

BUSINESS RESPONSIBILITY REPORT

MESSAGE FROM THE DIRECTOR'S DESK

The global environment for the pharmaceutical industry is changing at a rapid pace and business models have to be dynamic to navigate these external shifts. While we remain nimble and agile to harness new opportunities and circumvent challenges, our values anchor us through this journey. They are the foundation of our business and it is their diligent practice that has enabled us to become the world's 5th largest speciality generic pharmaceutical company.

One of our key value is 'responsibility' – responsibility towards patients, healthcare professionals, community, planet, regulatory bodies, suppliers, distributors, employees, and shareholders alike. We therefore synergize our business of pharmaceuticals, with community development, environment stewardship and sustainability initiatives.

While nurturing nature and participating actively in societal causes is as old as our business itself, two years ago, we synthesized all these elements in one cohesive model based on the National Voluntary Guidelines (NVG). This lent sharper focus to our initiatives and aligned them with national goals. This year our CSR activities have witnessed encouraging traction. As we accelerate up the learning curve of our new model, the engagement with sustainability issues and the resultant outcomes, both will garner more momentum

Employee Wellness

Our multi-cultural team of more than 30,000 employees are our most valuable assets. By engaging with them, we strengthen our bonds and motivate them to perform to their peak potential. Celebrating the diversity of human capital and respecting the dignity of human rights, we have grown along with them. We are committed to inculcate our sustainability values in them, so that they act as ambassadors of the company and help us in spreading these values to their circle of influence.

Environment Wellness

We have institutionalised a comprehensive EHS (Environment, Health and Safety) policy to administer and guide our operations. Our product offerings have the hallmark of technology-based differentiation and so do our environmental initiatives. We invest in technology and leverage it to increase the efficiency and effectiveness of our processes and save energy. In FY15, 2.7 million kWh of energy was generated through clean power. Many of our facilities are 'Zero Liquid Discharge' and we are in process of emulating the same for the rest of our units.

Community Wellness

Working closely with patients from all strata of society, compassion for the community comes naturally to us. Hence, we are taking initiatives not only to make healthcare more within reach – financially as well as geographically, we are also enhancing our efforts to mainstream the socially marginalised. In cases, where critical lifesaving medicines are involved, we provide them at zero cost as well.

Health, education, water, livelihood, environment and disaster relief are some of our key priorities. We also help conduct vocational training in communities and undertake local-level community programmes based on the needs of the residents.

An overview of our activities is covered in this Business Responsibility Report (BRR). We welcome your insights and feedback to help us enhance our sustainability quotient.

Regards,

Sudhir V. Valia
Whole-time Director

With world's seventh-largest geographical footprint, third-largest ecological footprint, and second-largest human footprint, India is home to not just a diversity of cultures but also a diversity of challenges. Be it burgeoning GHG emissions or insufficient healthcare access, be it depleting water table or school dropouts – several areas act as impediments to development.

The only way to grow is to grow holistically. It's imminent for the corporate world to look beyond the boundaries of business and embrace shared responsibilities. Companies must enhance value for its shareholders, as well as assume accountability towards its other stakeholders.

As leaders of the industry with over 30,000+ employees, 48 manufacturing sites, 150+ markets served and a portfolio of

2,000+ marketed products, we at Sun Pharma strongly believe that business and responsibility go hand in hand. Striking the right balance between the triple bottom lines of economic, environmental and social is our approach towards 'creating lasting value'.

This Business Responsibility Report is a testimony of our commitment to all our stakeholders. In line with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report enumerates our efforts to conduct business with responsibility. The data presented in this report includes the impact of the merger of erstwhile Ranbaxy Laboratories Ltd (RLL) with Sun Pharma. Hence, it is not strictly comparable with the data of the previous year.

