KPMG Auditores, S.L.
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Auditors' Report on the Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the sole shareholder of
Laboratorios Ranbaxy, S.L. (Sociedad Unipersonal

1.We have audited the annual accounts of Laboratorios Ranbaxy, S.L.("the Company"), which comprise the balance sheet at 31 December 2013, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes. The Directors are responsible for the preparation of these annual accounts in accordance with the financial reporting framework applicable to the entity, specified in note 2 to the accompanying annual accounts and, in particular, with the accounting principles and criteria set forth therein. Our responsibility is to express an opinion on these annual accounts taken as a whole, based on our audit. Except for the matters describe in paragraphs 2 and 3, we conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain, which requires examining, on a test basis, evidence supporting the amounts and disclosures in the annual accounts and evaluating whether their overall presentation, the accounting principles and criteria used and the accounting estimates made comply with the applicable financial reporting framework.

2.The Company has recognised goodwill with a carrying amount of Euros 3,838,674 under intangible assets in the balance sheet at 31 December 2012. This goodwill arose on the merger by absorption in 2007 described in note 1 to the accompanying annual accounts, which has been fully impaired in 2013. As the Company did not provide us with financial budgets or projections that would have enabled us to evaluate the recoverability of this goodwill at the end of the prior year, causing our auditors' report on the accounts for the year ended 31 December 2012 to be qualified in this respect, we are unable to conclude as to the reasonableness of the impairment recognised in the income statement for 2013, which could have been necessary to recognise in prior years.

3.As specified in note 13 to the accompanying annual accounts, current provisions at 31December 2013 include Euros 366,930 corresponding to a provision for returns calculated based on the application of generic percentages to sales for the year then ended. In this respect, due to the change in the business model in 2013 described in note 2 to the annual accounts, the Company does not have sufficient historical information to enable us to conclude as to the reasonableness of the key assumptions used to calculate this provision.

4.The accompanying annual accounts do not include details of interests held by the directors and their related parties in companies with identical, similar or complementary statutory activities to that of the Company and positions held, as well as any duties and activities performed in such companies, in accordance with prevailing legislation. The notes to the annual accounts also fail to disclose all the information required by prevailing legislation regarding late payments to suppliers. Our audit opinion on the annual accounts for the year ended 31 December 2012 was also qualified in this respect.

5.In our opinion, except for the effects of any such adjustments as might have been considered necessary had there not been the scope limitations described in paragraphs 2 and 3 above, and except for the effects of the matter derived from the omission of information indicated in the preceding paragraph, the accompanying annual accounts for 2013 present fairly, in all material respects , the equity and financial position of Laboratorios Ranbaxy, S.L. at 31Dcember 2013, its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework and, in particular, with the accounting principles and criteria set forth therein.

6.The accompanying directors' report for 2013 contains such explanations as the Directors consider relevant to the situation of Laboratorios Ranbaxy, S.L., its business performance and other matters, and is not an integral part of the annual accounts. We have verified that the accounting information contained therein is consistent with that disclosed in the annual accounts for 2013. Our work as auditors is limited to the verification of the directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of the Company.

KPMG Auditores, S.L.

(Signed on the original in Spanish)
Luis Isidro Vidal Puig
29 May 2014

Directors' report of LABORATORIOS RANBAXY, S.L. (Sole Proprietorship) for the financial year ending on 31 December 2013

I. Evolution of the Company's business and situation

The pharmaceutical sector in Spain has evolved in accordance with the country's economic situation in 2013. The different measures established by the Government at the end of 2012 to contain health expenditure such as increasing co-payment, the promotion of e-prescriptions or the price-fixing system have led to market growth that is well below what was forecasted before the start of the year.

This has affected the entire value chain of the sector, causing our clients, both wholesalers and pharmacies and other marketing laboratories to experience a reduction in their sales expectations with the ensuing adjustment in their purchase orders and stocking levels to much lower levels compared to previous years

Our company is no exception to this market dynamic and its expectations of growth have been considerably frustrated. For this reason, with a view to returning to a profitable situation and adapting to market trends, it decided to change its business model and focus on sales through third parties, while ruling out direct promotional activity in the pharmacy channel.

As a consequence of this, the Company was obliged to record certain adjustments in its annual accounts for 2013. This consists for the most part of the complete amortisation of the goodwill it had following the purchase of MUNDOGEN, adjusting the intangible asset value and stock corresponding to products which will no longer be sold and reorganising the personnel structure required by that model (which has led to an excess personnel cost arising from payment of compensation).

These adjustments have had a negative effect on the yearly profits, giving to extremely significant losses and a negative treasury stock at the close of the year.

As measures for restoring the Company's asset situation and with a view to guaranteeing the continuity of the Company, once these annual accounts have been approved the company capital will be decreased, using the participative loan available until now to offset losses and make a new contribution in the form of a new participative loan by the Sole Partner.

II. Subsequent events

There were no significant events following the close of the financial year.

III. R&D

There was no activity of great relevance in this field.

IV. Acquisition of treasury stock

The Company does not hold treasury stock.

Directors' report of LABORATORIOS RANBAXY, S.L. (Sole Proprietorship) for the financial year ending on 31 December 2013

V. Corporate forecast

As far as future prospects are concerned, accumulated experience along with the dedication and professionalism of our personnel and collaborators mean we can rely on the Company being able to respond efficiently and successfully resolve the challenges that will inevitably arise in the future.

VI. Financial derivative instruments

The Company has not contracted any financial derivatives instruments during the year.

Barcelona, 31 March 2014

Vickraman Sattanthan

Pedro Luis Sala Lanz

Rajiv Gulati

Neeraj Sharma

LABORATORIOS RANBAXY, S.L. (Single Member Company)
BALANCE SHEET AT 31 DECEMBER 2013 (stated in Euros)

ASSETS	Note	2013	2012
NON-CURRENT ASSETS		99,386	4,399,623
Intangible fixed assets	5	9,558	4,306,857
Development		-	-
Concessions		-	-
Patents, licenses, trade marks and similar		-	304,158
Goodwill		-	3,838,674
Computer software		9,558	7,107
Other intangible fixed assets		-	156,921
Tangible fixed assets	6	77,939	80,877
Land and buildings		-	-
Plant, machinery and others		77,939	80,877
Assets in course and advance payments		-	-
Investments in property and real estate		-	-
Land		-	-
Buildings		-	-
Long-term investments in group and associated entities		-	-
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
Long-term investments	8	11,889	11,889
Equity based instruments		-	-
Loans to the third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets	8	11,889	11,889
Deferred tax assets		-	-
CURRENT ASSETS		3,519,662	5,978,973
NON-CURRENT ASSETS FOR SALE		-	-
Stocks	10	418,776	1,668,719
Goods for resale		418,776	1,668,719
Raw materials and consumables		-	-
Work in progress and partially finished goods		-	-
Finished goods		-	-
By-products, waste and materials recovered		-	-
Payments on account		-	-
Accounts receivable - commercial and other	8	2,124,182	2,329,686
Accounts receivable for sales and services		1,748,558	2,017,852
Trade debtors - group and associated entities		66,094	36,289
Sundry debtors		-	95,258
Employees		-	-
Current tax assets		-	-
Tax, Social Security and Government entities		309,530	180,287
Short-term investments in group an associated entities		-	-
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
Short-term financial investments		2,274	2,274
Equity instruments		-	-
Loans to third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		2,274	2,274
Short-term accruals and prepayments		13,603	14,062
Cash and equivalent liquid assets		960,827	1,964,232
Cash resources		960,827	1,964,232
Other equivalent liquid assets		-	-
TOTAL ASSETS		3,619,048	10,378,596

NET EQUITY AND LIABILITIES	Note	2013	2012
NET EQUITY		(3,138,105)	4,627,922
Shareholders' funds	11	(3,138,105)	4,627,922
Capital		5,000,000	5,000,000
Authorised share capital		5,000,000	5,000,000
(Share capital not issued and not called up)		-	-
Share issue premium		-	-
Reserves		9,439	9,439
Legal and statutory		944	944
Other reserves		8,495	8,495
Own shares, treasury stock and similar		-	-
Prior year results		(3,381,517)	(4,020,908)
Remainder		-	-
(Retained losses from prior years)		(3,381,517)	(4,020,908)
Other contributions from shareholders		3,000,000	3,000,000
Result for the year		(7,766,027)	639,391
(Dividend paid on account)		-	-
Other share based instruments		-	-
Valuation adjustments		-	-
Financial assets for sale		-	-
Hedging operations		-	-
Others		-	-
Subsidies, grants and donations		-	-
NON-CURRENT LIABILITIES	13	-	-
Long-term provisions		-	-
Long-term commitments with employees		-	-
Environmental liabilities		-	-
Restructuring provisions		-	-
Other provisions		-	-
Long-term borrowings		-	-
Debentures and other negotiable instruments		-	-
Borrowings from financial institutions		-	-
Finance lease borrowings		-	-
Derivatives		-	-
Other financial liabilities		-	-
Long-term debts with group and associated entities		-	-
Deferred tax liabilities		-	-
Long-term accruals		-	-
CURRENT LIABILITIES		6,757,153	5,750,674
Liabilities linked to non-current assets held for sale		-	-
Short-term provisions		636,723	308,587
Short-term borrowings		-	-
Debentures and other negotiable instruments		-	-
Borrowings from financial institutions		-	-
Finance lease borrowings		-	-
Derivatives		-	-
Other financial liabilities		-	-
Short-term debts with group and associated entities	13	2,898,316	2,823,720
Loans due to group and associated entities		2,898,316	2,823,720
Accounts payable - commercial and other	13	3,229,567	2,618,367
Suppliers		406,244	574,946
Trade creditors, group and associated entities		1,772,679	1,178,793
Sundry creditors		488,233	345,089
Employees (payroll creditor)		309,214	218,444
Current tax liabilities		-	-
Tax, Social Security and Government entities	14	253,197	301,095
Advances received from customers		-	-
Short-term accruals		-	-
TOTAL NET EQUITY AND LIABILITIES		3,619,048	10,378,596

