

Ranbaxy (Netherlands) B.V.
Amsterdam

Annual Report
For the year
ended 31 March 2016

Entry number in the trade register of the Dutch Chamber of Commerce : 33254757

Ranbaxy (Netherlands) B.V.

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Ranbaxy (Netherlands) B.V.

Directors' Report

The company has made use of art 396.7 of the Netherlands Civil Code and does not present a director's report.

Ranbaxy (Netherlands) B.V.

Balance sheet as at 31 March 2016

(After appropriation of the results)

(Amounts in US Dollars)

	Notes	As at 31 March 2016	As at 31 March 2015
Fixed Assets			
Financial fixed assets			
Investments	1	583,596,793	579,469,963
Total fixed assets		583,596,793	579,469,963
Current assets (due within one year)			
Amount owed by group entities	2	2,698,863	129,369,534
Other receivables	3	357,858	90,065
Cash at banks	4	113,103,339	74,022,019
Total current assets		116,160,060	203,481,618
Non current assets			
Amount owed by group entities	2	99,734,557	19,550,600
Total non current assets		99,734,557	19,550,600
Current liabilities (due within one year)			
Accrued liabilities and other payables	5	152,295	226,396
Payables to group entities	6	-	6,031,687
Total current liabilities		152,295	6,258,083
Total assets less liabilities		799,339,115	796,244,098
Shareholder's Equity			
Share capital	7	621,829,210	588,548,327
Share premium reserve		155,000,000	155,000,000
Retained earnings		(55,663,860)	(58,758,877)
Translation reserve		78,173,765	111,454,648
Total shareholder's equity		799,339,115	796,244,098

The accompanying notes form an integral part of these financial statements.

Ranbaxy (Netherlands) B.V.

Profit and loss for the year ended 31 March 2016

(Amounts in US Dollars)

	Notes	As at 31 March 2016	As at 31 March 2015
Holding activities			
Dividend from investments	8	-	3,194,779
Profit on disposal of subsidiary		653,226	-
Excess provision w/back		3,840,360	-
Provision for diminution in value of investment	1	(3,840,360)	(29,208,551)
Result from holding activities		653,226	(26,013,772)
Financing activities			
Interest income on amount owed by group entities	9	3,985,266	3,347,163
Interest income from banks & others		632,499	75,351
Interest expenses	10	(3,689)	(2,931,414)
Impairment of receivable from group entities	2	(29,936)	(28,832,237)
Result from financing activities		4,584,139	(28,341,137)
Other financial income and expenses	11	(1,968,483)	(14,323,188)
Other expenses			
General and administration expenses	12	(173,865)	(225,991)
Total expenses		(173,865)	(225,991)
Result before taxation		3,095,017	(68,904,088)
Corporate income tax	13	-	(49,336)
Result after taxation		3,095,017	(68,953,424)

The accompanying notes form an integral part of these financial statements.

Ranbaxy (Netherlands) B.V.

Notes to the financial statements

General:

Ranbaxy (Netherlands) B.V. ("the Company") was incorporated as a limited liability company under the laws of the Netherlands on 14 December 1993 and has its statutory seat in Hoofddorp, the Registered Office address is Polarisavenue 87, 2132 JH Hoofddorp, The Netherlands. During the previous year, effective 24 March 2015, the previous holding company namely Ranbaxy Laboratories Limited has been merged with Sun Pharmaceutical Industries Limited ("SPIL") and the Company is now a wholly owned subsidiary of SPIL.

The functional and reporting currency of Ranbaxy (Netherlands) B.V. is US Dollar, mainly based on the nature of the Company and in accordance with the primary economic environment in which the company operates as a holding company within the Ranbaxy Group.

Financial reporting period

The current financial reporting period is for the 12 months ending 31 March 2016.

Basis of presentation:

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code.

Going concern

These financial statements have been prepared on the basis of the going concern assumption.

Accounting policies

a. General

The principles applied for the valuation of assets and liabilities and result determination are based on the historical cost convention.