SECTION A: General Information about the Company

| | | |
|----|---|---|
| 1 | Corporate Identity Number (CIN) of the Company | L24230GJ1993PLC019050 |
| 2 | Name of the Company | SUN PHARMACEUTICAL INDUSTRIES LIMITED |
| 3 | Registered Address | SPARC, TANDALJA, VADODARA - 390 020, GUJARAT |
| 4 | Website | http://www.sunpharma.com/ |
| 5 | E-mail id | secretarial@sunpharma.com |
| 6 | Financial Year reported | 01-April-2014 to 31-March-2015 |
| 7 | Sector(s) that the Company is engaged in (industrial activity code-wise) | 'Pharmaceuticals' is the primary reportable segment |
| 8 | List three key products/services that the Company manufactures/provides (as in balance sheet) | Cip-Isotretinoin Liposomal Doxorubicin Valsartan |
| 9 | Total number of locations where business activity is undertaken by the | |
| | 1. Number of international locations (Provide details of major 5) | US, Romania, Canada, Russia, South Africa |
| | 2. Number of national locations | Facilities - Halol, Panoli, Karkhadi, Ankleshwar and Dahej (all in Gujarat), Baddi, Paonta Sahib and Batamandi (all in Himachal Pradesh), Mohali and Toansa (all in Punjab), Malanpur and Dewas (both in Madhya Pradesh), Ahmednagar (Maharashtra), Maduranthakam (Tamil Nadu), Dadra, Silvassa, Jammu, Sikkim, Goa R&D Centres – Vadodara (Gujarat) and Mumbai (Maharashtra), Gurgaon (Haryana) Registered and corporate offices – Vadodara (Gujarat) and Mumbai (Maharashtra) respectively. Pan-India Distribution Network |
| 10 | Markets served by the Company – local/ state/ national/ international | Over 150 markets served across 5 continents - Asia, Americas, Europe, Africa and Australia |

SECTION B: Financial Details of the Company

| | | |
|---|---|---|
| 1 | Paid-up capital (INR) | 2,071.2 million |
| 2 | Total turnover (INR) | 82,288 million (stand-alone) |
| 3 | Total profit after taxes (INR) | (14,741) million (stand-alone) |
| 4 | Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | Due to losses recorded in the last 3 years, the company is not required to allocate any amount towards CSR. However, it has voluntarily spent ₹ 46.7 million on CSR activities for the year |
| 5 | List of activities in which the above expenditure has been incurred | Refer Principle 8 'Equitable Development' |

SECTION C: Other Details

| | | |
|---|---|---|
| 1 | Does the Company have any Subsidiary Company/ Companies? | Yes |
| 2 | Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s) | There is no direct participation |
| 3 | Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] | In due course of time, Sun Pharma intends to take its sustainability policies and initiatives beyond the boundaries of its manufacturing facilities and spread awareness amongst the relevant stakeholders. |

SECTION D: BR Information**1 a. Details of the Director/Directors responsible for implementation of the BR (Business Responsibility) policy/ policies**

| | |
|---------------|---------------------|
| # DIN Number | 5561 |
| # Name | Mr. Sudhir V. Valia |
| # Designation | Whole-time Director |

b. Details of the BR head

| | |
|------------------------------|---|
| # DIN Number (if applicable) | Mr. Sudhir V. Valia, Whole-time Director of Sun Pharma, oversees the BR implementation. However the Company does not have a BR head as of now |
| # Name | |
| # Designation | |
| # Telephone number | |
| # E-mail id | |

2 Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 1 Do you have a policy/policies for.... | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 2 Has the policy being formulated in consultation with the relevant stakeholders? | All the policies have been formulated in consultation with the Management of the Company and is approved by the Board | | | | | | | | |
| 3 Does the policy conform to any national /international standards? If yes, specify? (50 words) | All the policies are compliant with respective principles of NVG guidelines | | | | | | | | |
| 4 Has the policy being approved by the Board? If yes, has it been signed by the MD/owner/CEO/appropriate Board Director? | All the policies have been approved by the Board and have been signed by the Managing Director | | | | | | | | |

