

Corporate Governance

In compliance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time the Company submits the Corporate Governance Report for the year ended March 31, 2020.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Sun Pharmaceutical Industries Limited's philosophy envisages reaching people touching lives globally by following the core values of the Company viz Quality, Reliability, Consistency, Trust, Humility, Integrity, Passion and Innovation which are also a way of life at the Company. These values form a base of the Corporate Governance practices of the Company. The Company ensures to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, consumers, suppliers and statutory authorities.

Sun Pharmaceutical Industries Limited is committed to learn and adopt the best practices of Corporate Governance.

2. BOARD OF DIRECTORS

The present strength of the Board of Directors of your Company is eight Directors.

Composition and category of Directors is as follows:

Category of Directors	Name of the Directors	Inter-se Relationship between Directors
Non-Promoter Non-Executive and Non Independent Directors	Mr. Israel Makov (Chairman)	-
	Mr. Sudhir V. Valia*	Brother-in-law of Mr. Dilip S. Shanghvi
Promoter Executive Director	Mr. Dilip S. Shanghvi (Managing Director)	Brother-in-law of Mr. Sudhir V. Valia
Non-Promoter Executive Directors	Mr. Sailesh T. Desai (Whole-time Director)	-
	Mr. Kalyanasundaram Subramanian (Whole-time Director)	-
Non-Executive Independent Directors	Ms. Rekha Sethi	-
	Mr. Vivek Chaand Sehgal	-
	Mr. Gautam Doshi	-

*Mr. Sudhir Valia stepped down from the position of Whole-time Director of the Company to Non-Executive Director of the Company, with effect from May 29, 2019. He continues to be a Non-Promoter, Non-Executive and Non-Independent Director of the Company. He is part of Promoter Group but not a promoter.

Number of Board meetings held during the year ended March 31, 2020 and the dates on which held:

Six Board meetings were held during the year. The dates on which the meetings were held during the year ended March 31, 2020 are as follows:

May 28, 2019; August 13, 2019; August 28, 2019; November 7, 2019, February 06, 2020 and March 17, 2020.

Number of Board meetings the Directors were entitled to attend, attendance of each Director at the Board meetings and at the last Annual General Meeting (AGM), and number of other Directorships and Chairmanships/Memberships of Committee of each Director for the year under review, is given below:

Name of the Director	Attendance particulars for the year ended March 31, 2020			No. of other Directorships and Committee Memberships / Chairmanships as of March 31, 2020 ¹		
	Number of Board Meetings Entitled to attend	Number of Board Meetings attended	Last AGM held August 28, 2019	Other Directorships	Committee Memberships ²	Committee Chairmanships ²
Mr. Israel Makov	6	6	Yes	-	-	-
Mr. Dilip S. Shanghvi	6	6	Yes	1	-	-
Mr. Sudhir V. Valia ³	6	6	Yes	5	3	1
Mr. Sailesh T. Desai	6	6	Yes	3	-	-
Mr. Kalyanasundaram Subramanian	6	2	No	2	-	-
Ms. Rekha Sethi	6	6	Yes	5	3	-

Name of the Director	Attendance particulars for the year ended March 31, 2020			No. of other Directorships and Committee Memberships / Chairmanships as of March 31, 2020 ¹		
	Number of Board Meetings Entitled to attend	Number of Board Meetings attended	Last AGM held August 28, 2019	Other Directorships	Committee Memberships ²	Committee Chairmanships ²
Mr. Vivek Chaand Sehgal	6	5	No	5	1	-
Mr. Gautam Doshi	6	6	Yes	2	1	1

Notes:

¹ The above number of other directorships does not include Directorships, Committee Memberships and Committee Chairmanships in Private Limited, Foreign and Section 8 Companies.

² The Committee Memberships and Chairmanships in other Companies include Memberships and Chairmanships of Audit and Stakeholders' Relationship Committee only.

³ Mr. Sudhir Valia stepped down from the position of Whole-time Director of the Company to Non-Executive Director of the Company, with effect from May 29, 2019. He continues to be a Non-Promoter, Non-Executive and Non-Independent Director of the Company.

