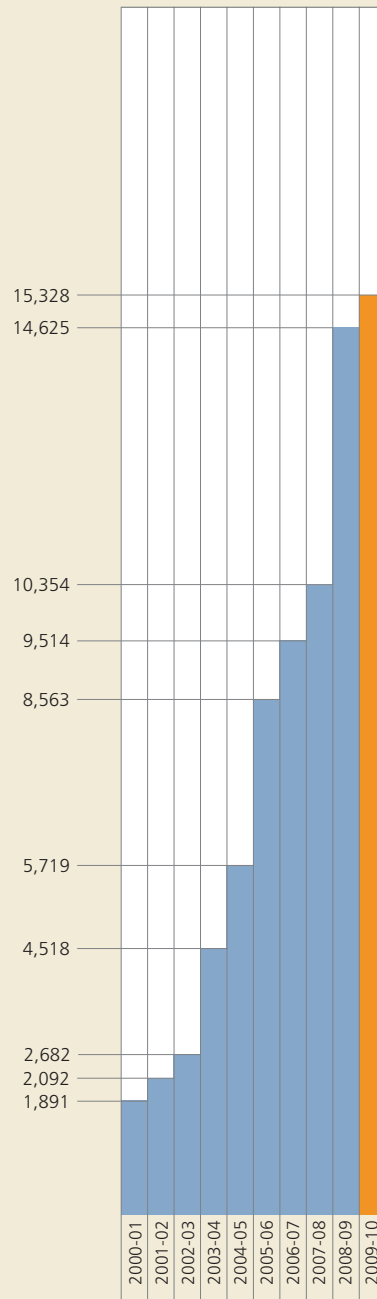
R&D Expenditure
(Rs. in million)



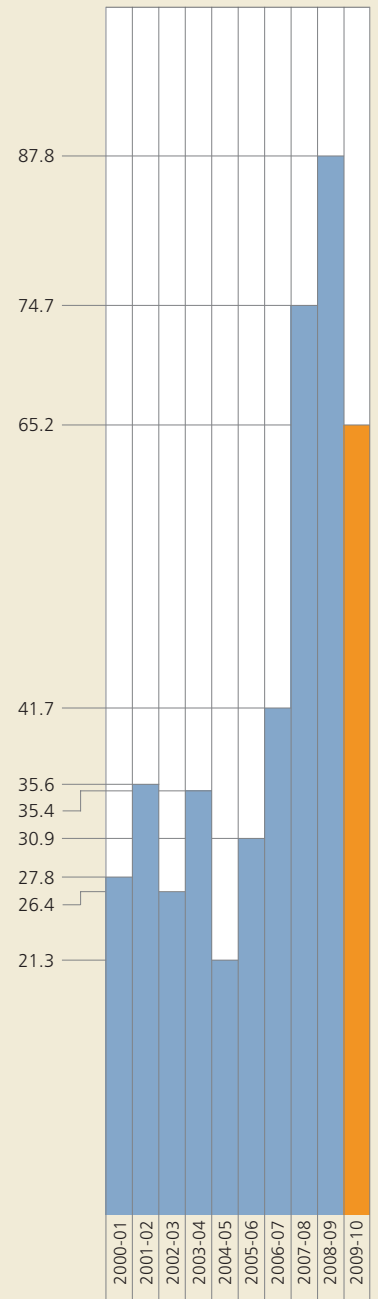
Reserve and surplus
(Rs. in million)



Net block
(Rs. in million)



Earnings Per Share - Basic
(In Rs.)



Statement Pursuant to Exemption Received under Section 212(8) of the Companies Act, 1956 Relating to Subsidiary Companies.

Rs. in Million

Sr. No.	Name of Subsidiary Company	Reporting Currency	Exchange Rate	Capital	Reserve	Total Assets	Total Liabilities	Investment other than Investment in Subsidiary	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend
1	Alkaloida Chemical Company Zrt. (Formerly known as "Alkaloida Chemical Company Exclusive Group Ltd")	HUF	0.23	1,506.6	(1,747.6)	14,785.8	14,785.8	4,911.8	677.2	(708.8)	—	(708.8)	—
2	Caraco Pharmaceutical Laboratories Ltd.	USD	44.80	6,346.0	615.3	15,146.8	15,146.8	448.0	10,468.6	(590.2)	(202.2)	(388.0)	—
3	Chattem Chemical Inc.	USD	44.80	1,542.6	140.2	1,913.7	1,913.7	—	1,116.4	163.0	25.5	137.5	—
4	Sun Pharmaceutical Industries INC.	USD	44.80	0.2	(1,972.1)	4,673.3	4,673.3	—	707.2	(957.0)	(338.9)	(618.2)	—
5	Sun Development Corporation I	USD	44.80	0.0	—	0.1	0.1	—	—	—	—	—	—
6	Sun Pharma Global Inc.	USD	44.80	105.9	27,344.9	32,663.4	32,663.4	2,606.9	499.7	498.1	—	498.1	—
7	ZAO Sun Pharma Industries Limited	RRU	1.52	0.0	(0.0)	—	—	—	—	—	—	—	—
8	Sun Pharmaceutical (Bangladesh) Limited	Taka	0.65	39.0	75.6	212.4	212.4	—	260.6	73.6	13.8	59.8	—
9	Sun Farmaceutica Ltda.	Brazilian Reais	25.12	57.4	(116.9)	58.8	58.8	—	71.1	(17.4)	—	(17.4)	—
10	Sun Pharma De Mexico S.A. DE C.V.	Mexican Pesos	3.62	3.7	36.5	363.4	363.4	—	378.1	50.4	13.8	36.7	—
11	SPI De Mexico S.A. DE C.V.	Mexican Pesos	3.62	0.2	—	0.2	0.2	—	—	—	—	—	—
12	Sun Pharmaceutical Peru S.A.C.	Soles	15.78	0.0	(15.5)	2.0	2.0	—	—	(5.0)	—	(5.0)	—
13	Sun Pharmaceutical UK Limited	GBP	68.02	0.1	(44.3)	223.9	223.9	—	271.2	(13.9)	—	(13.9)	—
14	Sun Pharmaceutical Industries (Australia) Pty. Ltd.	AUD	41.08	0.0	(0.2)	0.0	0.0	—	—	(0.1)	—	(0.1)	—
15	Aditya Acquisition Company Ltd.	Israeli New Shekel, NIS	3.69	0.0	(0.0)	0.0	0.0	—	—	(0.0)	—	(0.0)	—
16	Sun Pharmaceutical Industries (Europe) B.V.	Euro	60.51	1.1	(67.3)	114.4	114.4	—	47.4	(47.4)	—	(47.4)	—
17	OOO "Sun Pharmaceutical Industries" Ltd.	RRU	1.52	0.1	0.3	468.4	468.4	—	235.6	6.7	1.2	5.5	—
18	Sun Pharmaceuticals Italia S.R.L.	Euro	60.51	0.6	(61.6)	93.2	93.2	—	26.0	(66.9)	(17.2)	(49.7)	—
19	Sun Pharmaceutical Spain, SL.	Euro	60.51	0.2	(50.2)	70.0	70.0	—	27.8	(66.4)	(16.2)	(50.2)	—
20	Sun Pharmaceuticals Germany GmbH	Euro	60.51	1.5	(16.5)	28.6	28.6	—	2.3	(21.9)	(6.0)	(15.9)	—
21	Sun Pharmaceuticals France	Euro	60.51	2.2	(37.0)	4.3	4.3	—	—	(30.7)	—	(30.7)	—
22	Sun Pharma Global - FZE	USD	44.80	184.8	11,823.1	12,509.6	12,509.6	—	8,530.7	6,929.6	—	6,929.6	—
23	Sun Pharmaceuticals (SA) (PTY) Ltd.	ZAR	6.14	0.0	(0.0)	0.0	0.0	—	—	(0.0)	—	(0.0)	—
24	Sun Global Canada Pty. Ltd.	USD	44.80	0.0	(0.1)	0.0	0.0	—	—	(0.1)	—	(0.1)	—
25	TKS Farmaceutica Ltda.	Brazilian Reais	25.12	139.4	(17.8)	327.3	327.3	—	156.8	(25.9)	—	(25.9)	—

Note: '0.0' represents amount less than 0.05 million and rounded off.

Annexure to Corporate Governance For the year ended March 31, 2010

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Dilip S. Shanghvi, Chairman & Managing Director of Sun Pharmaceutical Industries Limited (“the Company”) hereby declare that, to the best of my information, all the Board Members and Senior Management Personnel of the Company have affirmed their compliance and undertaken to continue to comply with the Code of Conduct laid down by the Board of Directors of the Company for Board members and senior management.