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 5 Does the company have a specified committee of the Board / Director/Official to oversee the implementation of the policy? | The Board has appointed Mr. Sudhir Valia, Whole-time Director - Sun Pharma, to oversee policy implementation | | | | | | | | |
| 6 Indicate the link for the policy to be viewed online? | Copies will be made available on receipt of written request from shareholders | | | | | | | | |
| 7 Has the policy been formally communicated to all relevant internal and external stakeholders? | The policies have been formally communicated to internal stakeholders. The external stakeholders will be communicated in due course | | | | | | | | |
| 8 Does the company have an in-house structure to implement the policy/ policies? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 9 Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies? | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 10 Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency? | It will be done in due course | | | | | | | | |

3 Governance related to BR

| | |
|---|--|
| 1 Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company? Within 3 months, 3-6 months, Annually, More than 1 year | Annual |
| 6 Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? | The BR report for 2014-15 can be accessed through the link: http://www.sunpharma.com/pdflist/all-documents . It is published annually |

PRINCIPLE 1 – ETHICS, TRANSPARENCY AND ACCOUNTABILITY

A company's governance practices have a direct bearing on its sustainable growth. At Sun Pharma, we have always traversed the ethical growth path guided by a principled leadership team, robust governance mechanisms and transparent accounting platforms. This has helped us to boost shareholder trust, gain competitive advantage as well as remain responsible towards our employees, our communities and the environment.

Our corporate governance philosophy values the following principles:

1. High levels of transparency
2. Accountability
3. Consistent value systems
4. Delegation of responsibility across all facets of operations

To ensure that these principles translate into consistent practice, the below enablers lead us towards high standards of business conduct.

Leadership

Our Board of Directors lead the Company towards a sustainable growth path based on integrity, fairness and responsibility. The Board members bring to the table, a wealth of experience,

the strength of entrepreneurship and the breadth of global perspective.

Board Committees

Dedicated board committees are formed to oversee important functions to increase the efficacy of governance. These are led by the top management team and comprise Audit Committee, Remuneration Committee, Shareholders' / Grievance Committee and Committee of Directors.

Code of Conduct & Policy

Our code of conduct encourages and enables our employees to succeed by embracing fair practices. In addition to the code of conduct, various policies have also been designed to address specific purposes.

We are continuously and consistently pushing the envelope on our commitment to the best benchmarks of governance. In the financial year, we formed a Committee for Nomination and Remuneration to embed integrity in the selection of members of the management.

We also actively solicit feedback from all our stakeholders on our business conduct and keep our code and policies updated. In this

reporting year, we received 10 stakeholder concerns, all of which have been resolved.

PRINCIPLE 2 – PRODUCT LIFE CYCLE SUSTAINABILITY

We belong to an industry where our products heal the society. But that doesn't absolve us from our responsibility towards our neighbourhood community and the environment. Our approach is to add value in such a manner that not only are our products affordable and accessible, but our practices are also sustainable and equitable.

More Power to Patients

We live in an age where the cost of quality healthcare is increasing way beyond the spending capacity of many families. As a responsible pharmaceutical company, we place immense thrust on enhancing the access to high-quality affordable medicines which are trusted by healthcare professionals and patients alike.

Our product agenda is: 'more the affordability of our products, more is our reachability to the patients'.

We also distribute some of our critical life-saving products at no cost, to those in need. Three such products that have broken the affordability and accessibility barrier are:

Rilutor (Riluzole)

Used for treating Amyotrophic Lateral Sclerosis (a life threatening disease), this product is distributed free of cost to all patients.

Decitabine

An enabler to oncology therapy, it is available at a significant discount compared to innovator's price.

Istavel

A diabetes care drug, it is available at a significant discount, compared to global price.

More Power to People

Along with spreading wellness through our products, we also work for the welfare of the neighbourhood economy by sourcing local material and labour wherever possible. Local sourcing is also an environmentally sustainable option as decrease in logistics significantly reduces the carbon footprint.

But the nature of our business, demands us to tread cautiously without compromising the quality. Hence, we ensure that the local vendors are upgraded in terms of manufacturing know-how and quality standards. Significant suppliers are offered advances or short term credits to build their capacity and capability, which mutually benefits us and them. Our facilities at Ahmednagar, Panoli and Sikkim have identified and encouraged various local vendors.