Names of the Indian listed entities where the Directors of the Company hold Directorship and the category of directorship as on March 31, 2020:

Name of the Director	Other Indian Listed entities in which they hold Directorship	Category of Directorship
Mr. Dilip S. Shanghvi	Sun Pharma Advanced Research Company Ltd	Chairman and Managing Director
Mr. Sudhir V. Valia	Sun Pharma Advanced Research Company Ltd	Non Executive & Non Independent Director
Ms. Rekha Sethi	CESC Ltd	Independent Director
	Spencer's Retail Limited	Independent Director
Mr. Vivek Chaand Sehgal	Motherson Sumi Systems Ltd	Non-Executive & Non-Independent Chairman

In terms of requirement of Listing Regulations, the Board has identified the core skills/expertise/competencies of the Directors, as given below:

Knowledge	Skills	Behavioural Traits
Specialisation / Expertise	Strategic Thinking/ Planning Skills	Integrity
Finance & Accounts	Problem Solving Skills	Genuine interest
Legal	Analytical Skills	Interpersonal skills / communication
Governance	Decision Making Skills	Active Participation
Industry Knowledge	Leadership Skills	
Risk Management		
General Management		

The skills/expertise/knowledge area of the Directors are given below:

Skill set/Area of expertise/ Knowledge	Whether the skill set/area of expertise/knowledge is possessed by the Director of the Company							
	Israel Makov	Dilip Shanghvi	Sailesh Desai	Kalyanasundaram Subramanian	Sudhir Valia	Gautam Doshi	Rekha Sethi	Vivek Chaand Sehgal
KNOWLEDGE								
Specialisation / Expertise in one or more fields	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
• In the field of:								
Finance & Accounts	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Legal	Yes				Yes	Yes		
Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry Knowledge (Pharma Industry)	Yes	Yes	Yes	Yes	Yes			
Risk Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
General Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

As far as Skills namely Strategic Thinking/ Planning Skills, Problem Solving Skills, Analytical Skills, Decision Making Skills and Leadership Skills; and Behavioural Traits namely Integrity, Genuine interest, Interpersonal skills / communication and Active Participation are concerned, all the Directors of the Company possess them.

The Independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

3. CODE OF CONDUCT

The Board of Directors has laid down a Global Code of Conduct for all Board members, and all employees, including the senior management of the Company.

All the Directors and senior management have affirmed compliance with the Global Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director has been annexed as Annexure 'A' to the Corporate Governance Report. The Global Code of Conduct of the Company is available on the website of the Company at www.sunpharma.com.

4. AUDIT COMMITTEE

The Audit Committee of the Company presently comprises of three Directors which include two Independent Non-executive Directors viz. Ms. Rekha Sethi, Mr. Gautam Doshi, and one Whole-time Director viz. Mr. Sailesh T. Desai. Mr. Gautam Doshi is the Chairman of the Audit Committee. The constitution of Audit Committee meets with the requirements as laid down under Section 177 of the Companies Act, 2013 and also of Regulation 18 of the Listing Regulations. Mr. Sunil R. Ajmera, the Company Secretary of the Company is the Secretary of the Audit Committee.

The terms of reference of the Audit Committee inter alia include: overseeing the Company's financial reporting process, reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, recommendation for appointment, remuneration and terms of appointment of auditors of the Company, reviewing the adequacy of internal audit function, discussion with internal auditors of any significant findings and follow up there on, evaluation of internal financial controls and risk management systems, review functioning of Whistle Blower/ Vigil Mechanism, approval of appointment of Chief Financial Officer, review and monitor the auditor's independence and performance and effectiveness of audit process, approval of transactions with related parties etc. Further, pursuant to the amendments in Listing Regulations the terms of reference of the Committee were amended with effect from April 1, 2019 to include reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

Executives from the Finance Department, representatives of the Statutory Auditors and Internal Auditors are also invited to attend the Audit Committee Meetings, whenever necessary.

The Committee has discussed with the Statutory and Internal auditors about their audit methodology, audit planning and significant observations/ suggestions made by them.

In addition, the Committee has discharged such other role/ function as envisaged under Regulation 18 of the Listing Regulations, 2015 and the provisions of Section 177 of the Companies Act, 2013.

Four Audit Committee Meetings were held during the year ended March 31, 2020. The dates on which the Meetings were held are as follows:

May 27, 2019¹; August 12, 2019; November 7, 2019; and February 05, 2020.

The attendance of each Member of the Committee is given below:

Name of the Director	Number of Audit Committee Meetings entitled to attend	Number of Audit Committee Meetings attended
Mr. Gautam Doshi	4	4
Ms. Rekha Sethi	4	4
Mr. Sailesh T. Desai	4	4

¹ The Audit Committee meeting held on May 27, 2019 was adjourned for consideration of few agenda items and the adjourned meeting was held on May 28, 2019, and was attended by all members.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently comprises of three Non-executive Directors viz. Ms. Rekha Sethi, Mr. Israel Makov and Mr. Gautam Doshi. Ms. Rekha Sethi is the Chairperson of the Committee. The constitution of the Nomination and Remuneration Committee meets with the requirements of Section 178 of the Companies Act, 2013 as also the requirements laid down in Regulation 19 of the Listing Regulations. Mr. Sunil R. Ajmera, the Company Secretary of the Company is the Secretary of the Committee.

