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www.zyduscadila.com
CIN:L24230GJ1995PLC025878

BSE Limited 1 st Floor, P.J. Towers Dalal Street <u>Mumbai – 400 001</u>	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) <u>Mumbai – 400 051</u>
Kind Attn.: Mr. Sanjay Golecha / Mr. Gopalkrishnan	Kind Attn.: Famroze Pochara Asst. Vice President
Code: 532321	Symbol: CADILAHC
Date: May 27, 2017	
Re.: Audited Financial Results [Standalone and Consolidated] for the quarter / year ended on March 31, 2017.	

Dear Sir / Madam,

The Board of Directors (the Board) at its meeting held today, approved the Audited Financial Results (Standalone and Consolidated) for the quarter / year ended on March 31, 2017.

The Board has not recommended final dividend on the equity shares and the interim dividend declared on March 7, 2017 is the final dividend on the equity shares of the Company for the financial Year ended on March 31, 2017.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the following:

- (i) Statements showing the Audited Financial Results [Standalone and Consolidated] for the quarter / year ended on March 31, 2017;
- (ii) Pursuant to the SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby give a declaration that the Statutory Auditors–M/s. Mukesh M. Shah & Co., [Firm Registration No. 106625W], Chartered Accountants have submitted their Audit Reports for the year ended on March 31, 2017 with an unmodified opinion;




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(iii) Auditor's Report on the Audited Financial Results – Standalone and Consolidated.

Kindly bring the above information to the notice of the members at large.

Thanking you,

Yours faithfully,
FOR CADILA HEALTHCARE LIMITED



UPEN H. SHAH
COMPANY SECRETARY



Encl.: as above

Notes :

- [1] The above results for the quarter/ year ended March 31, 2017 were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on May 27, 2017.
- [2] The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 [Ind AS] prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.
- [3] During the quarter, the Board of Directors have declared an interim dividend of Rs. 3.20/- (₹ 32.00%) per equity share on 1,023,742,600 equity shares of Rs. 1/-, each for the financial year ended on March 31, 2017.
- [4] The Scheme of Amalgamation between Zydus Healthcare Limited [ZHL] and Biochem Pharmaceuticals Limited [Biochem] ["Scheme-1"], 100% subsidiaries of the Company was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench [NCLT] and Biochem Pharmaceuticals Limited [Biochem] ["Scheme-1"], 100% subsidiaries of the Company was approved by the Hon'ble National Company Law Tribunal, Ahmedabad Bench [NCLT] vide its order dated March 15, 2017 and has been made effective from March 27, 2016. The Scheme-1 entails Amalgamation of ZHL with Biochem from appointed date of March 31, 2016. The Scheme-1 has been given effect to in the financial statements for the quarter ended March 31, 2017 and corresponding figures for the quarter ended December 31, 2016 and quarter and year ended March 31, 2016 have been restated to give the effect to the Scheme-1.
- [5] On December 5, 2016, the Company incorporated its wholly owned subsidiary, Zydus Holdings Inc. [ZHI] in the USA, which acquired USA based specialty pharmaceutical company, Sentynl Therapeutics Inc. ["Sentynl"] on January 19, 2017. On acquisition of Sentynl, ZHI was merged with Sentynl. The consolidated financial statements for the quarter and year ended March 31, 2017 include the operations of Sentynl for the period from January 19, 2017 to March 31, 2017 with provisional purchase price allocation [PPA] figures. The PPA figures shall be finalised within the measurement period as provided by Ind AS 103.
- [6] The Scheme of Arrangement between the Company and Zydus Healthcare Limited, a 100% subsidiary of the Company [ZHL] and their respective shareholders and creditors ["Scheme-2"] was sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench [NCLT] vide its order dated May 18, 2017. The Scheme-2 entails transfer of the India Human Formulations Undertaking [IHFU] of the Company which was transferred to and vested in ZHL on a going concern basis by way of a Stump Sale for a lump sum cash consideration from its appointed date of April 1, 2016. The Scheme-2 was made effective from May 19, 2017. Pursuant to the Scheme-2, the Company has transferred assets and liabilities pertaining to IHFU at their respective carrying value as at April 1, 2016. As per the generally accepted accounting practice, the Scheme-2 has been given effect to in the financial statements for the quarter and year ended March 31, 2017 and hence the figures of quarter ended March 31, 2017 are not comparable with quarter ended December 31, 2016 and figures for the year ended March 31, 2017 are not comparable with previous year ended March 31, 2016.
- [7] a) Pursuant to the Share Purchase Agreements ["SPAs"] entered into by the Company with Zydus International Private Limited, Ireland, a 100% subsidiary of the Company [ZPL], the Company has acquired 100% of outstanding shares of Zydus Pharmaceuticals [USA] Inc. [ZPL] and Zydus Novartis Inc. [ZNI] and entire membership interest in Zydus Healthcare [USA] LLC [ZHUS] from ZPL.
- b) Pursuant to the Share Purchase Agreement ["SPA"] entered into by the Company with ZAH, Europe B.V., a 100% subsidiary of the Company held through ZPL, the Company has acquired 100% of outstanding shares of Bremer Pharma GmbH ["Bremer"].
- [8] Exceptional items in the consolidated results include:

No.	Particulars	Rupees in Millions				
		3 Months ended 31/03/2017 (Audited)	Preceding 3 months ended 31/12/2016 (Unaudited)	Corresponding 3 months ended 31/03/2016 in the previous year (Audited)	Year to date figures for the current period ended 31/03/2017 (Audited)	Previous year ended 31/03/2016 (Audited)
a	Provision for various expenses related to the closure of business operations in Japan	0	1	(6)	3	4
b	Payment made under Voluntary Retirement Scheme	0	0	0	0	21

[9] Figures of preceding quarter have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting quarter.

[10] The Company has one segment of activity viz., "Pharmaceuticals".

[11] The reconciliation of net profit reported in accordance with previous GAAP for corresponding three months/ year ended March 31, 2016 to total comprehensive income as reported in these results under Ind AS is given below:

No.	Particulars	Rupees in Millions			
		CONSOLIDATED	Year ended 31/03/2016	3 months ended 31/03/2016	COMPANY
1	Net profit as per previous GAAP	3,887	15,226	3,380	19,773
2	Add [Less]: Adjustments in statement of profit and loss	(35)	120	96	493
a	Fair Valuation adjustments for financial assets	(27)	228	(39)	216
b	Actuarial loss on employee defined benefit plan recognised in OCI	1,874	3,771	120	(101)
c	Deferred Tax on Ind AS adjustments and on unrealised profits on intra group transactions	(17)	(6)	(18)	(6)
d	Other adjustments	1,795	4,113	159	602
e	Total	5,662	19,339	3,539	20,375
3	Net profit before OCI as per Ind AS				

Audited Statement of Assets and Liabilities

CONSOLIDATED		COMPANY	
Rupees in Millions		Rupees in Millions	
As at current year end 31/03/2017	As at previous year end 31/03/2016	As at current year end 31/03/2017	As at previous year end 31/03/2016
A			
ASSETS			
1 Non-current assets			
a Property, plant and equipment	26,067	22,050	19,986
b Capital work-in-progress	9,508	6,784	2,968
c Goodwill	8,946	18	38
d Other intangible assets	2,466	1,452	1,524
e Investments in joint ventures	1,675	0	0
f Financial assets			
i Investments	496	39,237	22,166
ii Loans	0	14,271	9,219
iii Other Financial Assets	1,914	2,242	1,818
g Other non-current assets	2,845	2,492	2,061
h Deferred Tax Assets [Net]	5,170	0	0
i Assets for Current tax [Net]	4,497	534	219
Sub-total - Non-current assets	62,702	89,080	59,999
2 Current assets			
a Inventories	13,371	9,329	6,575
b Financial assets			
i Investments	491	0	1,009
ii Trade receivables	17,466	9,290	17,073
iii Cash and bank balances	6,387	168	1,637
iv Loans	0	371	190
v Other current financial assets	123	1	57
c Other current assets	3,451	2,235	2,692
Sub-total - Current assets	42,804	21,394	29,233
TOTAL - ASSETS	105,506	110,474	89,232
B			
EQUITY AND LIABILITIES			
1 Equity			
a Equity share capital	1,024	1,024	1,024
b Other equity	55,968	65,159	61,738
c Equity attributable to equity holders of the Parent	56,992	66,183	62,762
d Non-controlling interest	1,538	0	0
Sub-total - Equity	58,350	66,183	62,762
2 Non-current liabilities			
a Financial liabilities			
i Borrowings	8,964	12,394	4,300
ii Other financial liabilities	366	82	139
b Provisions	1,207	621	965
c Deferred tax liabilities [net]	2,009	1,055	1,846
Sub-total - Non-current liabilities	12,546	14,152	7,250
3 Current liabilities			
a Financial liabilities			
i Borrowings	12,109	15,456	6,043
ii Trade payables	13,081	11,129	8,999
iii Other financial liabilities	7,593	2,841	3,172
b Other current liabilities	1,014	415	457
c Provisions	513	273	293
d Current tax liabilities [net]	300	25	256
Sub-total - Current liabilities	34,610	30,139	19,220
TOTAL - EQUITY AND LIABILITIES	105,506	110,474	89,232