Notes 1 to 18 to the annual accounts form an integral part of the balance sheet at 31 December, 2013

LABORATORIOS RANBAXY, S.L. (Single Member Company)
BALANCE SHEET AT 31 DECEMBER 2013 (stated in INR)

ASSETS	Note	2013	2012
NON-CURRENT ASSETS		**8,422,542**	**318,813,261**
Intangible fixed assets	**5**	**810,000**	**312,091,087**
Development		-	-
Concessions		-	-
Patents, licenses, trade marks and similar		-	22,040,435
Goodwill		-	278,164,783
Computer software		810,000	515,000
Other intangible fixed assets		-	11,371,087
Tangible fixed assets	**6**	**6,605,000**	**5,860,652**
Land and buildings		-	-
Plant, machinery and others		6,605,000	5,860,652
Assets in course and advance payments		-	-
Investments in property and real estate		**-**	**-**
Land		-	-
Buildings		-	-
Long-term investments in group and associated entities		**-**	**-**
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
Long-term investments	**8**	**1,007,542**	**861,522**
Equity based instruments		-	-
Loans to the third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets	**8**	1,007,542	861,522
Deferred tax assets		**-**	**-**
CURRENT ASSETS		**298,276,441**	**433,258,913**
NON-CURRENT ASSETS FOR SALE		**-**	**-**
Stocks	**10**	**35,489,492**	**120,921,667**
Goods for resale		35,489,492	120,921,667
Raw materials and consumables		-	-
Work in progress and partially finished goods		-	-
Finished goods		-	-
By-products, waste and materials recovered		-	-
Payments on account		-	-
Accounts receivable - commercial and other	**8**	**180,015,424**	**168,817,826**
Accounts receivable for sales and services		148,182,881	146,221,159
Trade debtors - group and associated entities		5,601,186	2,629,638
Sundry debtors		-	6,902,754
Employees		-	-
Current tax assets		-	-
Tax, Social Security and Government entities		26,231,356	13,064,275
Short-term investments in group an associated entities		**-**	**-**
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
Short-term financial investments		**192,712**	**164,783**
Equity instruments		-	-
Loans to third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		192,712	**164,783**
Short-term accruals and prepayments		**1,152,797**	**1,018,986**
Cash and equivalent liquid assets		**81,426,017**	**142,335,652**
Cash resources		81,426,017	142,335,652
Other equivalent liquid assets		-	-
TOTAL ASSETS		**306,698,983**	**752,072,174**

NET EQUITY AND LIABILITIES	Note	2013	2012
NET EQUITY		**(265,941,102)**	**335,356,667**
Shareholders' funds	**11**	**(265,941,102)**	**335,356,667**
Capital		**423,728,814**	**362,318,841**
Authorised share capital		423,728,814	362,318,841
(Share capital not issued and not called up)		-	-
Share issue premium		**-**	**-**
Reserves		**799,915**	**683,986**
Legal and statutory		80,000	68,406
Other reserves		719,915	615,580
Own shares, treasury stock and similar		**-**	**-**
Prior year results		**(286,569,237)**	**(291,370,145)**
Remainder		-	-
(Retained losses from prior years)		(286,569,237)	(291,370,145)
Other contributions from shareholders		**254,237,288**	**217,391,304**
Result for the year		**(658,137,881)**	**46,332,681**
(Dividend paid on account)		**-**	**-**
Other share based instruments		**-**	**-**
Valuation adjustments		**-**	**-**
Financial assets for sale		-	-
Hedging operations		-	-
Others		-	-
Subsidies, grants and donations		**-**	**-**
		-	-
NON-CURRENT LIABILITIES	**13**	**-**	**-**
Long-term provisions		**-**	**-**
Long-term commitments with employees		**-**	**-**
Environmental liabilities		**-**	**-**
Restructuring provisions		**-**	**-**
Other provisions		**-**	**-**
Long-term borrowings		**-**	**-**
Debentures and other negotiable instruments		**-**	**-**
Borrowings from financial institutions		**-**	**-**
Finance lease borrowings		**-**	**-**
Derivatives		**-**	**-**
Other financial liabilities		**-**	**-**
Long-term debts with group and associated entities		**-**	**-**
Deferred tax liabilities		**-**	**-**
Long-term accruals		**-**	**-**
		-	-
CURRENT LIABILITIES		**572,640,085**	**416,715,507**
Liabilities linked to non-current assets held for sale		**-**	**-**
Short-term provisions		**53,959,576**	**22,361,377**
Short-term borrowings		**-**	**-**
Debentures and other negotiable instruments		**-**	**-**
Borrowings from financial institutions		**-**	**-**
Finance lease borrowings		**-**	**-**
Derivatives		**-**	**-**
Other financial liabilities		**-**	**-**
Short-term debts with group and associated entities	**13**	**245,620,000**	**204,617,391**
Loans due to group and associated entities		245,620,000	204,617,391
Accounts payable - commercial and other	**13**	**273,692,119**	**189,736,739**
Suppliers		34,427,458	41,662,754
Trade creditors, group and associated entities		150,227,034	85,419,783
Sundry creditors		41,375,678	25,006,449
Employees (payroll creditor)		26,204,576	15,829,275
Current tax liabilities		-	-
Tax, Social Security and Government entities	**14**	21,457,373	21,818,478
Advances received from customers		**-**	**-**
Short-term accruals		**-**	**-**
TOTAL NET EQUITY AND LIABILITIES		**306,698,983**	**752,072,174**

Notes 1 to 18 to the annual accounts form an integral part of the balance sheet at 31 December, 2013

LABORATORIOS RANBAXY, S.L. (Single Member Company)
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER, 2013
(stated in euros)

	Note	2,013	2,012
Continuing Operations:			
Net turnover	15	**5,884,875**	**11,990,160**
Sales		5,823,440	11,820,160
Services Rendered		61,435	170,000
Variation in stocks of finished goods and work-in-progress		-	-
Own work capitalised		-	-
Supplies	15	**(3,981,634)**	**(7,674,789)**
Consumption of goods for resale		(2,953,929)	(7,384,858)
Consumption of raw materials and other consumables		-	-
Subcontracting and similar		-	-
Impairment of raw materials, goods for resale and supplies	10	(1,027,705)	(289,931)
Other operating income		-	-
Ancillary income and other income from normal operations		-	-
Operating subsidies transferred to income		-	-
Employee costs		**(1,376,898)**	**(1,169,190)**
Salaries, wages and similar		(763,734)	(960,701)
Allowances		(363,108)	-
Social Security and similar costs	15	(250,056)	(208,489)
Provisions		-	-
Other operating costs		**(3,656,717)**	**(2,178,721)**
External services		(2,804,196)	(2,211,570)
Taxes		(250,920)	(4,719)
Losses, impairment and movement on provisions for commercial operations	8	(601,601)	37,568
Other normal operating costs		-	-
Depreciation of fixed assets	5--6	**(168,436)**	**(92,354)**
Transfer of grants for non-financial assets and others		-	-
Excess provisions		-	-
Impairment and results on sale of fixed assets		**(4,400,534)**	-
Impairment and losses		(4,400,534)	-
Results on sale and others		-	-
OPERATING RESULT		**(7,699,344)**	**875,106**
Financial income		**11,949**	**3,560**
From holidngs in equity based instruments		-	-
In group and associated entities		-	-
In third parties		-	-
From tradable investments and other financial instruments		**11,949**	**3,560**
Group and associated entities		-	-
Third parties		-	-
Financial costs		-	-
Borrowings from group and associated entities		-	-
Borrowings from third parties		-	-
Recalculation of provisions		-	-
Variation in fair value of financial instruments		**(74,464)**	**(233,241)**
Investment portfolio and others	17	(74,464)	(233,241)
Transfer to results for the year concerning financial assets held for sale		-	-
Differences on Exchange	9	**(4,168)**	**(6,034)**
Impairment and results on sale of financial assets		-	-
Impairment and losses		-	-
Results on sale and others		-	-
FINANCIAL RESULT		**(66,683)**	**(235,715)**
RESULT BEFORE TAX		**(7,766,027)**	**639,391**
Corporation tax		-	-
RESULT FOR THE YEAR		**(7,766,027)**	**639,391**

Notes 1 to 18 form an integral part of the 2013 profit and loss account

LABORATORIOS RANBAXY, S.L. (Single Member Company)
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER, 2013
(stated in INR)