More Power to the Planet

Human health cannot be claimed at the cost of the planet's health. We strive to produce more sustainably and continuously introduce and iterate environment-friendly manufacturing processes and systems. For more details regarding this, please refer Principle 6 of this report.

With a diverse product portfolio and complex production processes, calculating our environmental performance per product poses unique challenges. Hence, we manage our total annual water and energy performance vis-à-vis our total annual production:

Production: 14,428 tonne

Water usage: 2,556,498 KL

Energy Usage:

| Electricity (kWh) | LDO (L) | FO (L) | HSD (L) | Briquette (MT) |
|-------------------|---------|-----------|-----------|----------------|
| 293,382,060 | 327,944 | 7,509,647 | 4,881,695 | 39,646 |

PRINCIPLE 3 – EMPLOYEE WELL-BEING

Human capital is the key asset of an organisation. At Sun Pharma, we nurture talent by providing them the right mix of challenges and opportunities, learning platforms and leading positions, safe workplace and egalitarian work culture, plus professional growth and personal development. In turn, they help us deliver exceptional products.

One of the key tools of our talent management approach is freedom of communication. Active engagement with employees across tiers ensures transparency, camaraderie and feedback. It enables the people managers to address employee concerns and build on the company's strengths leading to enthused workforce, improved quality, reduced turnover and greater productivity.

Our HR policies focus on 360° development of our employees and cover all requisites, right from recruitment to retention. We also revisit these policies at regular intervals and make amendments if and when necessary.

Continuous Learning

Knowledge is a key differentiator in our business. Continuous learning is thus imperative to remain ahead in the league. We offer various development opportunities to our employees which are customised as per the need of the individuals and their functions. We have an in-house competency development mechanism as well as support external capability enhancement in elite institutions for employees who have completed three years with us and show a tremendous urge to learn.

Equality of Opportunity

Diversity and merit are the two enablers of ensuring equality of opportunity for our workforce, at the time of recruitment and during the course of employment. Bias, discrimination and harassment have no room at our workplace.

Our workforce is a fine blend of talent from different age groups, genders, castes, domains, religions, cultural backgrounds etc. Such a diverse human capital brings to the table, multiple thought processes resulting in innovative solutions.

As of 31st March, 2015, we including all our subsidiaries, had a total workforce of about 33,000 employees on our payroll. Of these, women employees accounted for about 3,200 while we employed about 20 employees with disabilities.

Freedom of Association

We have always encouraged employees to communicate, whether individually or by forming an association. Union of employees that pursue the interests of its members, keeping in mind the overall business environment, is given its due importance. At present, there is a management-recognised employee association, which covers approximately 15% of our employee membership.

Health and Safety

Health and safety of workforce is paramount. Our robust Environment, Health and Safety (EHS) policy stands testament to our commitment to protect those who build our Company. Strict compliance to ISO/OHSAS 18001 standards and to the laws of the land is non-negotiable at Sun Pharma.

We follow the 'Workplace Wellness' mantra to improve the safety of our employees. We also continue to invest in safety training to build a culture where, each employee is completely aware of the precautionary measures to be taken for avoiding emergency situations as well as steps to be taken if they unfortunately arise. The reporting year saw the safety and skill up-gradation training of approximately 15% of our employees.

We encourage reporting of accidents, injuries and near-misses, which enables us to be better prepared in the future. Safe work practices are endorsed and the usage of unsafe equipment is disallowed.

Key ingredients of our occupational health and safety approach

Safe Working Systems | Use of Personal Protective Equipment (PPE) | Safety Inspections & Audits | Emergency Preparedness | Safety Risk Management

Recognition & Recreation

Recognition and recreation are crucial to motivate the employees to perform to the best of their potential. We have specific modules

to reward talent. Some of these means and modules of employee recognition and recreation include:

1. Special celebration to accord due recognition to the retiring employee
2. Long-service award to recognize the loyalty and commitment of employees
3. Family picnics to foster camaraderie

PRINCIPLE 4 – STAKEHOLDER ENGAGEMENT

Engagement builds trust and trust nurtures relationships. With all our stakeholders we share lasting bonds, thanks to our well-rounded engagement mechanism. The opinions and insights of our internal as well as external stakeholders is a rich source of feedback for us. It enables us to add value to our products, processes and policies, which ultimately leads to win-win business relationships.