Unless stated otherwise, assets and liabilities are shown at nominal value.

An asset is disclosed in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is recognized in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits and or when all risks relating to assets or liabilities to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet if economic benefits are not probable and/or cannot be measured with sufficient reliability.

Revenues and expenses are allocated to the period to which they relate. Revenues are recognized when the right to receive the revenues is established.

The financial statements are presented in U.S. Dollars, the company's functional currency. All financial information in U.S. Dollars has been rounded to the nearest Dollar.

b. Using estimates and judgements

The preparation of the financial statements requires that management make judgements and use estimates and assumptions that affect the application of the accounting principles and the reported value of the assets and liabilities and the income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are continually reviewed. Revised estimates are stated in the period in which the estimate is revised and in future periods for which the revision has consequences.

The accounting policies regarding fixed financial asset valuation and valuation of financial instruments are in the opinion of management the most critical for the purpose of presenting the financial position and require estimates and assumption.

c. Financial Fixed Assets

Financial fixed assets mainly consists of participations in group entities. For accounting policies relating to amounts held with group entities, refer to Financial Instruments policy. The participations are accounted for by the cost method and are stated at cost, less any provision for other than temporary decline in value.

Financial fixed assets are tested for impairment in the case of changes, or circumstances arising, that lead to an indication that the carrying amount of the asset will not be recovered. The recoverability of assets in use is determined by comparing the carrying amount of an asset with the estimated present value of the future net cash flows which the asset is expected to generate. If the carrying amount of an asset exceeds the estimated present value of the future cash flows, impairment is charged to statement of profit and loss account as the difference between the carrying amount and the recoverable amount.

d. Financial instruments

Financial instruments include amounts owed by group entities, other receivables, accrued liabilities and other payables, short term bank borrowings and amounts owed to group entities. Financial instruments are initially recognised at fair value. After initial recognition, financial instruments are valued at amortized cost on the basis of the effective interest method, less impairment losses.

e. Shareholders Equity

Financial instruments taking the legal form of shareholders' equity instruments are presented under shareholders' equity. Distributions to the holders of these instruments are deducted from shareholders' equity after deduction of any related benefit related to tax on profit.

Financial instruments taking the legal form of a financial obligation are presented under loan capital. Interest, dividends, income and expenses related to these financial instruments are taken to the profit and loss account.

f. Impairment of financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, indications that a debtor or issuer is approaching bankruptcy, or the disappearance of an active market for a security.

The entity considers evidence of impairment for financial assets measured at amortised cost (loan and receivables and financial assets that are held to maturity) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those individually significant assets found not to be specifically impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics.

An impairment loss in respect of a financial asset stated at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate for investments carried at cost the cash flows are discounted at the Investments weighted average cost of capital taking into account specific entity, industry and country risks.

Losses are recognised in the profit and loss account and reflected in an allowance account against loans and receivables or investment securities held to maturity. Interest on the impaired asset continues to be recognised by using the asset's original effective interest rate.

When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the decrease in impairment loss is reversed through profit or loss (up to the amount of the original cost).

g. Principles for the translation of foreign currency

Transactions in foreign currencies

Transactions denominated in foreign currency are translated into the relevant functional currency of the group companies at the exchange rate applying on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated at the balance sheet date into the functional currency at the exchange rate applying on that date. Translation gains and losses are taken to the profit and loss account as expenditure. Non-monetary assets and liabilities in foreign currency that are stated at historical cost are translated into U.S. Dollars at the applicable exchange rates applying on the transaction date. Non-monetary assets and liabilities in foreign currency that are stated at present value are translated into U.S. Dollars at the applicable exchange rates at the moment the present value is determined. Translation gains and losses are taken directly to equity as part of the revaluation reserve.