	Note	2,013	2,012
Continuing Operations:			
Net turnover	15	**456,191,860**	**821,243,836**
Sales		451,429,457	809,600,000
Services Rendered		4,762,403	11,643,836
Variation in stocks of finished goods and work-in-progress		-	-
Own work capitalised		-	-
Supplies	15	**(308,653,798)**	**(525,670,479)**
Consumption of goods for resale		(228,986,744)	(505,812,192)
Consumption of raw materials and other consumables		-	-
Subcontracting and similar		-	-
Impairment of raw materials, goods for resale and supplies	10	(79,667,054)	(19,858,288)
Other operating income		-	-
Ancillary income and other income from normal operations		-	-
Operating subsidies transferred to income		-	-
Employee costs		**(106,736,279)**	**(80,081,507)**
Salaries, wages and similar		(59,204,186)	(65,801,438)
Allowances		(28,147,907)	-
Social Security and similar costs	15	(19,384,186)	(14,280,068)
Provisions		-	-
Other operating costs		**(283,466,434)**	**(149,227,466)**
External services		(217,379,535)	(151,477,397)
Taxes		(19,451,163)	(323,219)
Losses, impairment and movement on provisions for commercial operations	8	(46,635,736)	2,573,151
Other normal operating costs		-	-
Depreciation of fixed assets	5--6	**(13,057,054)**	**(6,325,616)**
Transfer of grants for non-financial assets and others		-	-
Excess provisions		-	-
Impairment and results on sale of fixed assets		**(341,126,667)**	-
Impairment and losses		(341,126,667)	-
Results on sale and others		-	-
OPERATING RESULT		**(596,848,372)**	**59,938,767**
Financial income		**926,279**	**243,836**
From holidngs in equity based instruments		-	-
In group and associated entities		-	-
In third parties		-	-
From tradable investments and other financial instruments		926,279	243,836
Group and associated entities		-	-
Third parties		-	-
Financial costs		-	-
Borrowings from group and associated entities		-	-
Borrowings from third parties		-	-
Recalculation of provisions		-	-
Variation in fair value of financial instruments		**(5,772,403)**	**(15,975,411)**
Investment portfolio and others	17	(5,772,403)	(15,975,411)
Transfer to results for the year concerning financial assets held for sale		-	-
Differences on Exchange	9	**(323,101)**	**(413,288)**
Impairment and results on sale of financial assets		-	-
Impairment and losses		-	-
Results on sale and others		-	-
FINANCIAL RESULT		**(5,169,225)**	**(16,144,863)**
RESULT BEFORE TAX		**(602,017,597)**	**43,793,904**
Corporation tax		-	-
RESULT FOR THE YEAR		**(602,017,597)**	**43,793,904**

Notes 1 to 18 form an integral part of the 2013 profit and loss account

LABORATORIOS RANBAXY, S.L.

STATEMENT OF CHANGES IN THE NET EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2013

(stated in euros)

A) STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER, 2013

	2013	2012
Profit and loss account - result	**(7,766,027)**	**639,391**
Total income and expenses recognised directly in equity	**-**	**-**
Total transfers to the profit and loss account	**-**	**-**
TOTAL RECOGNISED INCOME AND EXPENSES	**(7,766,027)**	**639,391**

B) STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2013

	Authorised capital	Reserves	Prior year results	Result for the year	TOTAL
CLOSING BALANCE 2012	**5,000,000**	**9,439**	**(1,020,908)**	**639,391**	**4,627,922**
Adjusted Opening Balance 2013	**5,000,000**	**9,439**	**(1,020,908)**	**639,391**	**4,627,922**
Total recognised income and expenses	-	-	-	(7,766,027)	(7,766,027)
Share capital increases	-	-	-	-	-
Distribution of the result	-	-	639,391	(639,391)	-
CLOSING BALANCE 2013	**5,000,000**	**9,439**	**(381,517)**	**(7,766,027)**	**(3,138,105)**

Notes 1 to 18 to the annual accounts form an integral part of the statement of changes in net equity for the year ended 31 December, 2013

LABORATORIOS RANBAXY, S.L.

STATEMENT OF CHANGES IN THE NET EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2013

(stated in INR)

A) STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER, 2013

	2013	2012
Profit and loss account - result	**(658,137,881)**	**46,332,681**
Total income and expenses recognised directly in equity	**-**	**-**
Total transfers to the profit and loss account	**-**	**-**
TOTAL RECOGNISED INCOME AND EXPENSES	**(658,137,881)**	**46,332,681**

B) STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2013

	Authorised capital	Reserves	Prior year results	Result for the year	TOTAL
CLOSING BALANCE 2012	**423,728,814**	**799,915**	**(86,517,627)**	**54,185,678**	**392,196,780**
Adjusted Opening Balance 2013	**423,728,814**	**799,915**	**(86,517,627)**	**54,185,678**	**392,196,780**
Total recognised income and expenses	**-**	**-**	**-**	**(658,137,881)**	**(658,137,881)**
Share capital increases	**-**	**-**	**-**	**-**	**-**
Distribution of the result	**-**	**-**	**54,185,678**	**(54,185,678)**	**-**
CLOSING BALANCE 2013	**423,728,814**	**799,915**	**(32,331,949)**	**(658,137,881)**	**(265,941,102)**

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Notes 1 to 18 to the annual accounts form an integral part of the statement of changes in net equity for the year ended 31 December, 2013

LABORATORIOS RANBAXY, S.L.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2013
(stated in euros)

	Note	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		**(562,422)**	**(616,616)**
Result for the year before tax		**(7,766,027)**	**639,391**
Adjustments to the result:		**6,136,372**	**580,432**
Depreciation of fixed assets (+)		168,436	92,354
Valuation correction for impairment (+/-)		5,573,117	305,284
Movement on provisions (+/-)		328,136	(52,921)
Transfer of subsidies (-)		-	-
Results on sale and withdrawal of fixed assets (+/-)		-	-
Results on sale and withdrawal financial instruments (+/-)		-	-
Financial income (-)		(11,949)	(3,560)
Financial expense (+)		74,464	233,241
Differences on exchange (+/-)		4,168	6,034
Change in fair value of financial instruments (+/-)		-	-
Other income and expenses (-/+)		-	-
Changes in working capital:		**1,055,284**	**(1,836,439)**
Stock (+/-)		222,239	(440,618)
Debtors and other accounts receivable (+/-)		237,391	(981,710)
Other current assets (+/-)		459	(4,646)
Creditors and other accounts payable (+/-)		595,195	(246,120)
Other current liabilities (+/-)		-	(163,069)
Other non-current assets and liabilities (+/-)		-	(276)
Other cash flows from operating activities:		**11,949**	**-**
Interest paid (-)		-	-
Dividends received (+)		-	-
Interest received (+)		11,949	-
Receipts (payments) for corporation tax (+/-)		-	-
Other payments (receipts)		-	-
CASH FLOWS FROM INVESTMENT ACTIVITIES		**(264,517)**	**(308,702)**
Payments for investments (-):		**(264,517)**	**(308,702)**
Group and associated companies (-)		-	-
Intangible fixed assets (-)		(227,788)	(256,356)
Tangible fixed assets (-)		(36,729)	(52,346)
Investments in property (-)		-	-
Other financial assets (-)		-	-
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
Collections on disposal of investments (+):		**-**	**-**
Group and associated companies (-)		-	-
Intangible fixed assets (-)		-	-
Tangible fixed assets (-)		-	-
Investments in property (-)		-	-
Other financial assets (-)		-	-
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
CASH FLOWS FROM FINANCING ACTIVITIES		**-**	**-**
Collections and payments from equity based instruments		**-**	**-**
Issues of equity based instruments (+)		-	-
Cancellation of equity based instruments (-)		-	-
Purchase of own equity based instruments (-)		-	-
Transfer of equity based instruments (+)		-	-
Subsidies, donations and similar (-)		-	-
Collections and payments for financial liability instruments:		**-**	**-**
Issue:			
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Repayment and cancellation of:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Payments of dividends and remuneration of other equity based instruments		**-**	**-**
Dividends (-)			
Remuneration of other equity based instruments (-)		- €	- €
		- €	**- €**
Exchange rates impact		**- €**	**- €**
NET INCREASE/REDUCTION IN CASH AND EQUIVALENTS		**(826,939)**	**(925,318)**
Opening cash and equivalent resources		1,964,232	2,889,550
Closing cash and equivalent resources		1,137,293	1,964,232

Notes 1 to 18 to the annual accounts form an integral part of the cash flow statement for the year ended 31 December, 2013

LABORATORIOS RANBAXY, S.L.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER, 2013
(stated in INR)