For Sun Pharmaceutical Industries Ltd.,

Dilip S. Shanghvi

Chairman & Managing Director

Date: June 14, 2010.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To The Members of Sun Pharmaceutical Industries Limited,

We have examined the compliance of conditions of Corporate Governance by Sun Pharmaceutical Industries Limited (“the Company”), for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Registration No.117366W)

K.A.Katki

Partner

(Membership No. 038568)

Place: Mumbai

Date : June 14, 2010

Auditors' Report to the Board of Directors of Sun Pharmaceutical Industries Limited

1. We have audited the attached Consolidated Balance Sheet of Sun Pharmaceutical Industries Limited ("the Company"), and its subsidiaries (the Company and its subsidiaries constitute "the Group") as at March 31, 2010, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3.
 - a. We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets of Rs. 39,789.7 Million as at March 31, 2010, total revenues of Rs. 17,425.7 Million and net cash inflows amounting to Rs. 174.9 Million for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of other auditors.
 - b. As stated in Note B1 of Schedule 21, the Consolidated Financial Statements include the financial statements of certain subsidiaries, which we did not audit, whose financial statements reflects the Group's share of assets of Rs. 1,161.1 Million as at March 31, 2010, total revenues of Rs. 825.9 Million and net cash inflows amounting to Rs. 12.2 Million for the year ended on that date as considered in the Consolidated Financial Statements. The unaudited financial statements are prepared by the Company's Management on the basis of audited financial statements for the year ended December 31, 2009 and the unaudited financial statements for the quarter ended March 31, 2009 and March 31, 2010. We have relied upon the unaudited financial statements as furnished by the Company's Management for the purpose of our examination of Consolidated Financial Statements.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirement of Accounting Standard (AS) 21, Consolidated Financial Statements as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company and its aforesaid subsidiaries, and read together with our remarks in Paragraph 3 above, and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2010;
 - b. in the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date; and
 - c. in the case of the Consolidated Cash Flow statement, of the Cash Flows of the Group for the year ended on that date.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No.117366W)

Place: Mumbai
Date: May 24, 2010

K. A. Katki
Partner
(Membership No. 038568)

Consolidated Balance Sheet As at 31st March, 2010

Schedule	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	1	1,035.6	1,035.6	
Reserves and Surplus	2	77,253.5	69,413.6	70,449.2
Minority Interest				1,970.4
				1,931.9
Loan Funds				
Secured Loans	3	1,003.5	363.8	
Unsecured Loans	4	708.0	1,425.1	1,788.9
Deferred Tax Liability (Net)				1,227.9
				1,209.1
Total				75,436.4
				83,141.6
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	6	23,340.4	21,476.1	
Less: Depreciation/Amortisation/Impairment		8,012.5	6,850.7	
Net Block		15,327.9	14,625.4	
Capital Work-in-Progress (including advances on capital account)		1,448.2	1,571.0	16,196.4
Goodwill on Consolidation (Refer Note B.6 of Schedule 21)				3,253.4
				4,060.3
Investments				18,594.9
				30,663.8
Deferred Tax Assets (Net)				1,906.9
				2,099.5
Current Assets, Loans and Advances				
Inventories	8	10,738.5	9,757.0	
Sundry Debtors	9	11,747.7	8,810.9	
Cash and Bank Balances	10	6,072.8	16,690.3	
Other Current Assets	11	74.0	441.3	
Loans and Advances	12	8,488.1	6,983.4	
		37,121.1	42,682.9	
Less: Current Liabilities and Provisions				
Current Liabilities	13	4,095.1	3,767.1	
Provisions		3,484.1	3,431.0	
		7,579.2	7,198.1	
Net Current Assets				35,484.8
				29,541.9
Total				75,436.4
				83,141.6
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS				
21				
Schedules referred to herein form an integral part of the Financial Statements.				

In terms of our report attached

For and on behalf of the Board

For Deloitte Haskins & Sells
Chartered Accountants

DILIP S. SHANGHVI
Chairman & Managing Director

K. A. KATKI
Partner

KAMLESH H. SHAH
Company Secretary

SUDHIR V. VALIA
Wholetime Director

Mumbai, 24th May, 2010

SAILESH T. DESAI
Wholetime Director

Mumbai, 24th May, 2010

Consolidated Profit and Loss Account For the year ended 31st March, 2010

Schedule	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
INCOME				
Income from Operations				
Gross Sales	39,814.6		43,750.6	
Less : Excise Duty	775.1		1,027.6	
Net Sales	39,039.5		42,723.0	
Other Operating Income	1,988.2		—	
	41,027.7		42,723.0	
Other Income	2,048.2	43,075.9	2,085.1	44,808.1
EXPENDITURE				
Cost of Materials / Goods	16	10,977.3	8,556.2	
Indirect Taxes	17	953.2	889.8	
Personnel Cost	18	4,007.9	3,401.2	
Operating and Other Expenses	19	9,372.9	8,137.7	
Research and Development Expenditure	20	2,083.1	3,098.6	
Depreciation / Amortisation / Impairment		1,533.1	1,232.9	25,316.4
		28,927.5		
PROFIT BEFORE TAXATION				
Provision for Taxation - Current Tax		14,148.4		19,491.7
- Deferred Tax (Credit) (Net)		1,106.4		1,176.6
- Fringe Benefit Tax		(427.8)		(480.7)
		—		15.7
PROFIT AFTER TAX				
Minority Interest		13,469.8		18,780.1
		(41.0)		602.8
PROFIT FOR THE YEAR AFTER TAX AND MINORITY INTEREST				
		13,510.8		18,177.3
BALANCE OF PROFIT BROUGHT FORWARD				
		31,021.8		20,559.4
AMOUNT AVAILABLE FOR APPROPRIATIONS				
		44,532.6		38,736.7
APPROPRIATIONS				
Proposed Dividend on Equity Shares		2,847.9	2,847.9	
Corporate Dividend Tax		473.0	484.0	
Proposed Dividend and Dividend distribution tax written back		—	(117.0)	3,214.9
Transfer to General Reserve		3,000.0		4,500.0
BALANCE OF PROFIT CARRIED TO BALANCE SHEET				
		38,211.7		31,021.8
EARNINGS PER SHARE (Refer Note B.9 of Schedule 21)				
Basic & Diluted (Rs.)		65.2		87.8
Face value per Equity share-Rs.5				
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS				
21				
Schedules referred to herein form an integral part of the Financial Statements.				

In terms of our report attached

For and on behalf of the Board

DILIP S. SHANGHVI
Chairman & Managing Director

SUDHIR V. VALIA
Wholetime Director

SAILESH T. DESAI
Wholetime Director

Mumbai, 24th May, 2010

For **Deloitte Haskins & Sells**
Chartered Accountants

K. A. KATKI
Partner

Mumbai, 24th May, 2010

KAMLESH H. SHAH
Company Secretary

Consolidated Cash Flow Statement For the year ended 31st March, 2010

	Year ended 31st March, 2010 Rs in Million	Year ended 31st March, 2009 Rs in Million
A. Cash Flow From Operating Activities:		
Net Profit Before Tax	14,148.4	19,491.7
Adjustments for:		
Depreciation / Amortisation / Impairment	1,533.1	1,232.9
Interest Expense	61.5	58.5
Interest Income	(1,200.4)	(1,275.9)
Dividend Income (Previous Year Rs. 13,300)	(0.1)	(0.0)
(Profit)/Loss On Fixed Assets Sold (net)	60.3	8.1
(Profit)/Loss on sale of Investments	(73.3)	(263.7)
Provision for Doubtful Debts	21.2	9.5
Sundry balance / bad debts written off / back (net)	(18.4)	23.6
Provision for employee benefits	64.1	(7.1)
Effect of Exchange Rates Change	(684.0)	4,031.8
Operating Profit Before Working Capital Changes	13,912.4	23,309.4
(Increase)/Decrease in Sundry Debtors	(3,057.1)	3,506.7
Increase in Other Receivables	(707.9)	(1,388.2)
Increase in Inventories	(981.5)	(2,029.3)
Increase/(Decrease) in Trade and Other Payables	390.2	(59.8)
Cash Generated From Operations	9,556.1	23,338.8
Taxes Paid (Net of TDS and Refund)	(1,623.6)	(1,689.9)
Net Cash Generated From Operating Activities	7,932.5	21,648.9
B. Cash Flow From Investing Activities:		
Purchase of Fixed Assets / Capital Work in Progress / Capital Advance	(2,841.3)	(6,101.0)
Proceeds From Sale of Fixed Assets	89.3	201.3
Proceeds From Sale of Investments	153,969.6	54,596.8
Purchase of Investments	(165,553.4)	(64,337.1)
Margin Money and Fixed Deposit with Banks	10,798.6	(2,887.4)
Loans/Inter Corporate Deposits received back / (given) (net)	(168.0)	(138.1)
Interest Received	1,446.5	935.3
Dividend Received (Previous Year Rs. 13,300)	0.1	0.0
Net Cash Used in Investing Activities	(2,258.6)	(17,730.2)
C. Cash Flow From Financing Activities:		
Repayment of ECB Loan	—	(796.4)
Long Term Loan Taken / (Repaid)	256.2	197.7
Short Term Loan Taken / (Repaid)	49.4	(9.7)
Net Asset Financed by Minority Shareholders	2.5	(518.1)
Interest Paid	(61.5)	(78.6)
Borrowing from banks Received / (Repaid)	(383.0)	961.1
Dividend Paid	(2,843.9)	(2,069.6)
Corporate Dividend Tax Paid	(484.0)	(352.6)
Net Cash Used in Financing Activities	(3,464.3)	(2,666.2)
Net Increase in Cash and Cash Equivalents	2,209.6	1,252.5
Cash and Cash Equivalents as at the beginning of the year	4,512.4	3259.9
Cash and Cash Equivalents as at the year end	6,722.0	4,512.4