h. Consolidation

In accordance with article 408, Book 2 of the Dutch Civil Code, the Company is not required to prepare consolidated annual accounts in conformity with accounting principles generally accepted in the Netherlands. The annual accounts of the Company and its subsidiaries are included in the consolidated accounts of the holding company (Previously Ranbaxy Laboratories Limited, currently SPIL), which are available at the Company's registered office and will be filed at Dutch Chamber of Commerce.

i. Recognition of income

Dividend from investments are recorded as income (net of taxes) when the right to receive the income is established. Other income and expenses are recognised and reported on an accrual basis. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

j. Corporate Income tax

Provisions for taxation have been made in accordance with standard ruling practice for holding companies in The Netherlands. Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognised in the statement of profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity. Current tax comprises the expected tax payable of receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years. Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Ranbaxy (Netherlands) B.V.

Notes to the financial statements for the year ended 31 March 2016 (Continued)

			As at 31 March 2016	As at 31 March 2015
			USD	USD
Balance sheet				
1 Investments				
<i>Interests in group entities</i>				
<u>Name</u>	<u>Domicile</u>	<u>Effective shareholding (%)</u> <u>Current year (Prior period)</u>		
Ranbaxy Australia Pty. Ltd	Australia	100 (100)	7,594,317	7,594,317
Ranbaxy Belgium N.V. ²	Belgium	100 (100)	-	1,573,570
Ranbaxy Farmaceutica Ltda, Brazil	Brazil	100 (100)	12,491,730	12,491,730
Ranbaxy Pharmaceutical Canada Inc	Canada	100 (100)	1,855,487	1,855,487
Ranbaxy Egypt (L.L.C)	Egypt	100 (100)	1,019,255	1,019,255
Ranbaxy Pharmacia Generiques SAS	France	3.33 (3.33)	3,252,483	3,252,483
Basics GmbH	Germany	100 (100)	6,984,012	6,984,012
Ranbaxy Ireland Ltd	Ireland	100 (100)	13,429,581	13,429,581
Ranbaxy Italia S.p.A. ³	Italy	100 (100)	29,051,792	25,211,430
Ranbaxy Malaysia Sdn. Bhd.	Malaysia	31.35 (31.35)	1,015,454	1,015,454
Ranbaxy Pharmaceuticals Ukraine	Ukraine	99 (99)	4,950,000	4,950,000
Ranbaxy Nigeria Ltd	Nigeria	52.63 (52.63)	561,927	561,927
Ranbaxy PRP (Peru) S.A.C.	Peru	100 (100)	1,512,500	1,512,500
Ranbaxy (Poland) Sp. Zoo	Poland	100 (100)	1,324,634	1,324,634
Ranbaxy Portugal-Com E Desenvolv De Prod ¹ S.C. Terapia S.A.	Portugal	100 (100)	-	7,783,479
AO Ranbaxy (formerly known as ZAO Ranbaxy)	Romania	96.7 (96.7)	326,716,541	326,716,541
Ranbaxy (S.A) (Proprietary) Ltd	Russia	100 (100)	4,229,061	102,234
Ranbaxy Pharmaceuticals (Pty) Ltd. (formerly known as Be-Tabs Pharmaceuticals (Proprietary) Ltd)	South Africa	100 (100)	91,672,093	91,672,093
Laboratories Ranbaxy S.L.	Spain	100 (100)	10,889,738	10,889,738
Daiichi Sankyo (Thailand) Limited	Thailand	20.67 (20.67)	1,658,040	1,658,040
Ranbaxy Thailand Co. Limited	Thailand	100 (100)	532,240	532,240
Ranbaxy Holdings(UK) Ltd	United Kingdom	100 (100)	54,178,491	54,178,491
Ranbaxy (UK) Ltd	United Kingdom	100 (100)	39,475,267	39,475,267
Sun Pharmaceuticals Morocco LLC (formerly known as Ranbaxy Morocco LLC)	Morocco	100 (100)	1,496,923	1,496,923
			619,163,567	620,553,425
Less: Provision for diminution in value of investments				
Ranbaxy (UK) Ltd			1,750,000	1,750,000
Ranbaxy Portugal-Com E Desenvolv De Prod. ¹			-	7,783,479
Ranbaxy Belgium N.V. ²			-	1,573,570
Ranbaxy PRP (Peru) S.A.C.			1,512,500	1,512,500
Ranbaxy Pharmacia Generiques SAS			3,252,483	3,252,483
Ranbaxy Italia S.p.A. ³			29,051,792	25,211,430
			583,596,793	579,469,963

The Company has made use of article 408, Book 2 of the Dutch Civil Code, which enables departure from consolidation of subsidiaries.