	Note	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		**(43,598,605)**	**(42,233,973)**
Result for the year before tax		**(602,017,597)**	**43,793,904**
Adjustments to the result:		**475,687,752**	**39,755,616**
Depreciation of fixed assets (+)		13,057,054	6,325,616
Valuation correction for impairment (+/-)		432,024,574	20,909,863
Movement on provisions (+/-)		25,436,899	(3,624,726)
Transfer of subsidies (-)		-	-
Results on sale and withdrawal of fixed assets (+/-)		-	-
Results on sale and withdrawal financial instruments (+/-)		-	-
Financial income (-)		(926,279)	(243,836)
Financial expense (+)		5,772,403	15,975,411
Differences on exchange (+/-)		323,101	413,288
Change in fair value of financial instruments (+/-)		-	-
Other income and expenses (-/+)		-	-
Changes in working capital:		**81,804,961**	**(125,783,493)**
Stock (+/-)		17,227,829	(30,179,315)
Debtors and other accounts receivable (+/-)		18,402,403	(67,240,411)
Other current assets (+/-)		35,581	(318,219)
Creditors and other accounts payable (+/-)		46,139,147	(16,857,534)
Other current liabilities (+/-)		-	(11,169,110)
Other non-current assets and liabilities (+/-)		-	(18,904)
Other cash flows from operating activities:		**926,279**	**-**
Interest paid (-)		-	-
Dividends received (+)		-	-
Interest received (+)		926,279	-
Receipts (payments) for corporation tax (+/-)		-	-
Other payments (receipts)		-	-
CASH FLOWS FROM INVESTMENT ACTIVITIES		**(20,505,194)**	**(21,143,973)**
Payments for investments (-):		**(20,505,194)**	**(21,143,973)**
Group and associated companies (-)		-	-
Intangible fixed assets (-)		(17,657,984)	(17,558,630)
Tangible fixed assets (-)		(2,847,209)	(3,585,342)
Investments in property (-)		-	-
Other financial assets (-)		-	-
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
Collections on disposal of investments (+):		**-**	**-**
Group and associated companies (-)		-	-
Intangible fixed assets (-)		-	-
Tangible fixed assets (-)		-	-
Investments in property (-)		-	-
Other financial assets (-)		-	-
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
CASH FLOWS FROM FINANCING ACTIVITIES		**-**	**-**
Collections and payments from equity based instruments		**-**	**-**
Issues of equity based instruments (+)		-	-
Cancellation of equity based instruments (-)		-	-
Purchase of own equity based instruments (-)		-	-
Transfer of equity based instruments (+)		-	-
Subsidies, donations and similar (-)		-	-
Collections and payments for financial liability instruments:		**-**	**-**
Issue:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Repayment and cancellation of:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Payments of dividends and remuneration of other equity based instruments		**-**	**-**
Dividends (-)		-	-
Remuneration of other equity based instruments (-)		-	-
		-	-
Exchange rates impact		**18,148,909**	**6,556,805**
NET INCREASE/REDUCTION IN CASH AND EQUIVALENTS		**(45,954,889)**	**(56,821,140)**
Opening cash and equivalent resources		142,335,652	199,156,792
Closing cash and equivalent resources		96,380,763	142,335,652

Notes 1 to 18 to the annual accounts form an integral part of the cash flow statement for the year ended 31 December, 2013

Laboratorios Ranbaxy, S.L. (Sole Proprietorship)
Annual report for the financial ending on
31 December 2013

I. Business activity

LABORATORIOS RANBAXY, S. L. U. (hereinafter the Company) was incorporated on 5 February 2004. The company's corporate address is at Paseo de Gracia 9, 7ª planta, Barcelona. Pursuant to article 13.1 of the Reworded Text of the Capital Enterprises Act (LSE), the Company is entered in the Business Register as a sole proprietorship.

In accordance with the company's articles of association, the corporate purpose is the production, preparation, marketing, export and import, and representation of chemical products, antibiotics, medical preparations or substances, pharmaceutical specialities, generic pharmaceutical specialities, registry formulas, officinal formulas or preparations and prefabricated medications, intermediary products, health devices, as well as baby food and special food for disabled persons, chemical, medicinal pharmaceutical products, and household goods, along with any kind of activity directly or indirectly associated to or ancillary to the foregoing, and whereby the marketing of the aforementioned products represents the company's main activity.

On 1 August 2007, the merger through takeover of Mundogen Farma, S.A. (absorbed company) by LABORATORIOS RANBAXY, S.L. (absorbing company) was approved, with the closure through dissolution without receivership of the absorbed company and the universal mass transfer to the absorbing company, as universal successor, of all of the goods, rights and obligations that make up the assets, from 1 October 2007 (the date of formalisation of the merger in a public deed). The merger was carried out under the special system of mergers laid down in articles 83 to 96 of Royal Legislative Decree 4/2004, of 5 March, which approves the reworded text of the Corporate Tax Act.

The Company and its Sole shareholder, Ranbaxy Netherlands B.V., form part of the Ranbaxy Group, whose last controlling company is Ranbaxy Laboratories Limited. The registered address of Ranbaxy Netherlands B.V. and of Ranbaxy Laboratories Limited are in Prins Berrnhardplein 200, 1097 JB Amsterdam and 12th floor, Devika Towers, 6 Nehru Place, New Delhi, respectively, and it is the latter company that compiles the consolidated financial statements. The Company has participative loans extended by its Sole shareholder (see note 13).

2. Bases for presentation of the financial statements

a) True and fair view

The financial statements, comprising the balance sheet, the profit and loss statement, the statement of changes in equity, the cash flow statement and the notes to the financial statements have been compiled from the Company's accounting entries and are presented in accordance with current commercial legislation and with the rules set forth in the Spanish General Chart of Accounts approved through Royal Decree 1514/2007 and subsequent amendments, for the purpose of disclosing a true and fair view of the equity, financial situation, profits and losses, changes in equity and cash flows during the financial year ending on 31 December 2013.

Unless specified otherwise, all of the figures in the notes to the financial statements are presented in Euros, which is the functional and presentation currency of the Company.

b) Critical aspects in evaluating and estimating uncertainty

Estimates by the Company Directors have been used to quantify a number of assets, liabilities, items of income and expense and commitments reported in the attached financial statements. These estimates basically make reference to:

- The useful life of the tangible and intangible assets (see notes 4a and 4b).
- Estimated impairment of goodwill (Note 4c).
- Calculation of impairment of inventories and accounts receivable (Notes 8 and 10)

c) Ongoing concern basis

In previous years, the Company incurred losses which impaired its financial situation. In order to change this trend, the Management set up a range of measures, including the reduction of the Company's costs. In addition the Group provided the Company with financial support through the extension of several participative loans over time.

On 7 October 2011, the Sole shareholder Ranbaxy Netherlands, BV agreed to allocate €3,350,000 of the participative loan extended on 14 July 2006 to offset losses from prior years. On 31 December 2012, the Sole shareholder Ranbaxy Netherlands, BV agreed to allocate €3,000,000 of the participative loan extended on 9 October 2009 as a contribution from shareholders.

During the last quarter of 2013, the Company considered it necessary to implement a change in its business model, due to the market trends. That decision led to the elimination of its business of direct sales to pharmacies through the internal sales network. As a consequence of that decision, the Company was obliged to record certain adjustments in order to reflect the value of its assets. These adjustments consisted of completely amortising the goodwill obtained from the sale of MUNDOGEN, writing off intangible assets corresponding to purchases of licences from third parties, gathering the corresponding stock for products that were no longer sold and reorganising the personnel structure necessary for that model (which has led to excess personnel costs due to payment of compensation).

These adjustments have had a negative effect on the yearly profits, giving to extremely significant losses and a negative treasury stock at the close of the year.

As measures for restoring the company's asset situation and with a view to guaranteeing the continuity of the company, once these annual accounts have been approved the company capital will be decreased, using the participative loan available until now to offset losses and make a new contribution in the form of a new participative loan by the Sole Partner.

The Directors believe that the implementation of these measures will enable the short-term standardisation of the financial situation, and the financial statements have been presented based on the principle of an ongoing concern, which presupposes the realisation of assets and settlement of liabilities during the normal course of operations. The Company also has the financial support of the Business Group to which it belongs, which has confirmed that it will not claim repayment of the debts with Group companies until the Company's financial situation makes this possible and that it will provide the necessary financial support to guarantee the continuity of the Company's activities.

d) Grouping of headings

In order to foster understanding of the balance sheet and profit and loss statement, the statement of changes in equity and the cash flow statement, the statements are pooled together, duly presenting the breakdown required in the corresponding notes to the financial statements where this is significant.

e) Classification of current and non-current entries

A maximum period of one year from the date of the financial statements has been used for classification of current entries.

f) Comparison of information

For comparison purposes, in addition to the 2013 figures, each entry on the balance sheet, the profit and loss statement, the changes in equity, the statement of cash flows and the notes to the financial statements includes figures for the previous year, which formed part of the financial statements for 2012 and which were approved by the Sole Shareholder.

3. Distribution of profits (losses)

The losses incurred during financial year 2013 will be accumulated directly as losses for previous years.

On 15 May 2013 the Sole shareholder agreed to allocate the profits from 2012 (€639,391) (INR 43,793,904) to offsetting losses from prior years.

4. Registration and measurement principles

The main registration and measurement principles used by the Company in preparing these financial statements are as follow:

a) Intangible assets

In general, intangible fixed assets are registered providing they comply with the criterion of being able to be identified and are initially measured at their purchase price, subsequently reduced by the corresponding cumulative depreciation and, where appropriate, by any impairment losses. In particular, the following criteria apply:

a.1) Industrial property

This is initially valued at its acquisition cost, including registration and formalisation costs. It is depreciated using the straight-line method over 5 years.

a.2) Goodwill

Goodwill is only registered when its value is declared by virtue of an onerous acquisition, in the context of a business combination.

Goodwill is allocated to each of the cash generating units expected to produce profits from the combination of businesses, and is not depreciated. The cash generating units expected to produce profits from the combination of businesses, and among those that have been allocated their value, will be tested for impairment at least once a year and, where appropriate, be subject to registration of the corresponding measurement correction (see note 4c).

Impairment corrections recognised in goodwill are not subject to reversion in subsequent years.

a.3) Computer applications

This item includes the amounts paid for access to ownership or for the right to use computer programs.

Computer programs complying with the recognition criteria are activated at their acquisition cost. The Company uses the straight-line method to depreciate them over a term of 5 years from the date on which each application is put into operation.

The maintenance costs of computer programs are taken to profits (losses) in the year in which they occur.

b) Tangible fixed assets

Tangible fixed assets are measured at purchase price, increased, where appropriate, through the updates pursuant to the different legal provisions and reduced by the corresponding cumulative depreciation and impairment losses.

Indirect taxes that encumber tangible fixed assets are only included in the purchase price or production cost when these are not directly recoverable from the Tax Authorities.