The terms of reference of the Nomination and Remuneration Committee inter alia include; to determine the Company's policy on specific remuneration packages for executive directors, to review, recommend and/ or approve remuneration to Whole-time Directors, to review and approve the Remuneration Policy of the Company, to formulate criteria for evaluation of Independent Directors and the Board, to devise a policy on Board Diversity, to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and carry out evaluation of every directors' performance, etc. Further, pursuant to the amendments in Listing Regulations the terms of

reference of the Committee were amended with effect from April 1, 2019, to inter alia include recommending to the board, all remuneration, in whatever form, payable to senior management, etc.

The Nomination and Remuneration Committee has adopted the criteria as provided in the Guidance Note on Board Evaluation by Securities and Exchange Board of India vide its notification no. SEBI/HO/CFD/CMD/CIR/P2017/004 dated January 05, 2017 for evaluation of the Individual Directors including Independent Directors. The said criteria provides certain parameters like knowledge, competency, fulfillment of functions, availability and attendance, initiative, integrity, contribution, independence and independent views and judgment.

Four meetings of Nomination and Remuneration Committee were held during the year ended March 31, 2020. The dates on which the meetings were held are as follows:

May 28, 2019; August 13, 2019; November 7, 2019 and February 06, 2020.

The attendance of each Member of the Committee is given below:

Name of the Director	Number of Nomination and Remuneration Committee Meetings entitled to attend	Number of Nomination and Remuneration Committee Meetings attended
Ms. Rekha Sethi	4	4
Mr. Israel Makov	4	4
Mr. Gautam Doshi	4	4

6. REMUNERATION OF DIRECTORS

The remuneration of the Managing Director and Whole-time Director(s) is approved by the Board, as per recommendation of the Nomination and Remuneration Committee within the overall limit fixed by the shareholders at their meetings.

The Non-Executive Directors of the Company are entitled to sitting fees of ₹100,000/- for attending each meeting of the Board and/or of Committee thereof except the Corporate Governance and Ethics Committee for which they are entitled to ₹50,000/- for each meeting of the Committee.

The details of Remuneration paid/payable to the Directors of the Company for the year ended March 31, 2020 are given below:-

Directors	For the year ended March 31, 2020				
	Salary ¹	Bonus	Perquisites / Benefits ²	Sitting Fees	Total
Mr. Dilip S. Shanghvi	32,358,000	6,471,600	4,246,860	-	43,076,460
Mr. Sudhir V. Valia ³	59,165,179	1,043,806	658,839	900,000	61,767,824
Mr. Sailesh T. Desai	11,355,996	2,271,199	2,178,339	-	15,805,534
Mr. Kalyanasundaram Subramanian ⁴	33,786,992	3,908,153	12,047,952	-	49,743,097
Mr. Israel Makov	-	-	-	1,000,000	1,000,000
Ms. Rekha Sethi	-	-	-	1,900,000	1,900,000
Mr. Vivek Chaand Sehgal	-	-	-	600,000	600,000
Mr. Gautam Doshi	-	-	-	2,100,000	2,100,000

Note:

¹ Salary includes Special Allowance. Salary of Mr. Kalyanasundaram Subramanian includes variable pay of ₹7,938,167/-.

² Perquisites include House Rent Allowance if any, Leave Travel Assistance, Medical Reimbursement, contribution to Provident Fund and such other perquisites, payable to Directors, as per Company Policy.

³ Mr. Sudhir V. Valia stepped down from the position of Whole-time Director of the Company to Non-Executive Director of the Company, with effect from May 29, 2019. He continues to be a Non-Promoter*, Non-Executive and Non-Independent Director of the Company. As he stepped down from the position of Whole-time Director of the Company, the Salary includes the following amounts paid at the time of final settlement: PL encashment of ₹15,054,320 and Gratuity of ₹38,891,827 which is being reimbursed by LIC as per policy. Subsequent to May 29, 2019, payment of sitting fees of ₹900,000 was made to Mr. Sudhir Valia for the meetings attended by him as Non-executive Director.