Consolidated Cash Flow Statement For the year ended 31st March, 2010

	Year ended 31st March, 2010 Rs in Million	Year ended 31st March, 2009 Rs in Million
Cash and Cash Equivalents Comprise:		
Cash and Cheques in hand and balances with Scheduled / Other banks (Refer Schedule 10 to the Financial Statements)	6,072.8	16,690.3
Add : Investment in Certificate of Deposit having maturity less than 3 Months	1,941.6	—
Less : Margin Money Deposit / Fixed deposit having maturity more than 3 Months	1,262.0	12,060.6
Unrealised exchange (Gain) / Loss	(30.4)	(117.3)
Cash and Cash Equivalents as restated as at the year end	6,722.0	4,512.4

Notes:

- 1 Cash and cash equivalents includes Rs.22.2 Million (Previous Year Rs.18.6 Million) on account of Unclaimed dividend, which are not available for use by the Company.
- 2 During the year, Investment of Rs Nil (Previous Year Rs.2037.2 Million), has been assigned in favour of the company in satisfaction of receivables and being a non cash transaction has been excluded from the cash flow statement.
- 3 Previous year's figures are regrouped / reclassified wherever necessary in order to confirm to current year's groupings and classifications.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

K. A. KATKI
Partner

Mumbai, 24th May, 2010

KAMLESH H. SHAH
Company Secretary

For and on behalf of the Board

DILIP S. SHANGHVI
Chairman & Managing Director

SUDHIR V. VALIA
Wholetime Director

SAILESH T. DESAI
Wholetime Director

Mumbai, 24th May, 2010

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
SCHEDULE 1 : SHARE CAPITAL				
Authorised				
300,000,000 (Previous Year 300,000,000) Equity Shares of Rs.5 each.		1,500.0		1,500.0
		1,500.0		1,500.0
Issued, Subscribed and Paid Up				
207,116,391 (Previous Year 207,116,391) Equity Shares of Rs. 5 each		1,035.6		1,035.6
		1,035.6		1,035.6
Notes:				
Of the above :				
1) 161,630,010 Equity shares were allotted as fully paid Bonus Shares by capitalisation of Securities Premium Account, Profit and Loss Account, Amalgamation Reserve and Capital Redemption Reserve Account, without payment being received in cash.				
2) 413,633; 208,000; 477,581; 11,438; 18,519 and 19,771 Equity Shares of Rs. 10 and 4274 Equity Shares of Rs. 5 each fully paid, were allotted to the shareholders of erstwhile Tamilnadu Dadha Pharmaceuticals Ltd, Milmet Laboratories Pvt. Ltd, Gujarat Lyka Organics Ltd, Sun Pharmaceutical Exports Ltd, Pradeep Drug Company Ltd, M.J.Pharmaceuticals Ltd and Phlox Pharmaceuticals Ltd. respectively, pursuant to Schemes of Amalgamations, without payment being received in cash.				
3) 21,600,761 Equity Shares of Rs. 5 each were allotted to the holders of Zero Coupon Foreign Currency Convertible Bond on exercise of conversion option.				
SCHEDULE 2 : RESERVES AND SURPLUS				
Capital Reserve				
As per last Balance Sheet		259.1		259.1
Securities Premium Account				
As per last Balance Sheet		15,099.1		15,099.1
Capital Redemption Reserve				
As per last Balance Sheet		154.5		154.5
General Reserve				
As per last Balance Sheet	17,444.3		12,944.3	
Add : Transferred from Profit and Loss Account	3,000.0	20,444.3	4,500.0	17,444.3
Currency Fluctuation Reserve on Consolidation				
As per last Balance Sheet	5,434.8		(137.4)	
Additions during the Year	(2,350.0)	3,084.8	5,572.2	5,434.8
Surplus as per Profit and Loss Account		38,211.7		31,021.8
		77,253.5		69,413.6
SCHEDULE 3 : SECURED LOANS				
Short Term Loan from Banks (Refer Note B.7 of Schedule 21)		695.2		117.0
Cash Credit Facility from Banks		294.9		236.0
Others-Bank Overdraft (Refer Note B.7 of Schedule 21)		13.4		10.8
		1,003.5		363.8

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
SCHEDULE 4 : UNSECURED LOANS				
Long Term				
Other Loans		459.4		203.2
Short Term				
From Banks	242.6		1,209.0	
Others	6.0	248.6	12.9	1,221.9
		708.0		1,425.1
SCHEDULE 5 : DEFERRED TAX BALANCES				
(a) Deferred Tax Liabilities (Net)				
(i) Depreciation on Fixed Assets		1,302.8		1,287.8
(ii) Unpaid Liabilities		(69.2)		(33.4)
(iii) Others		(24.5)		(26.5)
		1,209.1		1,227.9
(b) Deferred Tax Asset (Net)				
(i) Depreciation on Fixed Assets		(231.6)		894.1
(ii) Unabsorbed Loss		2,100.2		833.9
(iii) Others		230.9		178.9
		2,099.5		1,906.9

SCHEDULE 6 : FIXED ASSETS											Rs in Million		
Particulars	Gross Block (At Cost)					Depreciation / Amortisation / Impairment					Net Block		
	As At 01.04.09	Consolidation Adjustment	Additions 09 -10	Deletions / Adjustment 09 -10	As at 31.03.10	As at 01.04.09	Consolidation Adjustment	For the year 09 -10	Deletions / Adjustment 09 -10	As at 31.03.10	As at 31.03.10	As at 31.03.09	
I. TANGIBLE ASSETS													
Freehold Land	145.4	(6.6)	0.2	0.3	138.7	—	—	—	—	—	138.7	145.4	
Leasehold Land	73.8	—	19.3	16.4	76.7	4.1	—	0.6	—	4.7	72.0	69.7	
Buildings	5,614.9	(160.3)	625.4	105.0	5,975.0(a)	1,021.9	(6.2)	153.1	41.3	1,127.5	4,847.5	4,593.0	
Plant and Machinery	12,654.8	(326.8)	1,907.5	247.5	13,988.0	5,003.3	(94.6)	1,088.6 (b)	184.5	5,812.8 (b)	8,175.2	7,651.5	
Vehicles	198.8	(0.2)	35.0	16.6	217.0	65.2	0.5	24.4	11.5	78.6	138.4	133.6	
Furniture and Fixtures	449.0	(14.4)	51.4	1.2	484.8	183.6	(3.4)	35.6 (b)	0.9	214.9 (b)	269.9	265.4	
Sub-Total A	19,136.7	(508.3)	2,638.8	387.0	20,880.2	6,278.1	(103.7)	1,302.3	238.2	7,238.5	13,641.7	12,858.6	
II. INTANGIBLE ASSETS													
Trademarks, Designs and other Intangible Assets	2,339.4	(195.2)	317.0	1.0	2,460.2	572.6	(29.2)	230.8 (b)	0.2	774.0 (b)	1,686.2	1,766.8	
Sub-Total B	2,339.4	(195.2)	317.0	1.0	2,460.2	572.6	(29.2)	230.8	0.2	774.0	1,686.2	1,766.8	
TOTAL A + B	21,476.1	(703.5)	2,955.8	388.0	23,340.4	6,850.7	(132.9)	1,533.1	238.4	8,012.5	15,327.9	14,625.4	
Previous Year	15,960.4	472.5	5,312.0	268.8	21,476.1	5,606.8	70.4	1,232.9	59.4	6,850.7	14,625.4		
											Capital Work-in-Progress (including advances on capital account) (c)	1,448.2	1,571.0
												16,776.1	16,196.4

NOTES :

- (a) Buildings include Rs.8,620 (Previous Year Rs.8,620) towards cost of shares in a Co-operative Housing Society.
- (b) Includes Impairment of Rs.30.8 Million (Previous Year Rs.16.0 Million) including Rs.30.8 Million (Previous Year Nil) on account of Impairment for the year.
- (c) Capital work-in-progress (including advances on Capital Account) includes Rs. 4.4 Million (Previous Year Rs 22.2 Million) on account of preoperative expenses.

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
SCHEDULE 7 : INVESTMENTS				
(I) LONG TERM INVESTMENTS (At Cost)				
A) Government Securities				
National Savings Certificates Rs. 15,000 (Previous Year Rs. 65,000) (Deposited with Government Authorities)		0.0		0.0
B) Trade Investments				
a) In Equity Shares				
Quoted				
Taro Pharmaceutical Industries Ltd. 14,356,427 (Previous year 14,356,427) {Ordinary Shares of NIS 0.0001 each (Market Value \$ 13.3)} Market Value Rs.8,554.1 Million (Previous year Rs.6,532.7 Million) (Refer Note B.13 of Schedule 21)		4,781.6		5,299.1
Impax Laboratories Inc.2,868,623 Shares (Previous year 2,868,623) Nominal Value per Share \$0.01 each (Market Value \$ 17.8) Market Value Rs.2,297.8 Million (Previous year Rs.759.9 Million)		1,100.6		1,242.1
Ista Pharmaceuticals Inc. 61,628 (Previous Year 61,628) Units Market Value \$ 4.0 each Market Value Rs.11.2 Million (Previous Year Rs.5.4 Million)		2.9		3.3
Unquoted				
Enviro Infrastructure Co. Ltd. 100,000 (Previous Year 100,000) Shares of Rs. 10 each fully paid up.		1.0		1.0
b) In Mutual Fund				
Quoted				
Somerset fund class C6 (Nil Units (Previous Year – 1,058,452.03))		—		581.4
Somerset Growth Fund class A36 (10,755.89 Units (Previous Year – 10,755.89)) Market Value Rs.414.1 Million		291.2		328.7
Somerset Growth Fund class A94 (10,144.5 Units (Previous Year – Nil)) Market Value Rs.361.8 Million		454.6		—
c) In Bonds				
Quoted				
Jai prakash associates 0% regd.zero coupon convertible Bonds 1,500 (Previous Year – Nil) Units of Face Value USD 1,000 Each Market value Rs.85.0 Million (Previous Year Nil)		52.5		—
d) In Zero Percent - Notes				
Quoted				
Hindustan Const 0% regd convertible Notes 20 (Previous Year – Nil) Units of Face Value USD 100,000 Each Market value Rs.110.9 Million (Previous Year Nil)		85.5		—
India cements 0% regd. Notes 20 (Previous Year – Nil) Units of Face Value USD 100,000 Each Market value Rs.111.5 Million (Previous Year Nil)		85.5		—
Ranbaxy lab 0% Notes 2,000 (Previous Year – Nil) Units of Face Value USD 1,000 Each Market value Rs.108.4 Million (Previous Year Nil)		93.4		—
Wockhardt 0% euro medium-term Notes 23,020 (Previous Year – Nil) Units of Face Value USD 1,000 Each Market value Rs.871.4 Million (Previous Year Nil)		871.4		—