'Inclusivity', 'accountability' and 'responsibility' are the three cogs which are at the heart of our engagement agenda.

Inclusivity

We have identified all stakeholders, whether internal or external, who directly or indirectly influence our business operations. This ensures that we do not miss out any voice. Our major stakeholders include:

1. Employees
2. Neighbouring Communities
3. Patients
4. Healthcare Professionals
5. Investors & Shareholders
6. Vendors, Suppliers & Distributors
7. Government & Regulators

Accountability

Accountability is one of our key commitments towards our stakeholders. We stay committed towards providing reliable information and having a sincere interaction. Our corporate website plays an important role in doing that along with our annual and quarterly reports, investor presentations, official press releases, vendor meets and customer feedback sessions. Dedicated portals for employees, vendors and field staff are also designed to step up in communication and collaboration.

Responsibility

We are thoughtful to the needs of all the stakeholders who are affected by our business, as those are the ones who support our operation. We believe that those who are marginalised need special focus from the corporate world. Towards this, we continuously and consistently plan and implement initiatives, which can alleviate their struggles and provide well-being. For details, please refer Principle 8.

PRINCIPLE 5 – HUMAN RIGHTS

Human rights are fundamental rights and we adhere to this principle in the most earnest spirit. Confirming our commitment is our Human Rights Policy which spans various principles ranging from freedom of association to freedom from harassment, and applies across our operations.

Not only our intentions, but also our actions are compliant with all the statutory laws and regulations. In the financial year, there were no human rights violation complaints relating either to child, forced and involuntary labour, or sexual harassment / discriminatory employment, against the Company.

PRINCIPLE 6 – ENVIRONMENT

Clean air, fresh water, rich biodiversity and abundant natural resources is imperative to human health and well-being. At Sun Pharma we are aware of the environmental challenges that resource depletion pose and are converting them into business opportunities by taking systematic conservation measures. Reducing our dependence on scarce resources is not only easing the pressure on the planet but also improving our operational cost.

We have a robust Environment, Health & Safety (EHS) policy and our employees are encouraged to practice this philosophy. The teams remain vigilant to spot potential environmental perils and develop pertinent steps to address those risks.

Our green must dos:

1. Ensure statutory compliance
2. Optimize natural resources
3. Effect continuous improvement in environment management
4. Innovate greener technologies and processes
5. Spread green awareness across internal and external stakeholders

Waste Management

Systematic processes are in place at Sun Pharma to ensure effective waste management.

3Rs in Action at Sun Pharma

1. Reduce the production of waste by minimising waste at source
2. Recycle waste materials including solvents, wastewater, glass, plastic liners, fibre drums, metal drum sheets, HDPE sheets and waste oil.
3. Reuse the recovered solvents as and when possible

We have well-equipped solvent recovery and effluent treatment plants at our facility premises for recycling. Some of the materials are recycled through registered recyclers and materials like paper, plastic and HDPE are sent to scrap vendors. Disposal is done in a safe and responsible manner at Government approved sites.

We are happy to state that many of our facilities are already certified as Zero Liquid Discharge (ZLD) facilities, and some are in the process of obtaining the status.

Energy Conservation

Reducing energy consumption can go a long way towards environmental protection. At Sun Pharma, interventions of different magnitude are executed to conserve as much energy as possible. These interventions broadly focus on using energy efficiently in manufacturing processes and tapping technology to generate green energy.

Green Investments

We have invested in green energy. Prime amongst them is the investment in generation of wind energy. One of our facilities is dedicated towards harnessing the power of wind to generate energy. In FY15, we generated around 2.7 million kWh of clean energy.