⁴ The remuneration mentioned in the aforesaid table is the remuneration paid to Mr. Kalyanasundaram Subramanian by the Company from July 4, 2019 to March 31, 2020. Mr. Kalyanasundaram Subramanian was not paid any remuneration from the Company as Whole-time Director upto July 3, 2019 as he was appointed without any remuneration. Mr. Kalyanasundaram Subramanian was also the Whole-time Director & Chief Executive Officer of Sun Pharma Laboratories Limited, Wholly-Owned Subsidiary of the Company, until July 3, 2019 and he received remuneration from Sun Pharma Laboratories Limited till then. Until, July 3, 2019, he received remuneration of ₹16,350,140/- from Sun Pharma Laboratories Limited. Mr. Kalyanasundaram Subramanian stepped down from the position of Whole-time Director & CEO of Sun Pharma Laboratories Limited with effect from July 4, 2019 and the Nomination and Remuneration Committee and Board of Directors of the Company approved payment of his remuneration with effect from July 4, 2019 till the remaining term of his appointment upto February 13, 2021 and his remuneration was also approved by the members of the Company at 27th Annual General Meeting held on August 28, 2019.

*He is part of Promoter Group but not a promoter

Besides this, all the Whole-time Directors to whom remuneration is paid are also entitled to encashment of leave as per Company policy, and gratuity at the end of tenure, as per the rules of the Company.

Notes:-

- a) The Agreement with Mr. Dilip S. Shanghvi and Mr. Sailesh T. Desai, the Executive Directors for their present term are for a period of 5 years as follows; i) from April 1, 2018 to March 31, 2023 and remuneration for period from April 1, 2018 to March 31, 2021 for Mr. Dilip S. Shanghvi, Managing Director ii) from April 1, 2019 to March 31, 2024 and remuneration for period of 3 years from April 1, 2019 to March 31, 2022 for Mr. Sailesh T. Desai, Whole-time Director. The agreement with Mr. Kalyanasundaram Subramanian, Whole-time Director, is for a period of 2 years with effect from February 14, 2019 to February 13, 2021, that earlier was without any remuneration and which was revised on July 4, 2019, to include payment of remuneration with effect from July 4, 2019 to February 13, 2021 as approved by Special resolution passed by members on August 28, 2019. Either party to the agreement is entitled to terminate the Agreement by giving to the other party 30 days' notice in writing. Mr. Sudhir Valia stepped down from the position of Whole-time Director of the Company to Non-Executive Director of the Company, with effect from May 29, 2019. He continues as a Non-Promoter, Non-Executive and Non-Independent Director of the Company. Consequently the agreement with Mr. Sudhir V. Valia for remuneration and appointment as Whole-time Director was terminated w.e.f. May 29, 2019.
- b) The Company had formulated two Schemes for grant of stock options to the eligible employees of erstwhile Ranbaxy Laboratories Ltd., pursuant to the Scheme of Arrangement for merger of Ranbaxy Laboratories Ltd., into the Company out of which one scheme was completed in August 2017 and second scheme was completed in February 2020. None of the Directors are entitled to stock options.
- c) There is no separate provision for payment of severance fees to Whole-time Director(s).
- d) The remuneration of Whole-time Directors consists only of fixed components except for Mr. Kalyanasundaram Subramanian.

The details of Equity Shares held by Non-Executive Directors as on March 31, 2020 are as follows:

Director	No. of Equity Shares held (held singly or jointly as first holder)
Mr. Israel Makov	Nil
Ms. Rekha Sethi	Nil
Mr. Vivek Chaand Sehgal	Nil
Mr. Gautam Doshi	8000
Mr. Sudhir Valia	14345019

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee presently comprises of three Directors viz. Mr. Gautam Doshi, Mr. Dilip S. Shanghvi, Mr. Sudhir V. Valia. Mr. Gautam Doshi is the Chairman of the Committee. The constitution of the Stakeholders' Relationship Committee meets with the requirements of Section 178 of the Companies Act, 2013 and also of Regulation 20 of the Listing Regulations.

Mr. Sunil R. Ajmera, the Company Secretary of the Company is the Secretary of the Committee.

The terms of reference of the Committee inter alia include the following: To look into redressal of grievances of shareholders, debenture holders and other security holders of the Company, to consider and resolve grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc, to approve issue of duplicate share certificates and to oversee and review all matters connected with the transfer, transmission and issue of securities, to oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investor services, etc. However, pursuant to amendments in the Listing Regulations, the terms of reference of the Committee have been revised and replaced w.e.f. April 1, 2019 to inter alia include the following: Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings; Review of measures taken for effective exercise of voting rights by shareholders; Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company, to investigate any activity within its terms of reference, to seek information from share transfer agents, to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary and have full access to the information contained in the records of the Company.