The costs of enlargement, modernisation and improvements that represent an increase in productivity, capacity, efficiency or an extension of the useful life of the assets, are capitalised as a greater cost of the corresponding assets. Upkeep and maintenance expenses are charged to the profit and loss statement of the financial year in which they were incurred.

The Company depreciates its tangible fixed assets using the straight-line method, distributing the cost of the assets over the estimated service life, as follows:

	Useful lifel
Technical facilities and machinery	18 years
Other facilities, tools and fixtures	8 years
Other fixed assets	8 years

In addition the following specific principles are applied:

b.1) Goods associated to operating leases and other similar operations

Investments made that cannot be separated from those elements used through operating leases are entered into the accounts as tangible fixed assets when they comply with the definition of assets.

The depreciation of these investments is made in accordance with their useful life which is the duration of the lease or transfer agreement, including the renovation period if there is evidence that this will occur, if this is less than the economic life of the asset.

c) Impairment of intangible and tangible fixed assets

At the close of each financial year, or whenever there are signs of a loss in value, the Company tests for impairment to see if there is any possible loss of value that reduces the recoverable value of these assets to an amount that is below their book value.

The recoverable amount is the higher amount between the fair value less the cost of sales and the value in use.

The following procedure is used by the Company Management to perform that test:

> The recoverable values are calculated for each cash generating unit, although in the case of tangible fixed assets the calculation of impairment is carried out element by element, if this is possible.
>
> Should it prove necessary to recognise an impairment loss of a cash generating unit which had been allocated all or part of goodwill, the carrying value of the goodwill corresponding to this unit is first of all reduced. If the impairment exceeds this amount, the remaining assets of the cash generating unit are then reduced in proportion to its carrying value, up to the limit of the higher of the following values: its fair value less costs of sale, value in use and zero. Impairment must be charged to profits (losses) for the year.
>
> When a loss for impairment subsequently reverts (a circumstance that is not permitted in the specific case of goodwill), the book value of the asset or the cash generating unit increases by the revised estimate of its recoverable amount, but in such a way that the book value increase does not exceed the book value that would have been determined had there not been a loss through impairment in previous years. That reversion of a loss due to impairment in value is recognised as income in the profit and loss statement.

d) Leases and other similar operations

As leases, the Company registers those operations through which the lessor substantially transfers to the lessee the risks and benefits inherent to ownership of the asset that is the object of the contract, while the remainder are registered as operating leases.

d.1) Operative lease

The costs stemming from operating lease agreements are charged to the profit and loss statement in the year in which they accrue.

Any payment received or made on contracting an operating lease will be processed as an advance payment made or received that can be taken to profits (losses) throughout the lease period, as the profits of the leased asset are assigned or received.

e) Financial instruments

e.1) Financial assets

For measurement purposes, financial assets held by the Company are classified into the following categories:

e.1.1) Loans and receivables

These correspond to credits, through trade or non-trade operations, through the sale of goods, surrender of cash or provision of services, the payments of which are for a specific amount or which can be determined, and which are not traded on an active market.

These are initially booked at fair value of the consideration received plus transaction costs that can be directly attributable. They are subsequently measured at depreciated cost, and the interest accrued registered in the statement of income based on the effective interest rate.

Notwithstanding the foregoing, loans with maturity of less than one year initially measured at nominal value continue to be measured for this amount, unless impairment has taken place.

Measurement corrections through impairment are booked in accordance with the difference between the asset's book amount and the present value of estimated future cash flows, discounted at the effective interest rate calculated at the time of initial recognition. These corrections are recognised in the profit and loss statement.

e.1.2) Investments held to maturity

This category includes debt representative securities, with a fixed maturity date and receivables of a specified amount, which are negotiated on an active market and over which the Company declares its intention and capacity to keep until the date of their maturity.

These are initially booked at fair value of the consideration received plus transaction costs that can be directly attributable. These investments are subsequently measured at depreciated cost and the interest accrued during the period is calculated using the effective interest rate method.

Measurement corrections through impairment are booked in the profit and loss statement, calculated in accordance with the difference between their book amount and the present value of estimated future cash flows at the close of the financial year, discounted at the effective interest rate at the time of initial recognition.

e.2) Financial liabilities

Financial liabilities are all those debits and payables the Company has and which originated through the purchase of goods and services through corporate trade operations, and also those which, without having a commercial source, cannot be considered as financial derivative instruments.

These are initially booked at fair value of the consideration received plus transaction costs that can be directly attributable. Subsequently, these liabilities are measured in accordance with their amortised cost, using the effective interest rate to this end.

e.3) Deposits surrendered

The difference between the fair value of deposits surrendered and received and the amount paid or received is considered an advance payment or collection through the operating lease or provision of the service, which is allocated to the profit and loss statement during the lease period or during the period in which the service is provided.

When these are short-term deposits, there is no discounting of cash flows given that the effect is negligible.

f) Inventories

Inventories are measured at the lesser of the purchase cost or net realisable value. The FIFO pricing method is used for measurement. Trade discounts, discounts obtained, other similar entries and interest included in the nominal debits are deducted in determining the acquisition price.

The net realisable value represents the estimate of the sales price less all costs that will be incurred in marketing, sales and distribution.

When the net realisable value of inventories is lower than acquisition cost, the opportune measurement corrections are made, recognising them as a cost on the profit and loss statement.

If the circumstances that caused the value corrections cease to exist, the amount of the correction is reversed and booked as earnings in the profit and loss statement.

The valuation of obsolete, defective or slow-moving products has been reduced to their possible realization value, and the correction registered in the profit and loss statement for the year.

g) Transactions in foreign currencies

The conversion of clients and suppliers expressed in foreign currency into Euros is carried out by applying the exchange rate in force at the time of carrying out the corresponding transaction, valued at the close of the financial year in accordance with the exchange rate in force at that time.

The exchange differences that occur as a consequence of the valuation at the year-end with regard to the debits and credits in foreign currency are booked directly to the profit and loss statement.

h) Corporate income tax

Income or expenditure through income-tax is calculated using the sum of the current tax income or expenditure and the part that corresponds to the deferred tax expenditure or income.

Current tax is the amount the results from applying the tax rate to the taxable base for the year and having applied tax allowances.

The expenditure or income through deferred tax corresponds to the recognition and cancellation of assets and liabilities through deferred tax. These include the temporary differences that are identified as those amounts expected to be payable or recoverable as a result of the differences between the book values of assets and liabilities and their tax value, as well as negative taxable bases pending offsetting and credits through tax allowances not fiscally applied. Said sums are entered by applying the tax rate to the temporary difference or credit at which it is expected they will be recovered or settled.

Liabilities for deferred taxes are recognised for all temporary tax differences, except those stemming from initial recognition of goodwill or from other assets and liabilities in an operation that does not affect either the tax result or the book result and which is not a business combination.

Elsewhere, assets through deferred taxes are only recognised insofar as it is probable that the Company will have future tax gains against which to attribute these.

Assets and liabilities through deferred taxes, as a result of operations with direct charges or payments in equity statements, are also entered into the accounts with a balancing entry in equity.

The deferred taxes registered are reviewed at the end of each accounting period, in order to check that they are current and carrying out the opportune corrections. By the same token, at each year-end the assets through deferred taxes that were not recorded on the balance sheet are measured and these are the object of recognition insofar as it becomes likely that they will be recovered with future tax benefits.

i) Related-party transactions

Operations between related parties, regardless of the degree of association, are booked in accordance with the general rules, at the initial time for their fair value. Should the agreed price of an operation differ from its fair value, the difference is recorded based on the economic reality of the operation.

j) Income from sales of goods and provision of services

Incomes from sales of goods or provision of services are recognised at the fair value of the consideration received or receivable for them. Discounts for prompt payment, volume or other types of discounts and interest incorporated into the principal of loans are recorded as a reduction thereof.

Nonetheless, the Company includes the interest incorporated into commercial loans with maturity not exceeding one year which have no contractual interest rate if the effect of not updating cash flows is insignificant.

Discounts granted to clients are recognised at the time when it is likely that the conditions determining their extension will be fulfilled such as a reduction in income from sales.

Recognition of income from sales takes place when all significant risks and benefits inherent to ownership of the asset sold have been transferred to the buyer and the Company does not maintain current management of that asset or retain effective control over it, the amount of the income and costs incurred or to be incurred can be reliably estimated and it is likely that the economic profits related to the sale will be received.

Income through the provision of services is recognised based on the degree to which the services have been provided on the balance sheet date, providing the result of the transaction can be reliably estimated.