Additional Notes:-

1. Entity has liquidated during the year 2015-16.
2. Entity is closed during the year 2015-16.
3. Entity is fully impaired due to assessment of the recoverable amount.

Ranbaxy (Netherlands) B.V.

Notes to the financial statements for the year ended 31 March 2016 (Continued)

	Interest Rate	As at		As at	
		31 March 2016		31 March 2015	
		USD		USD	
2 Amount owed by group entities		Current	Non-current	Current	Non-current
Ranbaxy Holdings (UK) Limited	*	17,000	75,000	75,000	-
Laboratories Ranbaxy S.L.	2.5%+0.25 on sale	93,502	2,272,211	6,913	2,150,600
Ranbaxy Australia Pty. Ltd	4%	-	17,537,068	17,677,291	-
Ranbaxy Pharmaceuticals (Pty) Ltd. (formerly known as Be-Tabs Pharmaceuticals (Proprietary) Ltd)	8.50%	919,945	12,661,946	15,367,919	-
AO Ranbaxy (formerly known as ZAO Ranbaxy)	6 M USD LIBOR + 250bp	155,835	6,873,173	11,059,869	-
Ranbaxy South Africa	8.50%	689,959	8,204,319	9,957,656	-
Ranbaxy UK Ltd	*	-	11,728,016	11,100,322	-
Ranbaxy Farmaceutics Ltda	6 M USD LIBOR + 250 bp	111,056	20,000,000	20,094,474	-
Ranbaxy Nigeria Limited	6 M USD LIBOR + 300bp	285,616	8,360,871	1,960,871	6,400,000
Sonke Pharmaceuticals	8.50%	57,497	803,399	975,093	-
Sun Pharmaceuticais Morocco LLC (formerly known as Ranbaxy Morocco LLC)	3 M USD LIBOR + 250bp	117,456	4,678,119	178,119	4,500,000
Ranbaxy Egypt	6 M USD LIBOR + 250bp	85,049	6,500,000	16,336	6,500,000
S.C. Terapia S.A.	0.50%	165,950	40,435	40,899,671	-
		2,698,863	99,734,557	129,369,534	19,550,600

* Interest free loans

Note :

A provision for doubtful debts 29,936 has been recognised at 31 March 2016 on the basis of recoverable assessment for loan to Ranbaxy Portugal-Com E Desenvolv De Prod.

Ranbaxy (Netherlands) B.V.

Notes to the financial statements for the year ended 31 March 2016 (Continued)

	As at 31 March 2016	As at 31 March 2015
	USD	USD
3 Other receivables		
Prepaid taxes	197,279	-
Other Assets	-	247
Bank interest receivable	58,268	9,818
Other loans	102,311	80,000
	<u>357,858</u>	<u>90,065</u>
4 Cash at Banks		
Current account with Canara Bank (USD)	172,031	74,526
Current account with Canara Bank (EUR)	97,968	2,486,039
Current account with First National Bank SA (ZAR)	-	1,749
Current account with ABN Amro Bank (EUR)	-	59,644
Current account with ABN Amro Bank (USD)	-	61
On deposit accounts (with original maturity of three or less than three months) :		
- Fixed deposit with Canara Bank (USD)	112,833,339	71,400,000
	<u>113,103,339</u>	<u>74,022,019</u>
Cash at banks & deposits is not restricted and is freely distributable.		
5 Accrued liabilities and other payables		
Accruals and creditors	82,418	61,852
Other liabilities	48,173	43,523
Provision for tax	21,704	121,021
	<u>152,295</u>	<u>226,396</u>
6 Payables to group entities		
Ranbaxy Belgium	-	645,939
Basics GmbH	-	5,385,748
	<u>-</u>	<u>6,031,687</u>

7 Shareholder's equity

The Authorized share capital of the Company amounts to EUR 1,750,000,000 divided into 17,500,000 shares of EUR 100 each. Issued and paid up shares are 5,473,341 (Previous year 5,473,341) shares of EUR 100 each.