The Board has designated severally, Mr. Sunil R. Ajmera, Company Secretary and Mr. Ashok I. Bhuta, Sr. G.M - Secretarial as Compliance Officers for the purposes of/under rules, regulations etc. issued by the Securities Exchange Board of India, Stock Exchanges, and Companies Act, 2013.

Four meetings of the Stakeholders' Relationship Committee were held during the year ended March 31, 2020. The dates on which Meetings were held are as follows:

May 28, 2019; August 12, 2019; November 7, 2019 and February 05, 2020.

The attendance of each Member of the Committee is given below:

Name of the Director	Number of Stakeholders' Relationship Committee Meetings entitled to attend	Number of Stakeholders' Relationship Committee Meetings attended
Mr. Gautam Doshi	4	4
Mr. Sudhir V. Valia	4	3
Mr. Dilip S. Shanghvi	4	4

Investor Complaints:

The total numbers of complaints received and resolved to the satisfaction of shareholders, during the year under review were 3. There were no complaints pending at the beginning or at the end of the year.

8. COMMITTEE OF DIRECTORS (ALLOTMENT)

The Committee of Directors (Allotment) comprised of three Directors viz. Mr. Dilip S. Shanghvi, Mr. Sudhir V. Valia and Mr. Sailesh T. Desai. Mr. Sudhir V. Valia is the Chairman of the Committee and Mr. Sunil R. Ajmera, Company Secretary is the Secretary of the Committee.

No meetings of the Committee of Directors (Allotment) were required to be held during the year ended March 31, 2020.

The Committee of Directors (Allotment) inter-alia has the following powers: To allot shares pursuant to Employee Stock Option (ESOP) Schemes and to issue the equity share certificates to the shareholders holding the shares in physical form, to perform any or all of the acts, deeds, things and matters as may be required in connection with such issue, allotment and Listing of Equity Shares.

The Committee of Directors (Allotment) was formed to consider and approve the allotment of shares of the Company under the ESOP Schemes. Since both ESOP Schemes have been completed, the Board of Directors have dissolved the 'Committee of Directors (Allotment)' of the Company with effect from May 27, 2020.

9. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee presently comprises of three Directors viz. Mr. Sudhir V. Valia, Ms. Rekha Sethi and Mr. Dilip S. Shanghvi. The

Chairman of the Committee is Mr. Dilip S. Shanghvi. The constitution of the Corporate Social Responsibility Committee meets the requirements of section 135 of the Companies Act, 2013. Mr. Sunil R. Ajmera, the Company Secretary of the Company is the Secretary of the Committee. The terms of reference of the Corporate Social Responsibility Committee include to formulate and recommend to the Board, a Corporate Social Responsibility Policy, to monitor the Corporate Social Responsibility Policy of the Company from time to time, to recommend the amount of expenditure to be incurred on the activities, to monitor amount spent on the CSR initiatives of the Company as per the CSR policy, to discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors from time to time etc. The contents of the CSR Policy of the Company can be accessed through the web link: <http://www.sunpharma.com/policies>.

During the year ended March 31, 2020, two meetings of Corporate Social Responsibility Committee were held on May 27, 2019 and November 6, 2019. The attendance of each member of Committee is as follows:

Name of the Director	Number of Corporate Social Responsibility Committee meetings entitled to attend	Number of Corporate Social Responsibility Committee meetings attended
Mr. Dilip S. Shanghvi	2	2
Mr. Sudhir V. Valia	2	2
Ms. Rekha Sethi	2	2

10. RISK MANAGEMENT COMMITTEE

The Risk Management Committee presently comprises of Mr. Dilip S. Shanghvi, Managing Director of the Company, Mr. Sudhir V. Valia, Director of the Company and Mr. C. S. Muralidharan, Chief Financial Officer of the Company. The Chairman of the Committee is Mr. Dilip S. Shanghvi. The constitution of the Committee meets the requirements of Regulation 21 of the Listing Regulations. The terms of reference of the committee inter alia include: to formulate and recommend to the Board a Risk Management Plan/ Policy, to implement, monitor and review the risk management plan for the Company, to recommend and implement procedures for risk assessment and minimisation, to monitor the Risk Management Policy of the Company from time to time, to discharge such other functions and exercise such other powers as may be delegated/ directed by the Board of Directors from time to time. Mr. Sunil R. Ajmera, the Company Secretary of the Company is the Secretary of the Committee.