5. Intangible fixed assets

The amounts and variations in the items that make up intangible fixed assets are the following:

	Euros				
	2013				
	Advances	Industrial Property	Goodwill	Computer Applications	Total
Cost as of 1 January 2013	156,921	1,585,302	3,838,674	16,138	5,597,035
Additions	-	227,788	-	4,216	232,004
Transfers	(156,921)	156,921			-
Cost as of 31 December 2013	-	1,970,011	3,838,674	20,354	5,829,039
Cumulative depreciation at 1 January 2013	-	(1,281,147)	-	(9,031)	(1,290,178)
Amortisations	-	(127,004)	-	(1,765)	(128,769)
Cumulative depreciation as of 31 December 2013	-	(1,408,151)	-	(10,796)	(1,418,947)
Impairment as of 1 January 2013	-	-	-	-	-
Provision	-	(561,860)	(3,838,674)	-	(4,400,534)
Impairment as of 31 December 2013	-	(561,860)	(3,838,674)	-	(4,400,534)
Net book value as of 31 December 2013	-	-	-	9,558	9,558

Rupees

	2013				
	Advances	Industrial Property	Goodwill	Computer Applications	Total
Cost as of 1 January 2013	13,298,390	134,347,627	325,311,356	1,367,627	474,325,000
Additions	-	19,304,068	-	357,288	19,661,356
Transfers	(13,298,390)	13,298,390	-	-	-
Cost as of 31 December 2013	-	166,950,085	325,311,356	1,724,915	493,986,356
Cumulative depreciation at 1 January 2013	-	(108,571,780)	-	(765,339)	(109,337,119)
Amortisations	-	(10,763,051)	-	(149,576)	(10,912,627)
Cumulative depreciation as of 31 December 2013	-	(119,334,831)	-	(914,915)	(120,249,746)
Impairment as of 1 January 2013	-	-	-	-	-
Provision	-	(47,615,254)	(325,311,356)	-	(372,926,610)
Impairment as of 31 December 2013	-	(47,615,254)	(325,311,356)	-	(372,926,610)
					-
Net book value as of 31 December 2013	-	-	-	810,000	810,000

Euros

	2012				
	Advances	Industrial Property	Goodwill	Computer Applications	Total
Cost as of 1 January 2012	-	1,493,019	3,838,674	8,986	5,340,679
Additions	156,921	92,283	-	7,152	256,356
Cost as of 31 December 2012	156,921	1,585,302	3,838,674	16,138	5,597,035
Cumulative depreciation as of 1 January 2012	-	(1,204,368)	-	(8,859)	(1,213,227)
Amortisations	-	(76,779)	-	(172)	(76,951)
Cumulative depreciation as of 31 December 2012	-	(1,281,147)	-	(9,031)	(1,290,178)
Net book value as of 31 December 2012	156,921	304,155	3,838,674	7,107	4,306,857

Rupees

	2012				
	Advances	Industrial Property	Goodwill	Computer Applications	Total
Cost as of 1 January 2012	-	108,189,783	278,164,783	651,159	387,005,725
Additions	11,371,086.96	6,687,174	-	518,261	18,576,522
Cost as of 31 December 2012	11,371,086.96	114,876,957	278,164,783	1,169,420	405,582,246

Cumulative depreciation as of 1 January 2012	-	-87,273,043	-	-641,957	-87,915,000
Amortisations	-	-5,563,696	-	-12,464	-5,576,159
Cumulative depreciation as of 31 December 2012	-	-92,836,739	-	-654,420	-93,491,159
Net book value as of 31 December 2012	11,371,086.96	22,040,217	278,164,783	515,000	312,091,087

The gross value of fully amortised or impaired elements is as follows:

Account	Balance as of 31.12.2013	Balance as of 31.12.2012
Industrial Property	1,947,973	1,172,173
Goodwill	3,838,674	0
Total	5,786,647	1,172,173

Rupees

Account	Balance as of 31.12.2013	Balance as of 31.12.2012
Industrial Property	165,082,458	84,940,072
Goodwill	325,311,356	0
Total	490,393,814	84,940,072

Due to the change in business model described in note 2), the Company has registered provisions for impairment of goodwill and other intangible assets, all of which are related to product no longer marketed as a consequence of the change in business model.

6. Property, plant and equipment

The balances and variations of each item of the balance sheet that makes up this heading are the following:

	Euros			
	2013			
	Technical facilities and machinery	Other facilities, tools and fixtures	Other fixed assets	Total
Cost as of 1 January 2013	12,196	92,263	17,707	122,166
Additions	5,611	26,495	4,623	36,729
Cost as of 31 December 2013	17,807	118,758	22,330	158,895
Cumulative depreciation as of 1 January 2013	(9,599)	(25,551)	(6,139)	(41,289)
Amortisations	(1,861)	(30,602)	(7,204)	(39,667)
Cumulative depreciation as of 31 December 2013	(11,460)	(56,153)	(13,343)	(80,956)
Net book value as of 31 December 2013	6,347	62,605	8,987	77,939

	Rupees			
	2013			
	Technical facilities and machinery	Other facilities, tools and fixtures	Other fixed assets	Total
Cost as of 1 January 2013	1,033,559	7,818,898	1,500,593	10,353,051
Additions	475,508	2,245,339	391,780	36,729
Cost as of 31 December 2013	1,509,068	10,064,237	1,892,373	158,895
Cumulative depreciation as of 1 January 2013	-813,475	-2,165,339	-520,254	158,895
Amortisations	-157,712	-2,593,390	-610,508	158,895
Cumulative depreciation as of 31 December 2013	-971,186	-4,758,729	-1,130,763	158,895
Net book value as of 31 December 2013	537,881	5,305,508	761,610	158,895

	Euros			
	2012			
	Technical facilities and machinery	Other facilities, tools and fixtures	Other fixed assets	Total
Cost as of 1 January 2012	12,196	52,061	47,610	111,867
Additions	-	42,062	10,284	52,346
Cancellations		(1,860)	(40,187)	(42,047)
Cost as of 31 December 2012	12,196	92,263	17,707	122,166
Cumulative depreciation as of 1 January 2012	(7,916)	(23,535)	(34,855)	(66,306)
Amortisations	(1,683)	(2,743)	(10,977)	(15,403)
Cancellations		727	39,693	40,420
Cumulative depreciation as of 31 December 2012	(9,599)	(25,551)	(6,139)	(41,289)
Net book value as of 31 December 2012	2,597	66,712	11,568	80,877

Fully amortised elements of fixed assets at 31 December 2013 amount to17,953 Euros (INR 1,521,441) (zero at 31 December 2012).

	Rupees			
	2012			
	Technical facilities and machinery	Other facilities, tools and fixtures	Other fixed assets	Total
Cost as of 1 January 2012	883,768	3,772,536	3,450,000	8,106,304
Additions	-	3,047,971	745,217	3,793,188
Cancellations		(134,783)	(2,912,101)	(3,046,884)
Cost as of 31 December 2012	883,768	6,685,725	1,283,116	8,852,609
Cumulative depreciation as of 1 January 2012	(573,623)	(1,705,435)	(2,525,725)	(4,804,783)
Amortisations	(121,957)	(198,768)	(795,435)	(1,116,159)

Cancellations		52,681	2,876,304	2,928,986
Cumulative depreciation as of 31 December 2012	(695,580)	(1,851,522)	(444,855)	(2,991,957)
Net book value as of 31 December 2012	188,188	4,834,203	838,261	5,860,652

7. Leases and other similar operations

When the Company is the lessee – Operating lease.

Total expenditure during 2013 amounted to 244,519 Euros (INR 18,954,961) (119,685 Euros in 2012) (INR 8,197,603).

The Company has contracted minimum operative lease instalments with the lessors, in accordance with the current contracts in force and which are as follows:

Minimum quotas	Nominal value as of 31.12.2013	Nominal value as of 31.12.12
Less than one year	58,908	119,685
Between one and five years	288,597	277,789
TOTAL	347,505	397,474

Rupees

Minimum quotas	Nominal value as of 31.12.2013	Nominal value as of 31.12.12
Less than one year	4,992,203	8,672,826
Between one and five years	24,457,373	20,129,638
TOTAL	29,449,576	28,802,464

The Company's most significant operating lease agreement at the end of the financial year 2013 is basically the rental of the office it occupies in Barcelona.
The other lease contracts correspond to the lease of vehicles.

8. Financial assets

The financial assets are classified as follows:

	EUROS			
	2013		2012	
	Non-current	Current	Non-current	Current
Deposits and bonds	11,889	-	11,889	-
Clients	-	1,572,092	-	2,017,852
Clients, group companies	-	66,094	-	36,289
Sundry debtors	-	-	-	95,258

	Rupees			
	2013		2012	
	Non-current	Current	Non-current	Current
Deposits and bonds	1007542	0	-861521.739	0
Clients	0	133,228,136	0	146221159
Clients, group companies	0	1	0	2629637.68
Sundry debtors	0	0	0	6902753.62

There are no significant differences between the book value and fair value of the financial assets.

The balances and movements of corrections through impairment caused through the credit risk were as follows:

2013

Opening balance	Additions	Closing balance
78,883	144,878	223,761

Rupees

Opening balance	Additions	Closing balance
6,685,000	12,277,797	18,962,797

2012

Opening balance	Additions	Closing balance
63,530	15,353	78,883

Rupees

Opening balance	Additions	Closing balance
4,603,623	1,112,536	5,716,159

9. Foreign currency

There are no assets in foreign currency. The breakdown of assets and liabilities denominated in foreign currency is as follows:

Liabilities

Accounts payable	Currency	Balance as of 31/12/13	
	20.6820 USD	16,58 Euros	1,405 INR

The amounts corresponding to sales and purchases, as well as services provided and received, denominated in foreign currency, are as follows:

	Sales	Purchases	Services received
2013	86,021	26,079	28,685
2012	0	0	223,435

Both purchases and services received in 2013 were denominated in US Dollars. Sales made in 2013 were also in US Dollars.

Services received in 2012 were denominated in Pounds Sterling (139,174 Euros)(INR 9,532,466) and in US Dollars (84,261 Euros) (INR 5,771,301).