The reconciliation of other equity reported in accordance with previous GAAP for corresponding year ended March 31, 2016 with Ind AS is given below:

No.		Rupees in Millions	
		CONSOLIDATED As at previous year end 31/03/2016	COMPANY As at previous year end 31/03/2016
1	Equity attributable to Equity holders of the parent as per IGAAP	53,519	61,374
2	Add (Less): Adjustments:		
a	Fair Valuation adjustments for financial assets	(449)	1,566
b	Mark to market adjustments on equity investments	165	165
c	Deferred Tax on Ind AS adjustments	3,762	(325)
d	Other adjustments	(5)	(18)
e	Total	3,473	1,388
3	Equity attributable to Equity holders of the parent as per Ind AS	56,992	62,762

By Order of the Board,
For Cadila Healthcare Limited,



Pankaj R. Patel
Chairman & Managing Director

Ahmedabad, May 27, 2017

INDEPENDENT AUDITORS' REPORT

To,
The Board of Directors,
Cadila Healthcare Limited,
Ahmedabad

We have audited the accompanying "statement of Standalone financial results" for the year ended on March 31, 2017 of Cadila Healthcare Limited ['the Company'] [hereinafter referred to as "the statement"], attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

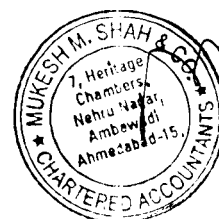
This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Standalone Financial Statements which has been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of such standalone financial statements.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain moderate assurance about whether the statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements, of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness on the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the statement;

- is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



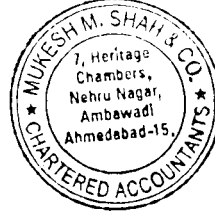
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MUKESH M. SHAH & CO.

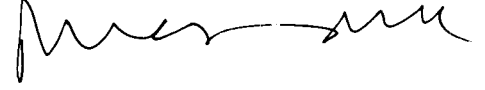
CHARTERED ACCOUNTANTS
AHMEDABAD • MUMBAI • BANGALORE

- gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Company for the year ended March 31, 2017.