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
C) Other Investments				
a) In Bonds				
Unquoted				
National Housing Bank Bonds		—		21.8
Nil (Previous Year 2,180) Units of Rs. 10,000 each fully paid				
Rural Electrification Corporation Ltd Bonds		5.0		5.0
500 (Previous Year 500) Units of Rs.10,000 each fully paid				
Deutsche Bank Ag , London		—		1,271.3
Nil (Previous Year 2,500,000) notes of USD 100 each				
b) In Debentures				
Quoted				
Barclays Investments & Loans (India)-12-25 NCD 06OT10		250.0		250.0
250 (Previous Year 250) Units of Rs.1,000,000 each fully paid				
Market Value Rs.275.2 Million (Previous Year Rs.250.0 Million)				
ETHL Communications Holdings Limited-NCD 22JL11		437.2		—
500 (Previous Year Nil) Units of Rs. 1,000,000 each fully paid				
Market Value Rs.446.4 Million (Previous Year Nil)				
HCL Technology-7.55 NCD 25AG11		100.0		—
100 (Previous Year Nil) Units of Rs.1,000,000 each fully paid				
Market Value Rs.101.0 Million (Previous Year Nil)				
HDFC Bank Ltd-9.9 NCD 23DC18		250.0		250.0
250 (Previous Year 250) Units of Rs.1,000,000 each fully paid				
Market Value Rs.269.7 Million (Previous Year Rs.250.0 Million)				
L&T Finance-8.4 NCD 08MR13		122.5		—
122464 (Previous Year Nil) Units of Rs.1,000 each fully paid				
Market Value Rs.123.1 Million (Previous Year Nil)				
Tata Chemicals Ltd-7.4 NCD 23NV11		250.0		—
250 (Previous Year Nil) Units of Rs.1,000,000 each fully paid				
Market Value Rs.250.4 Million (Previous Year Nil)				
Unquoted				
Reanal Rt. (3,441 (Previous Year 3,441)				
Shares of Face Value 10,000 HUF fully paid)		147.9		173.9
c) In Mutual Fund				
Unquoted (Units of Face Value of Rs. 10/- Each)				
DBS Cholamandalam Asset Management-C296 DBS Chola FMP		—		200.0
Series 9(13Months Plan)-Institutional-Cumulative				
Nil (Previous Year 20,000,000) Units				
HDFC Mutual Fund-HDFC FMP 370D				
June 2008(VIII)(2)-Wholesale Growth		—		250.0
Nil (Previous Year 25,000,000) Units				
UTI-Fixed Term Income Fund Series V-I				
(13 Months)-Institutional Growth Plan		—		500.0
Nil (Previous Year 50,000,000) Units				
Reliance Mutual Fund-Reliance FHF 9 - Series 6 - IP - Growth		215.4		215.4
20,000,000 (Previous Year 20,000,000) Units				
Birla Sun Life Mutual Fund -				
Birla Sun Life fixed Term Plan-Series CC (13Months)		200.0		—
20,000,000 (Previous Year Nil) Units				
Canara Robeco Mutual Fund-Canara Robeco Fixed Maturity				
Plan-Series 5-13 Months(Plan A)		200.0		—
20,000,000 (Previous Year Nil) Units				
DSP BlackRock Mutual Fund-DSP BlackRock FMP-13M-Series 3		250.0		—
25,000,000 (Previous Year Nil) Units				
Deutsche Mutual Fund-DWS Fixed Term Fund-Series 67		352.7		—
35,266,428 (Previous Year Nil) Units				
HDFC Mutual Fund- HDFC FMP 14M March 2010		250.0		—
25,000,000 (Previous Year Nil) Units				
HDFC Mutual Fund- HDFC Floating Rate				
Income Fund-Long Term Plan		1,000.1		—
63,270,759 (Previous Year Nil) Units				
IDFC Mutual Fund-IDFC Fixed Maturity Plan-14 Months Series 1		250.0		—
25,000,000 (Previous Year Nil) Units				
Kotak Mutual Fund-Kotak FMP 13M Series 6		300.0		—
30,000,000 (Previous Year Nil) Units				
Kotak Mutual Fund-Kotak FMP 370 Days Series 2		250.0		—
25,000,000 (Previous Year Nil) Units				
Kotak Mutual Fund-Kotak FMP 370 Days Series 3		250.0		—
25,000,000 (Previous Year Nil) Units				
L&T Mutual Fund-L&T Fixed Maturity Plan Series				
12-Plan-15M-Mar10-I		202.1		—
20,213,915 (Previous Year Nil) Units				

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
d) Others				
Quoted				
Pass through Certificates				
Novo VIII Trust-Archie-Itsl-SR-A PTC 15JN10 500 (Previous Year Nil) Units of Rs.1,000,000 each fully paid Market Value Rs.503.3 Million (Previous Year Nil)		500.0		—
Unquoted				
Housing & Urban Development Corporation Ltd. Deposit Rs 240,000,000 (Previous Year Rs Nil)		240.0		—
Total (I)		13,843.1		10,593.0
(II) CURRENT INVESTMENTS (At lower of cost and Net realisable value)				
Quoted				
Certificate of Deposits				
Corporation Bank - CD 22AP10 2,500 (Previous Year Nil) Units Face value Rs.100,000 each Market Value Rs.248.9 Million (Previous Year Nil)		248.9		—
ICICI Bank - CD 20AP10 5,000 (Previous Year Nil) Units Face value Rs.100,000 each Market Value Rs.497.9 Million (Previous Year Nil)		497.9		—
Punjab National Bank - CD 13AP10 2,500 (Previous Year Nil) Units Face value Rs.100,000 each Market Value Rs.249.2 Million (Previous Year Nil)		249.2		—
Punjab & Sind Bank - CD 26AP10 2,500 (Previous Year Nil) Units Face value Rs.100,000 each Market Value Rs.248.8 Million (Previous Year Nil)		248.8		—
Axis Bank - CD 26AP10 2,500 (Previous Year Nil) Units Face value Rs.100,000 each Market Value Rs.248.8 Million (Previous Year Nil)		248.8		—
ICICI Bank Limited - CD 22JUN10 Market Value \$ 10 Million (Previous Year Nil)		448.0		—
Unquoted				
In Mutual Fund (Units of Face Value of Rs. 10/- Each)				
Baroda Pioneer Mutual Fund - Baroda Pioneer Advantage Fund-Inst Growth 96,436,417 (Previous Year Nil) Units		1,000.2		—
Birla Sun Life Mutual Fund - Birla Sun Life Savings Fund-Inst-Growth Nil (Previous Year 106,657,565) Units		—		1,500.0
Birla Sun Life Mutual Fund-BSL Floating Rate Fund-Long Term-Instl-Growth 39,039,425 (Previous Year Nil)Units		420.8		—
Birla Sun Life Mutual Fund - BSL Interval Income Fund-Instl-Quarterly Series 2-Growth 43,331,340(Previous Year Nil)Units		502.9		—
Birla Sun Life Mutual Fund-Birla Sun Life Cash Manager-Institutional Plan-Growth 129,963,805 (Previous Year Nil)Units		2,000.0		—
DBS Cholamandalam Asset Management-C122 DBS Chola Freedom Income STP-Inst-Cum-Org Nil (Previous Year 35,415,651) Units		—		500.1
Deutsche Mutual Fund-DWS Insta Cash Plus Fund Super Instl-Growth Nil (Previous Year 87,592,520) Units		—		1,000.0
Deutsche Mutual Fund-DWS Treasury Investment-Institutional Plan-Growth 49,052,228 (Previous Year Nil)Units		503.5		—
Deutsche Mutual Fund-DWS Cash Opportunities Fund Instl Plan-Growth 87,423,512(Previous Year Nil) Units		1,031.0		—
Deutsche Mutual Fund - DWS FTF - Series 51 - IP - Growth Nil (Previous Year 20,000,000) Units		—		211.2