Greener Operations

Initiatives that reduce our energy consumption across our operations by optimising the processes have given fruitful results. Some of them include:

1. Installation of boiler economisers and air pre-heaters
2. Using condensate recovery pumps
3. Hot water generation from jacket heat exchanger
4. Use of fuel-efficient packaged boilers that use heat from waste gases of engine exhaust
5. Steam generation from exhaust gas and hot water generation from jacket heat
6. All AHUs are installed with VFD to save energy
7. Use of energy efficient screw chillers and rotary air compressor with VFD
8. Replacing reciprocating type air compressors with two screw type air compressors
9. Replacing reciprocating type chillers with two screw type chillers
10. Recovery of gas super heater to make hot water
11. Generating steam from waste heat of the captive power plant
12. Installation of motion sensors to reduce electricity wastage
13. Collection of steam condensate and transferring it to boiler feed water collection tank

Carbon Emission

We are switching from 'conventional' furnace oil / light diesel oil boilers to 'eco-efficient' biomass briquette-based boilers.

This Clean Development Mechanism (CDM) project spearheaded to restrict the emissions of our operations will achieve two purposes:

1. Social well-being: It will generate additional income opportunities for the local population
2. Environmental well-being: It will replace fossil fuels by a carbon-neutral fuel

As of now, we have six functional facilities equipped with the biomass fuelled boilers, with a total steam generation capacity of 54 tph. As of 31st March, 2015, there were no pending notices from pollution control boards.

PRINCIPLE 7 – POLICY ADVOCACY

The objective of our participation in public policy advocacy is centred on ushering effective and affordable healthcare solutions for all citizens of India. Leveraging our vast experience and leadership position, we provide strategic insights and in-depth inputs to the policy makers in creating public policies which create common good for the patients.

We collaborate with numerous trade and industry associations and are members of:

1. Indian Drug Manufacturing Association
2. Indian Pharmaceutical Alliance
3. Bombay Chamber of Commerce
4. Confederation of Indian Industry
5. Pharmaceuticals Export Promotion Council of India

PRINCIPLE 8 – EQUITABLE DEVELOPMENT

For sustained growth, economic progress and equitable development both need to go hand-in-hand. Unlike a prevalent narrative, both can actually fuel each other.

In fact, when more people are well educated, enjoying good health and have access to more opportunities, growth is accelerated and continuous. At Sun Pharma, our social responsibility programs are designed to improve the quality of life of the people as well as contribute towards a strong economy.

All our CSR efforts stem from our well-articulated CSR Policy which has been posted on our website.

A wide gamut of our CSR efforts are aimed towards the 'bottom-of-the-pyramid', socio-economically marginalized and opportunity challenged section of the society. Detailed below are a select few:

1. Financially challenged patients continue to gain our assistance in the form of free-of-cost medicines. In the reporting period, we continued to dispense free Riluzole which is used in the treatment of Amyotrophic Lateral Sclerosis (a life-threatening disease) to all patients.
2. We have also been regularly distributing medicines to monasteries in Sikkim.
3. We held blood donation camps at our Halol and Samba facilities, in which 147 employees participated.

Beyond Medicines

Other than providing medicines, we also undertake a host of initiatives like healthcare, building infrastructure, modernizing education facilities, and ensuring sanitation, to elevate deprived

sections of the society.

Healthcare Projects

Core RCHS Program

Initiated in 1979 and implemented by the Ranbaxy Community Healthcare Society (RCHS), the main objective of the project is

- Reduction of infant and maternal mortality rate
- Improve health of adolescent girls
- Prevention & control of communicable diseases (with a focus on malaria, tuberculosis) and non-communicable / other prevalent diseases
- Promote awareness on HIV / AIDS

In FY15, ₹ 12.4 million was contributed towards the program covering 68 villages across the following locations - Mohali, Toansa and Beas in Punjab, Paonta Sahib in Himachal Pradesh, Gurgaon in Haryana and Dewas in Madhya Pradesh. The total number of beneficiaries were 253,384.

Ranbaxy Sanjeevan Swasthya Sewa (RSSS)

A Public Private Partnership (PPP) project between our Company and the Punjab State Government for delivery of primary healthcare services i.e. preventive, promotive & curative, RSSS also focusses on early detection of common cancers through 10 mobile vans.