The amount of exchange differences recognised in the profit and loss statement broken down by type of financial instrument, in Euros, is as follows:

2013

	Transactions settled in the year	For balances Pending maturity	Total
Financial liabilities	(4,168)	0	(4,168)
		Total	(4,168)

Rupees

	Transactions settled in the year	For balances Pending maturity	Total
Financial liabilities	(323,101)	0	(323,101)
		Total	(323,101)

2012

	Transactions settled in the year	For balances Pending maturity	Total
Financial liabilities	(6,034)	0	(6,034)
		Total	(6,034)

Rupees

	Transactions settled in the year	For balances Pending maturity	Total
Financial liabilities	(413,288)	0	(413,288)
		Total	(413,288)

10. Stocks

The breakdown for this item as of 31 December is as follows:

	Euros 2013	Euros 2012
Trade stocks	1,727,955	1,950,194
Corrections through impairment	(1,309,79)	(281,475)
	418,776	1,668,719

	Rupees 2013	Rupees 2012
Trade stocks	146,436,864	141,318,406
Corrections through impairment	11,099,915	20,396,739
	157,536,779	161,715,145

The balances and movements of corrections through impairment, in Euros, were as follows:

2013

Opening balance	Application	Provision	Closing balance
281,475	-	1,027,704	1,309,179

Rupees

Opening balance	Application	Provision	Closing balance
23,853,814	-	87,093,559	110,947,373

2012

Opening balance	Application	Provision	Closing balance
84,440	(92,896)	289,931	281,475

Rupees

Opening balance	Application	Provision	Closing balance
6,118,841	6,731,594	21,009,493	20,396,739

As a consequence of the change in business model (see note 2), a significant part of the products in stock will not be sold since the internal sales network no longer exists; this has led to the complete impairment of those products (these products must be sold by the sales network and therefore we estimate that it will not be possible to market them).

11. Equity and shareholders' equity

11.1 Shareholders' equity

a) Registered share capital

Following the share capital increase carried out on 31 December 2008, the registered share capital totals 5,000,000 Euros (INR 423,728,814), represented by 500,000 shares with an individual face value of 10 Euros, all of the same class, fully subscribed and paid up, and conferring the same rights to the holders.

At 31 December 2013 and 2012, all of the share capital belongs to Ranbaxy Netherlands, B.V.

For the purpose of what is set out in article 274 of the Capital Enterprises Act, the participative loans described in note 13 should be considered as well as the foreseen actions to correct the imbalance in assets described in note 2.

b) Legal Reserve

In accordance with the Reworded Text of the Capital Enterprises Act, a sum equal to 10% of the year's profits must be allocated to the legal reserve, until this sum reaches at least 20% of the share capital. The legal reserve may be used to increase capital where the balance exceeds 10% of the capital already increased. Except for the purpose mentioned previously, and whilst it does not exceed 20% of the share capital, this reserve will only be available to offset losses and only as long as there are no other available reserves sufficient for this purpose. The amount of the legal reserve at 31 December 2012 and 2013 totals 944 Euros (INR 80,000).

c) Shareholders' contributions

On 7 October 2011, the Sole shareholder Ranbaxy Netherlands, BV agreed to allocate €3,350,000 (INR 283,898,305)of the participative loan extended on 14 July 2006 to offset losses from prior years. On 31 December 2012, the Sole shareholder Ranbaxy Netherlands, BV agreed to allocate €3,000,000 (254,237,288) of the participative loan given on 9 October 2009 as a contribution from shareholders.

As measures for restoring the company's asset situation and with a view to guaranteeing the continuity of the company, once these annual accounts have been approved the company capital will be decreased, using the participative loan available until now to offset losses and make a new contribution in the form of a new participative loan by the Sole Partner.

12. Information on the nature and level of risk of financial instruments

The financial risk management is carried out by the Finance Department, which has the mechanisms required to control exposure to changes to interest rates and exchange rates, as well as credit and liquidity risks. The main financial risks that have an impact on the Company are shown below:

a) Credit risk:

In general, the Company keeps its cash and cash equivalents at banks with a high credit rating.

The Company has not taken out any insurance policies to cover the risk of bad debts. The Company's credit policy is based on the characteristics of each customer, and a range is therefore established for the purposes of setting the credit limit.

There is no significant concentration of the credit risk with third parties.

b) Liquidity risk

To guarantee liquidity and deal with its payment commitments as a result of its activity, the Company has the cash balance shown on the balance sheet, as well as funding received from its sole shareholder and which is detailed in Note 13. The Company has the financial support of the Group.

c) Interest rate risk:

The Company's financial debt is exposed to the interest rate risk (see note 13), which could have an adverse effect on the financial results and on cash flows. The Company has participative loans with its sole shareholder for an overall amount of 1,500,000 Euros (INR 127,118,644) with fixed interest rates plus a spread pegged to the Company's sales (see note 13).

d) Exchange rate risk

The company has not taken out any insurance cover for exchange rate fluctuation risks.

13. Financial liabilities and provisions

a) The financial liabilities are classified as follows:

	EUROS			
	2013		2012	
	Non-current	Current	Non-current	Current
Suppliers	-	406,244	-	574,946
Suppliers, group companies	-	1,772,679	-	1,178,793
Sundry payables	-	480,780	-	345,089
Personnel	-	309,214	-	218,444

Debts with group companies	-	2,898,316	-	2,823,720

	Rupees			
	2013		2012	
	Non-current	Current	Non-current	Current
Suppliers	-	34,427,458	-	41,662,754
Suppliers, group companies	-	150,227,034	-	85,419,783
Sundry payables	-	40,744,068	-	25,006,449
Personnel	-	26,204,576	-	15,829,275
Debts with group companies	-	245,620,000	-	204,617,391

There are no significant differences between the book value and the fair value of the financial liabilities.

b) Short-term provisions

The movement of this provision was as follows:

Item	Balance as of 01.01.13	Applications	Provisions	Balance as of 31.12.13
Provision for returns	308,587	(128,586)	307,930	487,931
Provision for onerous contracts	-	-	148,792	148,792
TOTAL	308,587	(128,586)	456,722	636,723

Item	Balance as of 01.01.13 (INR)	Applications (INR)	Provisions (INR)	Balance as of 31.12.13 (INR)
Provision for returns	26,151,441	-10,897,119	26,095,763	41,350,085
Provision for onerous contracts	-	-	12,609,492	12,609,492
TOTAL	26,151,441	-10,897,119	38,705,254	53,959,576

Of the total balance of the provision for returns, 366,930 Euros (INR 31,095,763) correspond to an estimate made by applying certain percentages to direct sales to pharmacies and sales through wholesalers. Those percentages correspond to an estimate made by the Company based on the expected value of returns as a result of the change in business model and the disappearance of the internal sales network (see note 2).

The provision for onerous contracts for 148,792 Euros (INR 12,609,492) corresponds to the amount due in the future for confirmed non-cancellable orders of products which, due to the change in business model (see note 2), will not be sold. Consequently it is estimated that their net realisable value will be zero.

c) Debts with group companies

On 28 December 2005, 14 July 2006 and 9 October 2009, Ranbaxy Netherlands, BV, the Company's sole shareholder, extended participative loans of 350,000 (INR 29,661,017), 5,500,000 (INR 426,356,589) and 3,000,000 (INR 254,237,288) Euros, with extended maturity until 31 December 2013, 15 July 2013 and 31 December 2013, respectively. The fixed remuneration is a fixed interest rate of 2.5% plus a percentage of 0.06% on sales made by the Company in relation to the loan of 350,000 Euros (INR29,661,017) , a fixed interest rate of 2.5% plus a percentage of 0.6% on sales made by the Company in relation to the loan of 5,500,000 (INR 426,356,589) Euros and a fixed interest rate of 2.5% plus a percentage of 0.33% on sales in relation to the loan of 3,000,000 Euros (INR 254,237,288).

On 16 October 2011 the Company made a partial repayment of 1,000,000 Euros (INR 72,463,768) in relation to the participative loan of 5,500,000 Euros (INR INR 426,356,589). Subsequently, on 28 October 2011 the agreement dated 7 October 2011 came into force, whereby Ranbaxy Netherlands, BV agreed to target 3,350,000 Euros (INR 283,898,305) corresponding to its loan of 14 July 2006 at offsetting losses from prior years.

Subsequently, on 31 December 2012 the agreement whereby Ranbaxy Netherlands, BV agreed to target the full amount of the 3,000,000 euro (INR 217,391,304) loan to making a shareholders' contribution (see note 11) came into force.

Consequently the participative loans included in the balance sheet as of 31 December 2012 and 2013 amount to 1,500,000 Euros (INR 127,118,644) (1,150,000 Euros correspond to the loan of 14 July 2006 and 350,000 Euros to the loan of 28 December 2005).

They are presented in the short term in accordance with the maturity established in the contract, although they will not be demanded from the Company if this poses financial problems to the same (see note 2).

As of 31 December 2013, the interest accrued pending payment to the group totals 1,398,316 Euros (INR 118,501,356) (1,323,720 Euros as of 31 December 2012) (INR 95,921,739) .

d) The remaining short-term financial liabilities basically correspond to balances of suppliers for purchases and services and other payables.