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
DSP BlackRock Mutual Fund-DSP BlackRock Short Term Fund-Growth 22,534,265 (Previous Year Nil) Units		355.0		—
Fidelity International -Fidelity Ultra Short Term Debt Fund Super Instl-Growth 20,982,694(Previous Year 13,220,012) Units		250.0		150.0
Fortis Mutual Fund - Fortis Money Plus Instl-Growth 72,003,792 (Previous Year Nil) Units		1,000.1		—
HDFC Mutual Fund-3017/HDFC Liquid Fund-Premium Plus Plan-Growth Nil (Previous Year 58,322,575) Units		—		1,030.0
IDFC Mutual Fund-IDFC Money Manager Fund-Investment Plan-Inst Plan B-Growth 70,683,867 (Previous Year Nil) Units		1,013.0		—
ICICI Prudential Mutual Fund-311SG ICICI Prudential Institutional Liquid Plan Nil (Previous Year 77,001,263) Units		—		1,000.0
ICICI Prudential Mutual Fund-ICICI Prudential Banking & PSU Debt Fund-Growth 74,845,356 (Previous Year Nil) Units		752.0		—
L&T Mutual Fund-C228 L&T Select Income Fund-Felxi Debt Institutional-Growth 24,407,095 (Previous Year Nil) Units		250.0		—
JM Mutual Fund-JM Money Manager Fund Regular Plan-Growth(168) 59,649,545 (Previous Year Nil) Units		750.1		—
JPMorgan Mutual Fund-JPMorgan India Short Term Income Fund-Growth 30,000,000 (Previous Year Nil) Units		300.0		—
Kotak Mutual Fund-Kotak Quarterly Interval Plan Series 7-Growth 45,620,854 (Previous Year Nil) Units		500.0		—
Principal Mutual Fund-Principal Money Manager Fund-Insttional Growth Plan 47,630,388 (Previous Year Nil) Units		500.0		—
Religare Mutual Fund-Religare Liquid Fund-Super Institutional Growth Nil (Previous Year 41,370,523) Units		—		500.0
Religare Mutual Fund-Religare Credit Opportunities Fund-Institutional Growth 96,891,263 (Previous Year Nil) Units		1,000.2		—
SBI Mutual Fund-L031SBI-Magnum Insta Cash Fund-Cash Option Nil (Previous Year 25,454,490) Units		—		500.0
Sundaram BNP Paribas Mutual Fund-Sundaram BNP Paribas FTP Plan H (13 Months) - IP - Growth Nil (Previous Year 15,000,000) Units		—		161.7
UTI Mutual Fund-UTI FTIF - Series IV - Plan 10 - IP - Growth Nil (Previous Year 25,000,000) Units		—		270.1
UTI Mutual Fund-UTI FTIF - Series II - Quarterly Interval Plan V-Insti - Growth 24,998,000 (Previous Year Nil) Units		250.0		—
Principal Mutual Fund - Principal PNB FMP - Series VIII - IP - Growth Nil (Previous Year 15,000,000) Units		—		160.5
HDFC Mutual Fund - HDFC FMP - 2 - WIP - Growth Nil (Previous Year 25,000,000) Units		—		267.9
DBS Cholamandalam Mutual Fund - DBS Chola FMP - Series 9 - IP - Growth Nil (Previous Year 20,000,000) Units		—		211.9
HSBC Mutual Fund - HSBC FTS - 59 - IP Growth Nil (Previous Year 50,000,000) Units		—		538.5
In Mutual Fund (Units of Face Value of Rs. 100 Each)				
ICICI Prudential Mutual Fund-ICICI Prudential Flexible Income Plan Premium-Growth 5,840,702 (Previous Year Nil) Units		1,000.1		—
In Mutual Fund (Units of Face Value of Rs. 1,000 Each)				
Bharti Axa Mutual Fund - Bharti AXA Treasury Advantage Fund-Instl Plan-Growth 224,558 (Previous Year Nil) Units		250.0		—
Reliance Mutual Fund-Reliance Money Manager Fund-Inst Option-Growth 597,884 (Previous Year Nil) Units		750.1		—
Shinsei Mutual Fund-Shinsei Treasury Advantage Fund Growth 489,039 (Previous Year Nil) Units		500.1		—
Total (II)		16,820.7		8,001.9
Total (I + II)		30,663.8		18,594.9

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
AGGREGATE VALUE OF INVESTMENT	BOOK VALUE	MARKET VALUE	BOOK VALUE	MARKET VALUE
Quoted	11,670.5	16,836.9	6,544.5	7,798.0
Unquoted	18,993.3		12,050.4	
SCHEDULE 8 : INVENTORIES				
Consumables Stores		170.5		139.6
Stock in Trade				
Raw Materials	5,640.6		5,148.0	
Packing Materials	623.3		489.7	
Finished Goods	1,711.4		1,510.9	
Work-in-Progress	2,592.7	10,568.0	2,468.8	9,617.4
		10,738.5		9,757.0
SCHEDULE 9 : SUNDRY DEBTORS (Unsecured-Considered Good, unless stated otherwise)				
Over Six Months				
Considered Good		1,074.6		964.4
Considered Doubtful	79.6		64.9	
Less: Provision for Doubtful Debts	79.6	—	64.9	—
Other Debts		10,673.1		7,846.5
		11,747.7		8,810.9
SCHEDULE 10 : CASH AND BANK BALANCES				
Cash / Cheques on hand		88.7		6.2
Balances with Banks in :				
Scheduled Banks				
Current Accounts	175.2		210.8	
Deposit Accounts {Pledged Rs. 12.0 Million (Previous Year Rs 30.3 Million)}	1,262.0	1,437.2	12,060.6	12,271.4
Other Banks				
Current Accounts	4,155.4		3,604.6	
Deposit Accounts	391.5	4,546.9	808.1	4,412.7
		6,072.8		16,690.3
SCHEDULE 11 : OTHER CURRENT ASSETS				
Interest accrued on - Investments		57.9		65.8
- Deposits		16.1		375.5
		74.0		441.3
SCHEDULE 12 : LOANS AND ADVANCES (Unsecured – Considered Good, unless stated otherwise)				
Loan to Employees / Others {Secured Loans Rs 294.0 Million (Previous Year Rs. 160.0 Million)}				
Considered Good		3,796.5		2,404.6
Considered Doubtful	9.5		9.5	
Less : Provision for Doubtful Advances	9.5	—	9.5	—
Advances Recoverable in Cash or in Kind or for Value to be received		659.5		755.6
Advances to Suppliers		299.2		561.5
Balances with Central Excise and Customs		871.5		1,050.3
DEPB and Advance Licence		137.2		131.3
Other Deposits		108.6		102.9
Advance Payment of Income Tax (Net of Provision)		2,615.6		1,977.2
		8,488.1		6,983.4

Schedules to the Financial Statements (Consolidated)

	As at 31st March, 2010		As at 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
SCHEDULE 13 : CURRENT LIABILITIES AND PROVISIONS				
Current Liabilities				
Sundry Creditors				
Due to Micro and Small Enterprise	19.1		2.1	
Others	2,389.2		2,541.3	
Advances from Customers	284.8		105.0	
Security Deposits	19.3		18.4	
Investor Education and Protection Fund shall be credited by				
Unclaimed Dividend (Not Due)	23.5		19.5	
Temporary Overdrawn Bank balance as per Books	5.2		1.8	
Other Liabilities	1,187.8		1,079.0	
Interest accrued but not due on Loans	166.2	4,095.1	—	3,767.1
Provisions				
Provision for Fringe Benefit Tax (Net of Advance Tax on FBT)	0.6		0.6	
Proposed Dividend - Equity Shares	2,847.9		2,847.9	
Corporate Dividend Tax	473.0		484.0	
Provision for employee benefits	162.6	3,484.1	98.5	3,431.0
		7,579.2		7,198.1
SCHEDULE 14 : OTHER OPERATING INCOME				
Non-recurring (income) (Refer Note B.8 of Schedule 21)		1,988.2		—
		1,988.2		—
SCHEDULE 15 : OTHER INCOME				
Lease Rental and Hire Charges		28.3		36.3
Interest Income (Net) (Refer Note B.5 of Schedule 21)		1,138.1		1,216.7
Exchange Fluctuations Gain		333.7		—
Profit on Sale of Fixed Assets		6.5		1.2
Profit on Sale of Current Investments		73.3		263.7
Sundry Balances Written Back (Net)		15.7		—
Insurance Claims		5.2		4.8
Dividend Income (Previous Year Rs.13,300)		0.1		0.0
Miscellaneous Income		447.3		562.4
		2,048.2		2,085.1
SCHEDULE 16 : COST OF MATERIALS / GOODS				
Inventories of Raw & Packing material at the beginning of the year	5,637.7		4,537.0	
Purchases during the year - Raw & Packing Material	10,557.5		10,024.9	
- Finished goods	1,370.4		569.3	
Inventories of Raw & Packing Material at the end of the year	(6,263.9)	11,301.7	(5,637.7)	9,493.5
Inventories of Finished Goods and Work-In-Progress at the beginning of the year	3,979.7		3,042.4	
Inventories of Finished Goods and Work-In-Progress at the end of the year	(4,304.1)		(3,979.7)	
(Increase) / Decrease of Finished Goods and Work-in-Progress		(324.4)		(937.3)
		10,977.3		8,556.2
SCHEDULE 17 : INDIRECT TAXES				
Sales Tax/VAT		953.2		889.8
		953.2		889.8