In operation since 6 years, it saw an investment of ₹ 19.8 million this year across 142 villages of Dist. Bathinda, Muktsar, Mansa, Nawanshehar and Mohali in Punjab. The total no. of beneficiaries were 417,951.

Maatra Shishu Swasthya Sewa

A joint CSR initiative between our Company and Daiichi Sankyo, the program aims to reduce both the Maternal Mortality Rate and Infant Mortality Rate by 50% in 5 years.

Flagged off in November 2011, this financial year saw an amount of ₹ 6.6 million being spent in 82 villages of Vijayganj Mandi & Sunwani Gopal (Dist. Dewas, Madhya Pradesh) benefiting 85,647 persons.

Mobile Medical Unit – Ahmednagar (Maharashtra)

Mobile Medical Unit (MMU) is a primary healthcare project that provides free doorstep health facilities for the marginalized and financially backward section of the society. A full-time dedicated health van, visits the target areas at a regular frequency. It is manned by a dedicated team of qualified experienced doctor, pharmacist and special protection officer, who provide medical check-ups, medicines, expert counselling and referral services for free.

The Ahmednagar MMU is yet to commence service for people residing in 10 neighbouring villages of the plant in Maharashtra and ₹ 1.2 million was invested in FY15 towards this project. The project has been implemented by HelpAge India.

Jaipur Foot Project

The project helps rehabilitation of the physically challenged, especially the economically challenged, by providing them aids that can restore their mobility. The aids include the famous Jaipur Foot, which can enable them to run, climb trees, pedal bicycles and carry on other normal activities as well, plus hand-pedalled tricycles and crutches.

Implementation partners were Bhagwan Mahavir Viklang Sahayata Samiti and Sahachari Foundation Events. Approximately, ₹ 1.0 million was spent across over 100 villages in Karnataka, Andhra Pradesh and Tamil Nadu States covering about 300 beneficiaries.

Study Project on 'Eye Care Situation Analysis'

The aim of the program was to understand the ground situation on Eye Care providers / hospitals, for planning a project on Ophthalmology. Executed by the Company's CSR Department from 1st February, 2014 to 30th April, 2014 at an expense of ₹ 42,500 it covered locations at Halol, Baroda, Bharuch, Silvassa, Nagar, Maduranthakam, Sikkim and Jammu.

Educational Projects

Promotion of Education by School Infrastructure Development

To facilitate quality education, we contributed towards construction of a classroom with all required fixtures and furniture. The project has been undertaken through 'The Sanjali Welfare & Education Trust' of Bharuch. Its implementation period is from 1st March, 2015 to 30th August, 2016, and the project cost was ₹ 0.7 million. This project will benefit 50 students of Panoli village in Ankleshwar.

Approximately, ₹ 0.37 million was invested in FY15 to provide proper infrastructure and carry out various educational activities at schools situated in the vicinity of Sun Pharma's plant at Maduranthakam.

This was an initiative implemented by the CSR Department of Sun Pharma and will benefit a total of 164 students.

Other Projects

CSR Policy Formulation and Community Need Assessment at Various Locations

The objective of the project was:

- To draft the CSR Policy by incorporating the feedback of all the internal and external stakeholders
- To take-up 'Community Need Assessment Exercise' for better planning by evaluating the exact needs of community

A detailed CSR Policy has been outlined and the same has been posted on our website as per the statutory requirement. Community Need Assessment Study was undertaken to strategize and implement need-based CSR projects in identified villages, so as to reach the poorest of the poor, disadvantaged, BPL and weaker sections of society.

'Sector Research' was taken up to detail out interventions in Ophthalmology, Oncology, Epilepsy, Mental Health and Water, where Sun Pharma already possesses deep domain knowledge and can play a major role.

The project was implemented with Samhita Social Ventures, from 1st March, 2014 to 31st August, 2014. Over, 100 villages were covered in Sikkim, Jammu, Samba, Maduranthakam, Halol, Baska, Karkhadi, Panoli and Ankleshwar at an investment of ₹ 2.8 million.