During the year ended March 31, 2020, two meetings of Risk Management Committee were held on May 27, 2019 and November 6, 2019.

The attendance of each member of committee is as follows:

Name of the member	Number of Risk Management Committee meetings entitled to attend	Number of Risk Management Committee meetings attended
Mr. Dilip S. Shanghvi	2	2
Mr. Sudhir V. Valia	2	2
Mr. C S Muralidharan	2	2

11. CORPORATE GOVERNANCE AND ETHICS COMMITTEE

The Board has constituted a Corporate Governance and Ethics Committee with effect from May 28, 2019. Mr. Gautam Doshi, Director, Ms. Rekha Sethi, Director, Mr. C. S. Muralidharan, CFO and Mr. Ashok Bhuta Senior GM - Secretarial & Compliance Officer are the members of the Committee. Mr. Gautam Doshi is the Chairman of the Committee. The terms of reference of committee inter alia include: to review the ethical standards and best practices in respect of Corporate Governance by the Company in spirit, substance and intent perspective apart from benchmarking wherever possible with the best practices that are comparable across the industry; to monitor Company's compliance with the Corporate Governance Guidelines and applicable laws and regulations and make recommendations to the Board on all such matters and on any corrective action to be undertaken, as the Committee may deem appropriate; to set forth policies in respect of furtherance of its objectives and recommend changes and monitor and review compliance of such policies by the Company's directors, officers and employees; to review, recommend changes and monitor the implementation of the Related Party Transactions Policy of the Company and ensure that the Company is in compliance with the applicable regulations in respect of Related Party transactions from time to time etc. The Corporate Governance and Ethics Committee shall report to the Audit Committee.

Four meetings of the Corporate Governance and Ethics Committee were held during the year ended March 31, 2020. The dates on which the Meetings were held are as follows:

August 12, 2019; October 7, 2019; November 7, 2019; and February 05, 2020.

The attendance of each Member of the Committee is given below:

Name of the Member	Number of Corporate Governance & Ethics Committee Meetings entitled to attend	Number of Corporate Governance & Ethics Committee Meetings attended
Mr. Gautam Doshi	4	4
Ms. Rekha Sethi	4	4
Mr. C S Muralidharan	4	4
Mr. Ashok Bhuta	4	4

12. SUBSIDIARY COMPANIES

In accordance with Regulation 16 of the Listing Regulations during the year ended March 31, 2020, Sun Pharma Laboratories Limited, Sun Pharmaceutical Industries, Inc and Taro Pharma USA were material subsidiary companies whose turnover or net worth as per Companies Act, 2013 exceeded 10% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year and Sun Pharma Holdings, Mauritius was material subsidiary company whose turnover or net worth as per Companies Act, 2013 exceeded 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Ms. Rekha Sethi, Independent Director of the Company is also Director on the Board of Sun Pharma Laboratories Limited and Sun Pharma Distributors Limited. Mr. Gautam Doshi, Independent Director of the Company is also Director on the Board of Sun Pharma Global FZE and Sun Pharma Holdings.

The financial statements including investments made by the unlisted subsidiaries were placed before and reviewed by the Audit Committee of the Company.

The Board of Directors of the Company reviewed periodically, the statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies. Copies of the Minutes of the Board Meetings of the unlisted subsidiary Companies were placed at the Board Meetings of the Company held during the year.

The policy for determining material subsidiaries of the Company is available on the website of the Company and can be accessed at: <http://www.sunpharma.com/policies>.

13. GENERAL BODY MEETINGS

(i) Location and time of the last three Annual General Meetings:

Year	Meeting	Location	Date	Time
2016 -2017	Twenty- Fifth AGM	Sir Sayajirao Nagargruh, Akota, Vadodara- 390 020, Gujarat	September 26, 2017	10:45 a.m.
2017 -2018	Twenty- Sixth AGM	Crystal Hall, Grand Mercure Vadodara Surya Palace, Opposite Parsi Agyari, Sayajigunj, Vadodara - 390 020	September 26, 2018	2:45 p.m.
2018-2019	Twenty- Seventh AGM	Crystal Hall, Grand Mercure Vadodara Surya Palace, Opposite Parsi Agyari, Sayajigunj, Vadodara - 390 020	August 28, 2019	3:15 p.m.

(ii) Special Resolutions passed at the last three Annual General Meetings:

a) At the Twenty-Fifth Annual General Meeting.