	Year ended 31st March, 2010		Year ended 31st March, 2009	
	Rs in Million	Rs in Million	Rs in Million	Rs in Million
SCHEDULE 18 : PERSONNEL COST				
Salaries, Wages, Bonus and Benefits		3,382.0		2,895.2
Contribution to Provident and Other Funds		411.2		331.1
Staff Welfare Expenses		214.7		174.9
		4,007.9		3,401.2
SCHEDULE 19 : OPERATING AND OTHER EXPENSES				
Stores and Spares Consumed		547.9		525.1
Manufacturing Charges		784.0		512.5
Power and Fuel		919.2		977.7
Rent		137.1		79.1
Rates and Taxes		108.8		66.1
Insurance		271.2		253.6
Selling and Distribution		1,670.8		1,998.5
Commission and Discount		497.1		295.2
Repairs				
Building	78.6		71.8	
Plant and Machinery	332.8		313.8	
Others	158.9	570.3	126.4	512.0
Printing and Stationery		54.0		44.5
Travelling and Conveyance		170.5		135.9
Overseas Travel and Export Promotion		735.4		702.5
Communication		71.9		63.7
Provision for doubtful Debts / Advances		21.2		9.5
Sundry Balances/Bad Debts Written Off (Net)	6.5		61.4	
Less :- Adjusted out of Provision for earlier years	5.1	1.4	37.0	24.4
Professional and Consultancy		1,273.7		740.6
Donations		111.7		101.0
Loss on Sale of Fixed Assets		66.5		5.2
Excise Duty on Stock (*)		7.2		(72.2)
Auditors' Remuneration				
Audit Fees	27.3		26.5	
Other Services	0.5		0.1	
Out of Pocket Expenses	0.2	28.0	0.1	26.7
Miscellaneous Expenses		1,325.0		1,136.1
		9,372.9		8,137.7
(*) represents the difference between excise duty on opening and closing stock of finished goods.				
SCHEDULE 20 : RESEARCH AND DEVELOPMENT EXPENDITURE				
Salaries, Wages, Bonus and Benefits		731.8		891.4
Contribution to Provident and Other Funds		43.9		69.9
Staff Welfare Expenses		38.5		36.1
Raw Material, Stores and Spares Consumed		747.0		771.5
Power and Fuel		18.7		64.2
Rates and Taxes		4.1		51.9
Rent		4.1		22.5
Insurance		21.4		47.8
Repairs				
Building	6.5		21.8	
Plant and Machinery	51.3		103.8	
Others	26.3	84.1	51.8	177.4
Printing and Stationery		11.9		14.6
Travelling and Conveyance		13.2		15.0
Communication		16.1		18.4
Professional and Consultancy		195.4		645.1
Loss on Sale of Fixed Assets		0.3		4.1
Miscellaneous Expenses		315.7		292.7
		2,246.2		3,122.6
Less :				
Interest Income	0.8		0.7	
Receipts from Research activities	157.7		19.7	
Miscellaneous Income	0.5		2.8	
Bad Debts Recovered / Sundry balances written Back	4.1	163.1	0.8	24.0
		2,083.1		3,098.6

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

SCHEDULE 21: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

A SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Consolidation:

(i) Basis of preparation

The consolidated financial statements are prepared in accordance with Accounting Standard 21 on Consolidated financial statements as notified by Companies (Accounting Standards) Rules, 2006. Reference in these notes to Company, Holding Company, Companies or Group shall mean to include Sun Pharmaceutical Industries Limited or any of its subsidiaries, unless otherwise stated.

(ii) Principles of consolidation

The consolidated financial statements comprise of the financial statements of Sun Pharmaceutical Industries Limited and its subsidiaries. The financial statements of the group Companies are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India. The effects of inter Company transactions are eliminated on consolidation.

(iii) Goodwill / Capital Reserve

Goodwill represents the difference between the Company's share in the net worth of subsidiaries, and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital Reserve on consolidation is adjusted against Goodwill. The Goodwill recorded in these consolidated financial statements has not been amortised, but instead evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may be impaired.

2. Basis of Accounting

The financial statements have been prepared under historical cost convention on an accrual basis and comply with the Accounting Standards as notified by Companies (Accounting Standards) Rules, 2006.

3. Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the year. Difference between the actual result and estimates are recognised in the year in which the results are known / materialised.

4. Fixed Assets and Depreciation / Amortisation

Fixed Assets including Intangible assets are stated at historical cost (Net of cenvat credit) less accumulated depreciation / amortisation thereon and impairment losses, if any. Depreciation on tangible assets is provided on Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 except for Caraco, Alkaloida Chemical Company Zrt. (Formerly known as "Alkaloida Chemical Company Exclusive Group Ltd"), Sun Farmaceutica Ltda, Sun Pharmaceutical Industries (Australia) Pty. Ltd., Sun Pharmaceutical Industries (Europe) B.V., Sun Pharma Global (FZE), Sun Pharmaceutical Spain, SL., Sun Pharmaceuticals Italia S.R.L., Sun Pharmaceuticals Germany GmbH, Sun Pharmaceuticals France, TKS Farmaceutica Ltda. and Sun Pharmaceutical Industries Inc depreciation is computed using the Straight Line Method over the estimated useful lives of the related assets, which ranges from 3 to 100 years. Assets costing Rs. 5,000 or less are depreciated at 100% on pro-rata basis on the year of Purchase except, in case of Sun Pharmaceutical Spain, SL. where assets costing Euro 601 or less and in case of Sun Pharmaceuticals Italia S.R.L. where assets costing Euro 516.46 or less are depreciated at 100% in the year of purchase. Leasehold land is amortised over the period of lease.

Intangible assets consisting of trademarks, designs, technical know-how, non compete fees and other intangible assets are amortized on Straight Line Method from the date they are available for the use, at the rates as estimated by the Management, which ranges from 3 to 20 years.

5. Leases

Assets acquired on finance lease prior to April 1, 2001, are stated at original cost. In consonance with the matching concept, lease terminal adjustment and lease equilisation accounts have been created for the assets given on lease, wherever required.

In case of assets taken on operating lease, the lease rentals are charged to the Profit And Loss Account in accordance with Accounting Standards 19 on leases as notified by Companies (Accounting Standards) Rules, 2006.

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

At Caraco :

Any lease of property, real or personal, the obligations with respect to which are required to be capitalized on a balance sheet of the lessee.

6. Revenue Recognition

Sales of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on despatch of goods. Export sales are recognised on the basis of Bill of lading / Airway bill. Sales includes Sales tax/VAT, delayed payment charges, and are stated net of returns and chargebacks. At Caraco Chargebacks are price adjustments given to wholesale customers selling products further to those parties with whom the Company has established contractual pricing.

7. Investments

Investments are classified into Current and Long Term Investments. Current Investments are valued at lower of cost and fair value. Long Term Investments are stated at cost less provision, if any, for other than temporary diminution in their value.

8. Inventories

Inventories consisting of raw and packing materials, stores and spares, work in progress and finished goods are stated at lower of cost (absorption costing) on FIFO Basis (except for Caraco on specific identification basis) and net realisable value.

9. Research and Development

The research and development cost is accounted in accordance with Accounting Standard – 26 'Intangible Asset'. All related revenue expenditure incurred on original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding up to the time when it is possible to demonstrate probable future economic benefits, is recognised as research expenses and charged off to the profit and loss account, as incurred. All subsequent expenditure incurred for product development on the application of research findings or other knowledge upon demonstration of probability of future economic benefits, prior to the commencement of production, to the extent identifiable and possible to segregate are accumulated and carried forward as development expenditure under Capital Work in Progress, to be capitalised as an intangible asset on completion of the project. In case a project does not proceed as per expectations / plans, the same is abandoned and the amount classified as development expenditure under Capital Work in Progress is charged off to the profit and loss account.

10. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. The exchange differences arising on settlement / translation are recognised in the Profit and Loss account. Exchange differences relating to monetary items that are in substance forming part of the Company's net investment in non integral foreign operation are accumulated in Currency Fluctuation Reserve on Consolidation Account.

For the purpose of Consolidation, the amounts appearing in foreign currencies in the Financial Statements of the foreign subsidiaries are translated at the following rates of exchange:

- a. Average rates for income and expenditure.
- b. Year end rates for assets and liabilities.

11. Taxes on Income

Provision for taxation comprises of Current Tax, Deferred Tax and Fringe Benefit Tax. Current Tax provision has been made on the basis of reliefs and deductions available under the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance sheet date. Fringe Benefits tax has been calculated and accounted for in accordance with the provisions of the prevailing Tax Laws and the Guidance note on Fringe Benefit Tax by the Institute of Chartered Accountants of India. Pursuant to the enactment of the Finance Act, 2009, Fringe Benefit tax stands abolished w.e.f. April 01, 2009.

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

12. Employee Benefits

- (a) The Company's contribution in respect of provident fund is charged to Profit and Loss Account each year.
- (b) With respect to gratuity liability, Company contributes to Life Insurance Corporation of India (LIC) under LIC's Group Gratuity policy. Gratuity liability as determined on actuarial basis by the independent valuer is charged to Profit and Loss Account.
- (c) Liability for accumulated compensated absences of employees is ascertained for on actuarial valuation basis and provided for as per company rules.

At Caraco :The Corporation maintains a deferred compensation plan qualified under Section 401(k) of the Internal Revenue Code. Under this plan, eligible employees are permitted to contribute up to the maximum allowable amount determined by the Internal Revenue Code. The Corporation may make discretionary matching and profit sharing contributions under the provisions of the plan.

13. Government Grants / Subsidy

Government grants, if any, are accounted when there is reasonable assurance that the enterprise will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital Subsidy in nature of Government Grants related to specific fixed assets is accounted for where collection is reasonably certain and the same is shown as a deduction from the gross value of the asset concerned in arriving at its book value and accordingly the depreciation is provided on the reduced book value.