	Share capital	Share Premium reserve	Retained Earnings	Translation reserve	In USD Total
Balance as on 01.04.14	752,474,890	155,000,000	10,194,547	(52,471,915)	865,197,522
Additions made during the period	-	-	-	-	-
Dividend paid during the period	-	-	-	-	-
Translation adjustment for the period	(163,926,563)	-	-	163,926,563	-
Result for the period	-	-	(68,953,424)	-	(68,953,424)
Balance as on 31.03.15	588,548,327	155,000,000	(58,758,877)	111,454,648	796,244,098
Balance as on 01.04.15	588,548,327	155,000,000	(58,758,877)	111,454,648	796,244,098
Additions made during the period	-	-	-	-	-
Dividend paid during the period	-	-	-	-	-
Translation adjustment for the period	33,280,883	-	-	(33,280,883)	-
Result for the period	-	-	3,095,017	-	3,095,017
Balance as on 31.03.2016	621,829,210	155,000,000	(55,663,860)	78,173,765	799,339,115

Note:

- 1 Translation reserve includes translation of share capital translated from EURO to USD at closing exchange rate. The EURO to USD exchange rate used as per 31 March 2016 is 1.1361 (31 March 2015: 1.0753)

Ranbaxy (Netherlands) B.V.

Notes to the financial statements for the year ended 31 March 2016 (Continued)

	As at 31 March 2016 USD	As at 31 March 2015 USD
8 Dividend from investments		
Ranbaxy Poland S.P. Zoo, Poland	-	1,057,779
Ranbaxy Ireland Limited, Ireland	-	2,137,000
	<u>-</u>	<u>3,194,779</u>
9 Interest income on amount owed by group entities		
Ranbaxy Nigeria Limited, Nigeria	285,616	270,382
S.C. Terapia S.A., Romania	162,913	38,471
Laboratorios Ranbaxy S.L., Spain	109,201	108,269
Ranbaxy Italia S.p.A., Italy	-	128,291
Ranbaxy South Africa Proprietary Limited, South Africa	729,968	132,704
Ranbaxy Farmaceutica Ltda., Brazil	610,336	224,560
Ranbaxy Pharmaceuticals (Pty) Ltd. (formerly known as Be-Tab Pharmaceuticals (Proprietary) Ltd)	973,301	1,196,075
AO Ranbaxy (formerly known as ZAO Ranbaxy)	209,650	272,078
Ranbaxy Pharmacie Generiques SAS, France	-	234,083
Sonke Pharmaceuticals (Proprietary) Ltd., South Africa	60,831	74,755
Sun Pharmaceuticals Morocco (formerly known as Ranbaxy Morocco LLC), Morocco)	130,507	102,335
Ranbaxy Egypt (L.L.C.), Egypt	197,447	140,272
Ranbaxy Australia Proprietary Ltd., Australia	515,497	424,888
	<u>3,985,266</u>	<u>3,347,163</u>
10 Interest expenses		
<u>Banks</u>		
Credit Agricole loan account	-	73,733
Credit Agricole bank (overdraft)	-	6,953
Bank Interest	294	-
<u>Group Entities</u>		
Ranbaxy Pharmaceuticals Inc.	-	299,895
Ranbaxy Basics	873	48,318
Ranbaxy Laboratories Limited	-	2,501,756
Ranbaxy Belgium	2,524	759
	<u>3,689</u>	<u>2,931,414</u>
11 Other financial income and expenses		
Currency exchange rate differences	(1,968,483)	(14,323,188)
Total other financial income and expenses	<u>(1,968,483)</u>	<u>(14,323,188)</u>

Ranbaxy (Netherlands) B.V.