- (1) Approval for re-appointment of Mr. Dilip S. Shanghvi (DIN: 00005588) as Managing Director of the Company for a period of 5 (Five) years from the expiry of his present term of office i.e. with effect from April 01, 2018 to March 31, 2023 and approval of maximum limit of remuneration for the period from April 01, 2018 to March 31, 2021

- (2) Approval of remuneration to be paid to Mr. Kalyanasundaram Subramanian, Whole-time Director, with effect from July 04, 2019 till remaining term of his appointment upto February 13, 2021.

Resolution Passed Through Postal Ballot:

No resolution was passed through postal ballot during the year under review.

b) At the Twenty-Sixth Annual General Meeting.

- (1) Approval for re-appointment of Mr. Sudhir V. Valia (DIN: 00005561) as Whole-time Director of the Company upon the expiry of his present term of office on March 31, 2019, for a further period of 5 (Five) years commencing from April 01, 2019 to March 31, 2024 and remuneration for a period of 3(three) years commencing from April 01, 2019 to March 31, 2022.
- (2) Approval for re-appointment of Mr. Sailesh T. Desai (DIN: 00005443) as Whole-time Director of the Company upon the expiry of his present term of office on March 31, 2019, for a further period of 5 (Five) years commencing from April 01, 2019 to March 31, 2024 and remuneration for a period of 3(three) years commencing from April 01, 2019 to March 31, 2022.
- (3) Approval for continuation of Directorship of Mr. Israel Makov (DIN:05299764), Non-executive Director and Chairman of the Company, having attained the age beyond the age of 75 years as required under Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from April 01, 2019.

c) At the Twenty-Seventh Annual General Meeting

- (1) Approval for consent/ratification of excess commission paid to Non-executive Directors for the year 2013-14 pursuant to the letter received from MCA in respect of abatement of the pending applications for approval of remuneration

14. DISCLOSURES

- No transaction of a material nature has been entered into by the Company with its related parties that may have a potential conflict with the interests of the Company. Register of contracts containing transactions, in which directors are interested, is placed before the Board of Directors regularly. The transactions with the related parties as per Ind AS-24, are disclosed in Note 51 of the Notes forming part of the Standalone Financial Statements for the year ended March 31, 2020.
- There were no instances of non-compliance by the Company on any matters related to the capital markets or penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- The Company has laid down procedures to inform Board members about the risk assessment and its minimisation, which is periodically reviewed to ensure that risk control is exercised by the management effectively.
- The Board of Directors of the Company has approved a Whistle Blower Policy/Vigil Mechanism to monitor the actions taken on complaints received under the said policy. This policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee blows the whistle for any wrong-doing in the Company. Employees are given protection in two important areas - confidentiality and against retaliation. It is ensured that employees can raise concerns regarding any

violation or potential violation easily and free of any fear of retaliation, provided they have raised the concern in good faith. An Ombudsperson/s has been appointed to receive the complaints through a portal or email or letters who would investigate the complaints with an investigating committee. The final decision would be taken by the Ombudsperson in consultation with the Management and the Audit Committee. The Policy is expected to help to draw the Company's attention to unethical, inappropriate or incompetent conduct which has or may have detrimental effects either for the organisation or for those affected by its functions. The details of establishment of vigil mechanism are available on the website of the Company. No personnel have been denied access to the Audit Committee. The Board of Directors at their meeting held on May 28, 2019 have amended the Whistle Blower Policy to enable external parties to report any matter.

- Details of the familiarisation programme of the independent directors are available on the website of the Company at: <http://www.sunpharma.com/policies>
- During the year, a separate meeting of the independent directors was held on February 06, 2020 inter-alia to evaluate the performance of non-independent directors and the board as a whole.
- The policy on dealing with the related party transactions is available on the website of the Company and can be accessed at: <http://www.sunpharma.com/policies>.

During the year, there were pecuniary transactions with the Companies in which Non-Executive Directors are interested as follows: a) Transaction of receiving of services from Makov Associates Limited of ₹143,930,686 in which Mr. Israel Makov, Non-Executive and Non-Independent Chairman is interested; b) Transactions with MotherSumi INFotech & Designs Limited for receiving of services – ₹4,773,342 and with Anest Iwata MotherSumi Private Limited for receiving of services – ₹8,204 in which entities Mr. Vivek Chaand Sehgal, Non-Executive and Independent Director is interested c) Transactions with Fortune Integrated Assets Finance Limited for purchase of Goods – ₹34,740, transactions with Suraksha Asset Reconstruction Private Limited – ₹2,650,000 for sale of property, plant and equipment, transactions with Sun Petrochemicals for lease rent received – ₹2,400,000, transactions with Sun Pharma Advanced Research Company Limited for Revenue from contracts with customers, net of returns, sale of property, plant and equipment, royalty expenses, receiving of service expenses, reimbursement of expenses paid, rendering of service income, reimbursement of expenses received and lease rent received – ₹507,603,286 in which entities Mr. Sudhir

Valia, Non-Executive and Non-Independent Director is interested except for the subsidiaries of the Company wherein it is deemed that he does not have any personal / pecuniary interest. d) Transactions with Anshul Speciality Molecules Private Limited for Purchase of Goods - ₹17,580,630 in which Mr. Gautam Doshi, Non-Executive and Independent Director is interested.