14. Derivative Accounting

Forward Contracts in the nature of highly probable forecasted transactions / firm commitments entered into for hedging the risk of foreign currency exposure are accounted for on the principles of prudence as enunciated in Accounting Standard 1 (AS-1) "Disclosure of Accounting Policies". Pursuant to this losses, if any on Mark to Market basis, are recognised in the Profit & loss Account and Gain are not recognised on prudent basis.

15. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

16. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

17. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

18. Common/Convertible Preferred Stock Issued

Common/Convertible Preferred Stock is issued by Caraco from time to time in lieu of cash for directors fees and in exchange for fees towards formula for products developed by Parent & its affiliates and is recorded as compensatory expenses/research and development costs respectively.

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

B NOTES TO FINANCIAL STATEMENTS:

1 The Consolidated Financial Statements present the consolidated accounts of Sun Pharmaceutical Industries Ltd with its following subsidiaries/affiliates.

Name of Subsidiaries / Affiliates	Country of Incorporation	Proportion of ownership interest	Year ending of subsidiaries/affiliates	Audited By
Indian Affiliate				
Universal Enterprises (P) Ltd.	India	97.50%	31/3/2010	Valia & Timbadia
Foreign Subsidiaries				
Sun Pharma Global Inc.	British Virgin Islands	100.00%	31/3/2010	H C Shah & Co.
ZAO Sun Pharma Industries Limited	Russia	100.00%	31/12/2009	Best Audit
Sun Pharmaceutical (Bangladesh) Limited	Bangladesh	72.50%	31/3/2010	Ahmed Mashuque & Co.
Caraco Pharmaceutical Laboratories Ltd (CARACO) **	United States of America	75.16%	31/3/2010	Rehmann Robson
Sun Farmaceutica Ltda Brazil	Brazil	99.94%	31/3/2010	PeppeAssociados Consultores & auditores independentes
Sun Pharma De Mexico S.A. DE C.V.	Mexico	75.00%	31/12/2009	Ing. Jose Antonio Hernandez Miranda
Sun Pharmaceutical Industries INC.*	United States of America	100.00%	31/3/2010	Martin, Arrington, Desai & Meyers, P.C.
SPIL De Mexico S.A. DE C.V.	Mexico	100.00%	31/12/2009	L.C. Nancy Balderas Jimenez
Alkaloida Chemical Company Zrt. (Formerly known as "Alkaloida Chemical Company Exclusive Group Ltd")	Hungary	100.00%	31/3/2010	Versatile Audit KFT
Sun Pharmaceutical Peru S.A.C.	Peru	99.33%	31/12/2009	Luis Enrique Espinoza Figueroa
Sun Pharmaceutical UK Limited	United Kingdom	100.00%	31/3/2010	Anderson Shaw CCA
Sun Pharmaceutical Industries (Australia) Pty. Ltd.	Australia	100.00%	31/3/2010	W A Nutton & associates Pty,
Aditya Acquisition Company Ltd., Israel	Israel	100.00%	31/3/2010	H.C. Timbadia & Co.
Sun Pharmaceutical Industries (Europe) B.V.	The Netherlands	100.00%	31/3/2010	H.C. Timbadia & Co.
OOO "Sun Pharmaceutical Industries" Ltd.	Russia	99.00%	31/12/2009	Best Audit
Sun Pharmaceuticals Italia S.R.L.	Italy	100.00%	31/3/2010	Valia & Timbadia
Sun Pharmaceutical Spain, SL.	Spain	100.00%	31/3/2010	Valia & Timbadia
Sun Pharmaceuticals Germany GmbH	Germany	100.00%	31/3/2010	Valia & Timbadia
Sun Pharmaceuticals France	France	100.00%	31/3/2010	Valia & Timbadia
Sun Pharma Global (FZE)	U.A.E.	100.00%	31/3/2010	KSI Shah & Associates
Sun Pharmaceuticals (SA) (PTY) LTD	South Africa	100.00%	31/3/2010	Valia & Timbadia
Sun Global Canada Pty. Ltd.	Canada	100.00%	31/3/2010	Valia & Timbadia
TKS Farmaceutica Ltda.	Brazil	90.10%	31/12/2009	PeppeAssociados Consultores & auditores independentes
Name of Partnership Firm				
Sun Pharmaceutical Industries	India	97.50%	31/3/2010	Deloitte Haskins & Sells
Sun Pharma Exports	India	80.00%	31/3/2010	H.C. Timbadia & Co.
Sun Pharma Sikkim	India	97.50%	31/3/2010	Deloitte Haskins & Sells

Sun Pharma De Mexico S.A. DE C.V., SPIL De Mexico S.A. DE C.V., ZAO Sun Pharma Industries Limited, TKS Farmaceutica Ltda., OOO "Sun Pharmaceutical Industries" Ltd. and Sun Pharmaceutical Peru S.A.C. follow calendar year as their accounting year. Accordingly, the audited financial statements of these Companies for the year ended December 31, 2009 are available. For the purpose of this consolidation, the accounts for the financial year April 1, 2009 to March 31, 2010 are considered and are compiled based on the audited financial statements for the year ended December 31, 2009 and the adjustment thereto in respect of the unaudited financial statements for the quarter ended March 31, 2009 and March 31, 2010 which are certified by its Management.

*The figures of Sun Pharmaceutical Industries INC includes the figures of its wholly owned subsidiaries Chatterm Chemicals, Inc and Sun Development Corporation I whose results were consolidated with it.

** During the year 2010, the company formed a wholly-owned subsidiary, Caraco Pharma, Inc. To date, this subsidiary has not entered into any financial transactions.

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

The following subsidiaries (included above) are the newly incorporated entities, for the period ended March 31, 2010

Name of the Company/firm	Country of Incorporation	Date of Incorporation
Sun Global Canada Pty. Ltd.	Canada	23-Jun-2009

The holding in Caraco as on March 31, 2010 has increased to 75.16% and accordingly the minority interest was considered at 24.84% for the purpose of these financial statements.

During the year, On 22nd May, 2009 the company Alkaloida Chemical Company Zrt. (Formerly known as "Alkaloida Chemical Company Exclusive Group Ltd") has acquired 90.10% holding in TKS Farmaceutica Ltda., (Brazil) in an all cash deals.

The Company is in the process for Liquidation of ZAO Sun Pharma Industries Limited and has appointed Official Liquidator as per the terms of Resolution passed at the General Meeting of the Subsidiary held on October 29, 2002.

Significant Accounting Policies and Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding of the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual financial statements.

	As at 31st March, 2010 Rs. In Million	As at 31st March, 2009 Rs. In Million
2 a) CONTINGENT LIABILITIES NOT PROVIDED FOR:		
Guarantees Given by the bankers on behalf of the Company	274.1	89.6
Corporate Guarantees	—	17.2
Letters of Credit for Imports	515.0	399.6
Liabilities Disputed - Appeals filed with respect to :		
Income Tax on account of Disallowances / Additions	4,167.6	2,512.2
Sales Tax on account of Rebate / Classification	11.4	12.5
Excise Duty on account of Valuation / Cenvat Credit	316.6	242.8
Service Tax on account of Import of Services	—	1.9
ESIC Contribution on account of applicability	0.2	0.2
Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit , including interest there on, enjoyed by the Company	14.0	14.0
Demand by JDGFT import duty with respect to import alleged to be in excess of entitlement as per the Advanced Licence Scheme	11.1	10.7
Other Claims against the Company not acknowledged as debts	6.7	6.5
b) Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances)	1,118.7	335.2

3 Legal Proceedings

The Company and / or its subsidiaries are involved in various legal proceedings including product liability, contracts, employment claims and other regulatory matters relating to conduct of its business. The Company carries product liability insurance / is contractually indemnified by the manufacturer, in an amount it believes is sufficient for its needs. In respect of other claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defences the ultimate disposition of these matters will not have material adverse effect on its Financial Statements.

	2009-10 Rs. In Million	2008-09 Rs. In Million
4 RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDE:		
On Revenue account	2,083.1	3,098.7
On Capital account	159.0	221.7

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

	As at 31st March, 2010 Rs. In Million	As at 31st March, 2009 Rs. In Million
5 Net Interest income Rs.1,138.9 Million (Previous Year Rs. 1,217.4 Million) includes :		
Interest income		
Bank Deposits	963.2	1,172.8
Loan	128.6	96.6
Current Investment	1.4	—
Long Term Investment	99.4	4.2
Others	7.8	2.3
	1,200.4	1,275.9
Interest Expense		
Fixed Loans	57.8	54.4
Others	3.7	4.1
	61.5	58.5
6 Goodwill on consolidation (Net) comprises of:		
Goodwill in respect of		
Caraco Pharmaceutical Laboratories Ltd (Caraco)	4,563.5	4,239.3
Sun Pharmaceutica Ltda Brazil	44.8	44.8
TKS Framaceutica Ltda	327.0	—
Universal Enterprises (P) Ltd.	7.5	7.5
Total (A)	4,942.8	4,291.6
Less:		
Capital Reserve in respect of :		
Alkaloida Chemical Company Zrt.	882.5	1,038.2
Total (B)	882.5	1,038.2
Total (A-B)	4,060.3	3,253.4

7 Short term loan & Overdraft from Bank with respect to Sun Pharmaceutical (Bangladesh) Ltd. and with respect to Sun Pharma Sikkim and also Unsecured loans with respect to Sun Pharmaceuticals Italia S.R.L., is secured against Corporate Guarantee given by Sun Pharmaceutical Industries Ltd.