Place: Ahmedabad
Date: May 27, 2017



For Mukesh M. Shah & Co
Chartered Accountants
Firm Regn. No. 106625W

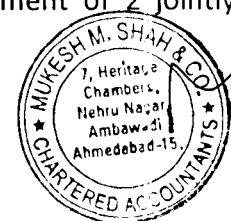


Mukesh M. Shah
Partner
Membership No. 030190

INDEPENDENT AUDITORS' REPORT

To,
The Board of Directors of
Cadila Healthcare Limited

- 1) We have audited the accompanying statement of consolidated financial results of **CADILA HEALTHCARE LIMITED** [‘the Holding Company’], its subsidiaries (the Holding Company and its subsidiaries together referred to as “the group”) and jointly controlled entities, for the year ended March 31, 2017 [“the statement”], being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 2) This statement, which is the responsibility of the Holding Company’s Management and approved by the Board of Directors, has been compiled from the related Consolidated Financial Statements which has been prepared in accordance with the Indian Accounting Standards (‘Ind AS’) prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our audit of such consolidated financial statements.
- 3) We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain moderate assurance about whether the statement is free of material misstatement.
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatements, of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company’s preparation and fair presentation of the statement 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 Holding Company’s internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
- 5) (a) We did not audit the financial statements / consolidated financial statements of 13 subsidiaries, whose financial statements / consolidated financial statements reflect total assets of Rs. 73,890 million as at 31st March, 2017, total revenue of Rs. 70,757 million, total net profit after tax of Rs. 12,961 million and total comprehensive income of Rs. 12,885 million for the year ended on that date, and financial statement of 2 jointly



controlled entities in which the Group's share of net profit is 169 for the year ended March 31, 2017, as considered in the consolidated financial statements. These financial statements / consolidated financial statements have been audited/ reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

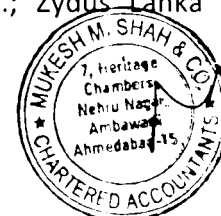
(b) We did not audit the financial statements / consolidated financial statements of 18 subsidiaries, whose financial statements / consolidated financial statements reflect total assets of Rs. 17,362 million as at 31st March, 2017, total revenue of Rs. 7,655 million, total net loss after tax of Rs. 168 million and total comprehensive loss of Rs. 168 million for the year ended on that date, and financial statement of 1 joint venture entities in which the Group's share of net profit is 169 for the year ended March 31, 2017, as considered in the consolidated financial statements. These financial statements / consolidated financial statement are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements / financial information.

Our opinion on the statement is not modified in respect of the above matters with regard to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

6) In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and other financial information of the subsidiaries and jointly controlled entities as referred above, the statement:

- (i) Includes the results of entities as given below:
a. List of subsidiaries:

Zydus Wellness Limited; Liva Pharmaceuticals Limited; Zydus Technologies Limited; Zydus Healthcare Limited [formerly known as German Remedies Limited]; Dialforhealth India Limited; Dialforhealth Unity Limited; Dialforhealth Greencross Limited; Alidac Pharmaceuticals Limited [formerly known as Zydus BSV Pharma Private Limited]; M/s. Zydus Wellness; Zydus International Private Limited; Zydus Netherlands B.V.; Zydus France, SAS; Laboratorios Combix S.L.; Etna Biotech S.R.L.; Bremer Pharma GmbH; ZAHL Europe B. V.; ZAHL B.V.; Zydus Worldwide DMCC; Zydus Discovery DMCC; Zydus Pharmaceuticals (USA) Inc.; Neshor Pharmaceuticals (USA) LLC; Zydus Healthcare (USA) LLC; Zydus Noveltech Inc.; Hercon Pharmaceuticals LLC; Zydus Healthcare S.A. (Pty) Ltd.; Simayla Pharmaceuticals (Pty) Ltd., Script Management Services (Pty) Ltd., Zydus Nikkho Farmaceutica Ltda.; Zydus Pharmaceuticals Mexico SA De CV; Zydus Pharmaceuticals Mexico Service Company SA De CV.; Zydus Lanka



(Private) Limited; Zydus Healthcare Phillipines Inc.; Zydus Pharma Japan Co. Ltd.; Alidac Healthcare (Myanmar) Ltd., Sentyln Therapeutics Inc.

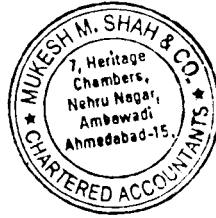
b. List of Joint Venture entities:

Zydus Takeda Healthcare Private Limited; Zydus Hospira Oncology Private Limited; Bayer Zydus Pharma Private Limited.

(ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

(iii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information of the Group for the year ended March 31, 2017.

Place: Ahmedabad
Date: May 27, 2017



For Mukesh M. Shah & Co
Chartered Accountants
Firm Regn. No. 106625W

A handwritten signature in black ink, appearing to read "Mukesh M. Shah".

Mukesh M. Shah
Partner
Membership No. 030190