14. Tax situation

The breakdown of this heading, in Euros, is as follows:

	EUROS			
	2013		2012	
Statement	Payables balances Current	Payables balances Current	Payables balances Current	Payables balances Current
Value added tax	309,176	37,116	179,933	112,816
Personal income tax	-	3,782	-	5,383
Social Security bodies	-	46,127	-	31,600
Others	354		354	
National health fee	-	166,172	-	151,296
Total	309,530	253,197	180,287	301,095
	Payables	Payables	Payables	Payables

	Rupees	Rupees	Rupees	Rupees
Statement	Balances	balances	balances	balances
	Current	Current	Current	Current
Value added tax	26,201,356	3,145,424	13,038,623	8,175,072
Personal income tax	-	320,508	-	390,072
Social Security bodies	-	3,909,068	-	2,289,855
Others	30,000		25,652	
National health fee	-	14,082,373	-	10,963,478
Total	26,231,356	21,457,373	13,064,275	21,818,477

The reconciliation of accounting profit (loss) before tax with taxable income for Corporate Tax is as follows:

Profit (loss) for 2013			(7,766,027)
	Increases	Reductions	
Non-deductible depreciation (temporary difference)	50,531	-	50,531
Tax liability in 2013			(7,715,496)

			Rupees
Profit (loss) for 2013			(602,017,597)
	Increases	Reductions	
Non-deductible depreciation (temporary difference)	3,917,132	-	3,917,132
Tax liability in 2013			(598,100,465)

Profit (loss) for 2012			639,391
	Increases	Reductions	
Credits to offsets prior years	-	(639,391)	(639,391)
Tax liability in 2012			-

Rupees

Profit (loss) for 2012			43,793,904
	Increases	Reductions	
Credits to offsets prior years	-	(43,793,904)	(43,793,904)
Tax liability in 2012			-

Negative tax bases pending offsetting at 31 December and which the Company has not recognised as assets through deferred tax are:

At 31.12.13:

Year of origin	Euros	Final year	INR
2006	157,258	2024	13,326,949
2007	2,319,609	2025	196,577,034
2008	4,141,231	2026	350,951,780
2013 (estimated)	7,715,496	2031	653,855,593

At 31 December 2012:

Year of origin	Euros	Final year	INR
2006	796,649	2024	57,728,188
2007	2,319,609	2025	168,087,609
2008	4,141,231	2026	300,089,203

In accordance with the provisions laid down in article 9 of the Royal Decree-Law 9/2011, of 19 August, governing measures to improve the quality and cohesion of the National health system, of contribution to tax consolidation and of assessing the maximum amount of State guarantees for 2012, the application period of taxable bases pending offsetting as of 1 January 2013 was extended from 15 to 18 years.

Current tax legislation states that taxes may not be considered to be finally settled until the income tax returns have been inspected by the tax authorities or until they become statute barred after four years.

The Company Directors believe that the foregoing tax settlements have been carried out properly and therefore even in the case of any discrepancies in the regulatory interpretation of tax treatment applied to the operations, any possible liabilities would not seriously affect the attached financial statements.

15/ Income and expenses

a) Turnover

The distribution of turnover, broken down by class of activities, as well as by geographical markets, is as follows:

Activities	2013	2012
Generics	5,823,440	11,820,160
Service provision	61,435	170,000
Total	5 ,884,875	11,990,160

Rupees

Activities	2013	2012
Generics	451,429,457	809,600,000
Service provision	4,762,403	11,643,836
Total	456,191,860	821,243,836

Geographical markets	2013	2012
Spain	5,038,690	10,686,677
Remaining EU countries	697,823	1,106,861
Exports	148,362	196,622
Total	5,884,875	11,990,160

Rupees

Geographical markets	**2013**	**2012**
Spain	390,596,124	731,964,178
Remaining EU countries	54,094,806	75,812,397
Exports	11,500,930	13,467,260
Total	456,191,860	821,243,836

b) Supplies

The breakdown is as follows:

Item	2013	2012
Purchases	2,731,691	7,742,951
Change in stocks	222,239	(358,093)
Impairment	1,027,704	289,931
Total	3,981,634	7,674,789

Rupees

Item	2013	2012
Purchases	211,758,992	530,339,110
Change in stocks	17,227,829	24,526,918
Impairment	79,666,977	19,858,288
Total	308,653,798	525,670,479

The breakdown of purchases made by the Company, based on their source, is as follows:

2013	National	Intracommunity
Purchases	614,237	2,117,452

Rupees

2013	National	Intracommunity
Purchases	47,615,271	164,143,566

2012	National	Intracommunity
Purchases	938,410	6,804,541

Rupees

2012	National	Intracommunity
Purchases	64,274,658	466,064,452

e) Social welfare charges

The breakdown is as follows:

Item	2013	2012
Social Security payable by the Company	227,503	185,884
Other social liabilities	22,553	22,605
Total	250,056	208,489

Rupees

Item	2013	2012
Social Security payable by the Company	17,635,891	12,731,781
Other social liabilities	1,748,295	1,548,288
Total	19,384,186	14,280,068

f) Compensation

As a result of the change in business model described in note 2, in 2013 the Company incurred compensation expenses amounting to 363,108 Euros (INR 28,147,907) , of which 277,752 Euros (INR 21,531,163) are pending payment at the close of the year ending on 31 December 2013, under the heading “Personnel (remunerations pending payment)” on the liabilities side of the balance sheet.

16. Environmental information

Within its tangible fixed assets, the Company does not have any significant elements targeted at minimising the environmental impact or the protection and improvement of the environment.

The costs incurred in 2013 for the protection and improvement of the environment totalled 53,182 Euros (INR 4,122,636). Most of these costs involved controlled destruction of expired product. In 2012, this expenditure totalled 15,347 Euros (INR 1,051,164).

No environmental investments were made in 2013 and 2012.

17. Operations with group companies

The breakdown of operations with group companies during 2013 and 2012, in Euros, is shown below:

2013	Parent company	Other group companies
Sales	-	-
Purchases	(1,666,092)	(382,352)
Services received	-	(406,456)
Services provided	-	33,825
Paid interest	(74,464)	

Rupees

2013	Parent company	Other group companies
Sales	-	-
Purchases	(129,154,419)	(29,639,690)
Services received	-	(31,508,217)
Services provided	-	2,622,093
Paid interest	(5,772,403)	

2012	Parent company	Other group companies
Sales	-	-
Purchases	(6,583,811)	(199,133)
Services received	-	(346,672)
Services provided	-	20,827
Paid interest	(233,241)	

Rupees

2012	Parent company	Other group companies
Sales	-	-
Purchases	(450,945,959)	(13,639,247)
Services received	-	(23,744,658)
Services provided	-	1,426,507
Paid interest	(15,975,411)	

The breakdown of the balance sheet balances with group companies at the close of the year, in Euros, is as follows:

2013	Parent company	Other group companies
Customers	41,878	24,216
Short-term debts	(2,898,316)	-
Suppliers	(1,439,933)	(332,746)

Rupees

2013	Parent company	Other group companies
Customers	3,548,983	2,052,203
Short-term debts	(245,620,000)	-
Suppliers	(122,028,220)	(28,198,814)

2012	Parent company	Other group companies
Customers	31.644	4.645
Short-term debts	(2,823,720)	-
Suppliers	(1,116,697)	(62,096)

Rupees

2012	Parent company	Other group companies
Customers	2,293	337
Short-term debts	(204,617,391)	-
Suppliers	(80,920,072)	(4,499,710)

18. Other information

In accordance with Additional provision three of Law 15/2010, the Company has defined Senior management as all personnel with departmental responsibility at the Company (general management, financial management, commercial management, logistics management and records management). Remuneration accrued by members of Senior management of the Company, classified by items and expressed in Euros, was as follows (in Euros):

2013	Salaries	Remuneration in kind
Senior Management	406,300	2,402

Rupees

2013	Salaries	Remuneration in kind

Senior Management	31,496,124	186,202

2012	Salaries	Remuneration in kind
Senior Management	529,682	3,067

Rupees

2012	Salaries	Remuneration in kind
Senior Management	36,279,589	210,068

No advances or loans have been given to members of the Board of Directors or to Senior management of the company, and there are no undertakings for pensions or life assurance policies, and no members of the Board of Directors have accrued any remuneration whatsoever.

Average headcount for the year is as follows:

Professional category	2013	2012
Executives	5	6
Administrative staff	2	4
Sales agents	12	12
Section managers	-	-
Technical staff	1	1
	20	**23**

At year-end the distribution of Company personnel and the members of the board of directors by gender is as follows:

2013

Professional category	Men	Women	Total
Directors	4	-	4
Executives	2	2	4
Administrative staff	0	1	1
Sales agents	0	1	1
Technical staff	-	1	1
	6	**5**	**11**

2012

Professional category	Men	Women	Total
Directors	3	-	3
Executives	3	2	5
Administrative staff	1	3	4
Sales agents	10	2	12
Technical staff	-	1	1
	17	**8**	**25**

The fees accrued by the Company's auditors during 2013 for auditing the financial statements totalled 18,500 Euros (INR 1,434,109). In 2012, this expenditure totalled 18,000 Euros (INR 1,232,877).

COMPILATION OF THE FINANCIAL STATEMENTS BY THE MANAGEMENT BODY

In compliance with the provisions laid down in current legislation, the directors of LABORATORIOS RANBAXY, S.L. have compiled the financial statements (the balance sheet, the profit and loss statement, the statement of changes to equity, the statement of cash flows and the corresponding notes to the financial statements) of the Company for the financial year that ended on 31 December 2013.

By signing this folio attached to the aforementioned documents, the directors declare that all said documents have been signed by them.

Barcelona, 31 March 2014

Vickraman Sattanthan

Pedro Luis Sala Lanz

Rajiv Gulati

Neeraj Sharma

Note : Conversion rate used against Indian Rupees for the year 2013 and 2012 are:
i) Items relating to Profit and Loss account at Average rate: 1Euro = 0.0129 [2012: 1 Euro =0.0146]
ii) Items relating to Balance sheet at Closing rate: 1 Euro = 0.0118 [2012: 1 Euro= 0.0138]