Sanitation Project – Panoli

Implemented by the CSR Department of Sun Pharma, the aim of this program was two-pronged:

- To construct 328 toilets for the community and thereby provide 100% coverage in Panoli village
- To conduct intensive Information, Education and Communication (IEC) campaign about sanitation with the involvement of PRIs, Co-operatives, ASHAs, Anganwadi workers, Women Groups, Self Help Groups, NGOs etc.

The project cost was ₹ 1.5 million and it benefited 200 households of Panoli village in Ankleshwar.

Strengthening PDS Systems - Sathammai

Implemented by the CSR Department of Sun Pharma, the aim of this program is two-pronged:

- To provide good infrastructure facility to keep the essential commodities safe and secure
- To facilitate the local governing body in distributing the material on time by providing required infrastructure facilities

Construction of the 'Public Distribution Centre' has commenced in Sathammai village of Maduranthakam from 1st February, 2015 and is expected to be completed by 31st May, 2015. The expense in FY15 was ₹ 0.19 million. It will benefit 250 households of the village.

Livelihood Initiatives:

Another important part of our community up-liftment model is skilling people to empower them to earn their livelihood.

During the reporting year, 124 candidates were trained. After a competitive test, 119 candidates were successfully recruited as factory workers in our manufacturing facilities.

| Type of Training | No. of people who received training | No. of locals employed | No. of non-locals employed |
|------------------|-------------------------------------|------------------------|----------------------------|
| Pre-employment | 124 | 81 | 38 |

To enhance productivity and impact, we periodically gather feedback regarding our programs from beneficiaries, partners and implementers. We plan to develop a formal impact assessment in the near future.

For information on the Company's direct contribution to various Community Development Projects, refer Section-B, point 4.

Active Engagement

We connect with our customers through a two-way engagement process as detailed below:

| Give | Take |
|--|--|
| 1) Disclose detailed information for all our products, which also complies with all applicable labelling codes and specifications. 2) Deal with customers in a transparent and ethical manner, eliminating any form of miscommunication or misunderstanding. Our Code of Conduct also guides our employees while engaging with customers. | 1) Gain consistent feedback from customers and immediately address the issues, if any. In the reporting year, no formal survey was carried out but our medical representatives continued to seek suggestions in person, with doctors and pharmacists. Our 'Customer Centricity Policy' also directs our employees to be receptive towards customer's needs and concerns. |

There is no material case filed by any stakeholder against Sun Pharma, regarding dishonest trade practices or irresponsible advertising, during the last six years.

Product Safety

Quality is not only a differentiator, but also elementary in the kind of business we are in. It is imperative to incorporate Pharmacovigilance SOPs to methodically examine, detect and gauge any adverse effects which may arise in or due to our products. This method results in elimination of adversities in the laboratory itself. Being a global leader, we keep raising our benchmarks when it comes to product safety throughout the value chain, thanks to the unrelenting vigilance of our R&D experts.

A holistic quality management system is instituted to keep a comprehensive and updated database of unfortunate events. The 'adverse impact reporting form' for the same is made accessible

PRINCIPLE 9 – CUSTOMER VALUE

Spread across 150 countries and 5 continents, our customers are our key stakeholders and their well-being is our key priority.

We believe in offering more value for our customers, in more ways than one. Our customer centricity approach hence encompasses a gamut of propositions:

- Delivering affordable medicines and increasing their accessibility
- Practising stringent quality standards to ensure safe, effective and easy to use products
- Soliciting customers feedback, insights and timely addressing their issues

to both, healthcare and non-healthcare stakeholders, through the Company's website. The reporter's identity is kept confidential and is diligently protected. The information received is filtered and used for systematic benefit-risk ratio assessment of the medicine.

Specialty Healthcare

With improving mortality rate due to advent of cures and medicines, the need for specialty medicines has increased. Healthcare costs have also spiralled simultaneously. Our endeavour is to bridge the gap for our customers, by making these medicines available as well as affordable.

We continue to expand our geographical footprint for maximum accessibility, where we cater to our niche therapy areas of dermatology, psychiatry, neurology, cardiology, nephrology, gastroenterology, orthopaedics and ophthalmology.