Short term loan from Bank with respect to Alkaloida Chemical Company Zrt. (Formerly known as "Alkaloida Chemical Company Exclusive Group Ltd") is secured against Bank Guarantee given by Sun Pharma Global Inc.

8 Other Operating Income represents upfront payment received from another Pharma company in terms of settlement / patent license agreement for the grant of exclusive license for patents and know how.

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

	Year Ended 31st March, 2010 Rs. In Million	Year Ended 31st March, 2009 Rs. In Million
9 Accounting Standard (AS-20) on Earnings Per Share		
Profit After Tax	13,469.8	18,780.1
Less : Minority Interest	(41.0)	602.8
Profit used as Numerator for calculating Earnings per share	13,510.8	18,177.3
Weighted Average number of Shares used in computing basic & diluted earnings per share	207,116,391	207,116,391
Nominal value per share (in Rs.)	5.0	5.0
Basic & Diluted Earnings Per Share (in Rs.)	65.2	87.8
10 Related Party Disclosure - as per Annexure 'A' annexed.		
11 Accounting Standard (AS-17) on Segment Reporting		
a) Primary Segment		
The Company has identified "Pharmaceuticals" as the only primary reportable business segment.		
b) Secondary Segment (By Geographical Segment)		
India	19,334.5	20,649.9
Outside India	20,480.1	23,100.7
Total Sales	39,814.6	43,750.6
In view of the interwoven / intermix nature of business and manufacturing facility, other segmental information is not ascertainable.		

- 12** Intangible assets consisting of trademarks, designs, technical knowhow, non compete fees and other intangible assets are stated at cost of acquisition based on their agreements and are available to the Company in perpetuity. The depreciable amount of intangible assets is arrived at, based on the managements best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Company.
- 13** Alkaloida Chemical Company Zrt. (formerly known as "Alkaloida Chemical Company Exclusive Group Ltd") (Alkaloida), subsidiary of the company has made a strategic investment in Taro Pharmaceutical Industries Limited (Taro) a pharmaceutical company based in Israel and holds 36.4% in the capital of Taro. However, as Alkaloida does not have any 'Significant Influence' since its acquisition in Taro, as is required under AS 23- "Accounting for Investments in Associates in Consolidated Financial Statements", the said investment in Taro is not considered as an investment in as "Associate Entity". Accordingly, the investment in Taro is accounted in accordance with Accounting Standard 13- "Accounting for Investments". On May 28, 2008 Alkaloida received a notice from Taro regarding purported termination of the merger agreement between Taro and Aditya Acquisition Company Ltd, an Israeli incorporated subsidiary of Alkaloida.
- On the same date, Taro and some of its directors had filed for a declaratory judgment in an Israeli court seeking Alkaloida/Sun Pharma to conduct a special tender offer which has been rejected by the Tel-Aviv District Court. The plaintiffs have appealed this decision in the Supreme Court of Israel which has temporarily prohibited closing of the Tender offer until it issues a decision on the appeal. Alkaloida does not foresee any adverse impact on its investment.
- 14** (a) The company has obtained certain premises for its business operations (including furniture and fittings, therein as applicable) under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 5 years under leave and licences, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms.
- (b) Lease receipts/payments are recognised in the Profit and Loss Account under "Rent" in Schedule 14, Schedule 19 and Schedule 20.

Schedules Forming Part of Financial Statements

For the year ended 31st March, 2010 (Consolidated)

(c) Operating lease

Company as lessee

The future minimum lease payments under non-cancellable operating lease

- not later than one year Rs. 98.3 Million (Previous year Rs.95.2 Million)
- later than one year and not later than five years Rs.365.1 Million (Previous year Rs.383.4 Million)
- later than five years Rs.115.7 Million (Previous year Rs.177.5 Million)

Company as lessor

The future minimum lease payments under non-cancellable operating lease

- not later than one year Rs.17.0 Million (Previous year Rs.16.5 Million)
- later than one year and not later than five years Rs.Nil (Previous year Rs.Nil)
- later than five years Rs Nil (Previous year Rs.Nil)

(d) Finance lease

Company as lessee

The future minimum lease payments under non-cancellable Finance lease

- not later than one year Rs.6.1 Million (Previous year Rs.8.9 Million)
- later than one year and not later than five years Rs.4.9 Million (Previous year Rs.21.6 Million)
- later than five years Rs.Nil (Previous year Rs.Nil)

15 The following are the outstanding Forward Exchange Contracts entered by the Company as on 31st March, 2010

Currency	Buy / Sell	Cross Currency	As at 31st March, 2010 (Amount in Million)	As at 31st March, 2009 (Amount in Million)
US Dollar	Buy	BRL	—	\$ 20.0
US Dollar	Sell	RUPEES	\$ 175.0	\$ 105.0

16 As per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29, as notified by Companies (Accounting Standards) Rules, 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

17 Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the group financial statements.

18 Previous year's figures are restated / regrouped / rearranged wherever necessary in order to confirm to current year's groupings and classifications.

Annexure 'A' to Notes to Financial Statements (Consolidated)

ACCOUNTING STANDARD (AS-18) "RELATED PARTY DISCLOSURE"

Names of related parties and description of relationship		
1. Key Management Personnel	Mr Dilip S Shanghvi Mr Sudhir V Valia Mr Sailesh T. Desai	
2. Relatives of Key Management Personnel	Mrs Vibha Shanghvi Mrs Kumud Shanghvi Mrs Meera Desai Mr Alok Shanghvi Ms Khyati Valia	Wife of Chairman and Managing Director Mother of Chairman and Managing Director Wife of Wholetime Director Son of Chairman and Managing Director Daughter of Wholetime Director
3. Enterprise under significant Influence of Key Management Personnel or their relatives	Sun Petrochemical Pvt. Ltd. Sun Speciality Chemicals Pvt Ltd (Upto 31st March, 2009) Navjivan Rasayan (Gujarat) Pvt. Ltd. Sun Pharma Advanced Research Company Ltd. Shantilal Shanghvi Foundation Aditya Thermal Energy Pvt. Ltd. Alfa Infraprop Pvt. Ltd. Sugandh Management Consultancy	

Particulars	Rs in Million							
	Key Management Personnel		Relatives of Key Management Personnel		Enterprise under significant Influence of Key Management Personnel or their relatives		Total	
	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009	31/03/2010	31/03/2009
Purchases of goods / DEPB	—	—	—	—	1.1	4.5	1.1	4.5
Sun Petrochemical Pvt. Ltd.	—	—	—	—	1.1	4.5	1.1	4.5
Sale of goods / DEPB	—	—	—	—	17.8	11.6	17.8	11.6
Sun Petrochemical Pvt. Ltd.	—	—	—	—	4.2	0.3	4.2	0.3
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	13.6	11.3	13.6	11.3
Sale of Fixed Asset	—	—	—	—	19.1	—	19.1	—
Sun Petrochemical Pvt Ltd.	—	—	—	—	19.1	—	19.1	—
Receiving of Service	—	—	—	—	12.4	13.1	12.4	13.1
Services	—	—	—	—	12.4	13.1	12.4	13.1
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	1.1	2.6	1.1	2.6
Reimbursement of Expenses	—	—	—	—	1.1	2.6	1.1	2.6
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	1.1	2.6	1.1	2.6
Rendering of Service	—	—	—	—	3.8	5.5	3.8	5.5
Services	—	—	—	—	3.8	5.5	3.8	5.5
Sun Petrochemical Pvt. Ltd.	—	—	—	—	25.9	26.1	25.9	26.1
Reimbursement of Expenses	—	—	—	—	25.9	26.1	25.9	26.1
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	413.9	58.5	413.9	58.5
Loans Given	—	—	—	—	413.9	58.5	413.9	58.5
Sugandh Management Consultancy	—	—	—	—	413.9	58.5	413.9	58.5
Loans Received back / Share Application	—	—	—	—	113.9	253.2	113.9	253.2
Money Refund	—	—	—	—	—	10.0	—	10.0
Shantilal Shanghvi Foundation	—	—	—	—	113.9	243.2	113.9	243.2
Sugandh Management Consultancy	—	—	—	—	—	—	—	—
Corporate Guarantee Given / (Released) on behalf	—	—	—	—	(125.0)	—	(125.0)	—
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	(125.0)	—	(125.0)	—
Rent Income	—	—	—	—	0.7	0.1	0.7	0.1
Navjivan Rasayan (Gujarat) Pvt. Ltd.	—	—	—	—	0.1	0.1	0.1	0.1
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	0.6	—	0.6	—
Director's Remuneration	35.8	31.1	—	—	—	—	35.8	31.1
Apprenticeship Stipend / Remuneration	—	—	0.8	0.3	—	—	0.8	0.3
Outstanding Corporate Guarantee to Bank	—	—	—	—	—	125.0	—	125.0
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	—	125.0	—	125.0
Outstanding Receivables / Payables (Net) as on 31/03/2010	—	—	—	—	48.4	104.4	48.4	104.4
Sun Pharma Advanced Research Company Ltd.	—	—	—	—	47.1	26.7	47.1	26.7
Shantilal Shanghvi Foundation	—	—	—	—	—	48.1	—	48.1
Sugandh Management Consultancy	—	—	—	—	—	28.2	—	28.2
Others	—	—	—	—	1.3	1.4	1.3	1.4