Notes to the financial statements for the year ended 31 March 2016 (Continued)

	As at 31 March 2016 USD	As at 31 March 2015 USD
12 General and administrative expenses		
Administration & management fees	59,054	76,681
Audit fee	71,379	28,373
Legal fee	2,362	-
Tax fee	37,849	116,164
General expenses	122	-
Bank charges	3,099	4,773
	<u>173,865</u>	<u>225,991</u>
13 Corporate income tax		
Current tax	-	(49,336)
	<u>-</u>	<u>(49,336)</u>

On the basis of the (Loss)/Profit results before taxation of USD (3,095,017) (2014-15: USD 68,904,088), the effective corporate income tax rate would be 2% (2014-15: 2%).

The corporate income tax rates in 2015-16 and 2014-15 were 20% for profits up to and including EUR 200,000 and 25% for profits exceeding EUR 200,000.

	As at 31 March 2016	As at 31 March 2015
Results before taxation	3,095,017	(68,904,088)
Tax adjustments	(8,324,796)	28,859,302
Taxable profit	<u>(5,229,779)</u>	<u>(40,044,786)</u>
Taxation thereon, based on corporate income tax rates	<u>-</u>	<u>-</u>

Effective tax rate is lower than the prevailing tax rates in the Netherlands due to some of the income being non-taxable in nature e.g. dividend received, gain/loss on account of disposals of participations, unrealized gains/losses on foreign currency loans and advances to subsidiaries etc. Current year charge represent write off of withholding tax on these income deducted for which the Company is not able to get credit.

14 Staff member and employment cost

The Company has no employees and hence incurred no wages, salaries or related social security charges for the year ended 31 March 2016 (2014-15: Nil).

15 Directors

The Company has three managing directors. During the year, none of the directors has received any remuneration in their capacity as a director. (2014-15: Nil)

16 Contingent liabilities

Guarantees

The Company issued guaranties for securing working capital facilities and long term loans of subsidiaries in aggregate of USD 3,165,012 (Previous period: USD 7,255,362).

17 Related parties

Material transactions with related parties primarily involve investments (including related dividend income) and loans receivable (including related interest).Please refer to note 1,2,and 6 respectively.

Dated

Amsterdam

Board of Managing Directors

Hellen De Kloet

Prashant Lakhamshi Salva

Harin Parmanand Mehta

Ranbaxy (Netherlands) B.V.

Other Information

Appropriation of results

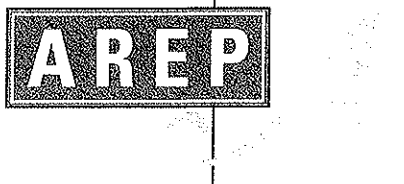
The management proposes to the shareholder to add the result for the year to the retained earnings.

Subsequent Events

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment of or disclosure in the annual accounts now presented.

Independent auditor's opinion

The independent auditor's opinion is set forth on the next page.



Accountants

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INDEPENDENT AUDITORS REPORT

Report on the financial statements

We were engaged to audit the accompanying financial statements for the year ended March 31st, 2016 of Ranbaxy (Netherlands) B.V., Amsterdam, which comprise the balance sheet as at March 31st, 2016, the profit and loss account for the year then ended and the notes, comprising a summary of the significant accounting policies and other explanatory information.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the financial statements

In our opinion, the financial statements give a true and fair view of the financial position of Ranbaxy (Netherlands) B.V. as at March 31st, 2016 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirements under Section 2:393 sub 5 at e of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the information as required under Section 2:392 sub 1 at b-h has been annexed.

Barendrecht, August 9th, 2016

AREP Rotterdam B.V

Drs. G Van de Werken RA

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