- All the transactions with entities in which the Independent Directors are/were interested constitute negligible percent of the revenue of the Company.
- Apart from the above and sitting fees paid to Non-Executive Directors, there are no pecuniary transactions with Non Executive directors of the Company or the companies in which they are interested which had potential conflict of interest with the Company.
- Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority has been annexed as Annexure 'B' to the Corporate Governance Report.
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was ₹145,815,853/- (Rupees Fourteen Crore Fifty Eight Lakh Fifteen Thousand Eight Hundred and Fifty Three only), for the year under review.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
 - a. number of complaints filed during the financial year: 1
 - b. number of complaints disposed of during the financial year: 1
 - c. number of complaints pending as on end of the financial year: 0
- Details of compliance and Adoption/Non Adoption of the non-mandatory requirements for the year ended March 31, 2020:
 - (i) The Company complies with all the mandatory requirements specified under Listing Regulations.
 - (ii) The Chairman of the Company is a Non-Executive Director. The Company has provided a separate office for the Chairman at the corporate office. The Chairman is also entitled reimbursement of expenses incurred in performance of his duties.

- (iii) The Company sends quarterly results along with summary of significant events to the shareholders whose e-mail IDs are available with the Company/Registrar.
- (iv) The auditors have issued an unmodified opinion of the financial statements of the Company.
- (v) The Internal Auditor reports their findings to the Audit Committee of the Company.

- **Reminder to Investors:** Reminders for unpaid dividend are sent to shareholders, regularly every year.
- **Corporate Filing:** Announcements, Quarterly Results, Shareholding Pattern etc. of the Company are regularly filed by the Company with the Stock Exchanges and are available on the website of BSE Ltd. - www.bseindia.com and National Stock Exchange of India Ltd. - www.nseindia.com.

15. MEANS OF COMMUNICATION

- **Website:** The Company's website www.sunpharma.com contains a separate dedicated section 'INVESTORS' where shareholders' information is available. The Annual Report for 2019-20 and Annual Report/ Abridged Annual Report for the past years are also available on the website in a user friendly and downloadable form. Apart from this, official news releases, detailed presentations made to media, analysts etc., and the transcript of the conference calls are also displayed on the Company's website.
- **Financial Results:** The annual, half-yearly and quarterly results are regularly posted by the Company on its website www.sunpharma.com and are also sent to the shareholders whose e-mail IDs are registered with the Company. These are also submitted to the Stock Exchanges on which the securities of the Company are listed in accordance with the requirements of the Listing Regulations and published in all English Editions of 'Financial Express' and Gujarati Edition of 'Financial Express' which is published in Ahmedabad.
- **Annual Report:** Annual Report containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Board's Report, Auditor's Report, and other important information is sent to the shareholders whose e-mail IDs are registered with the Company and physical copy to the rest of the shareholders and others entitled thereto every year. However pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and MCA General Circular No. 20/2020 dated May 5, 2020 of Ministry of Corporate Affairs, due to COVID, no physical copies of the Annual Report for FY20 will be sent. The Management Discussion and Analysis Report forms part of the Annual Report.
- **Chairman's Communique:** The Chairman's Speech is sent to the stock exchanges and placed on the website of the Company.

16. GENERAL SHAREHOLDER INFORMATION

16.1 Annual General Meeting:

Day, Date and Time	Thursday, August 27, 2020 at 3:30 p.m
Venue	Through Video Conferencing/Other Audio Visual means

16.2 Financial Calendar (tentative):

Results for quarter ending June 30, 2020	First week of August 2020.
Results for quarter ending September 30, 2020	First week of November 2020.
Results for quarter ending December 31, 2020	First week of February 2021.
Audited Results for year ended March 31, 2021	Third or Fourth week of May 2021.

16.3 Details of Book-closure for Equity Shareholders:

From Friday, August 21, 2020 to Thursday, August 27, 2020 (both days inclusive)

16.4 Dividend Payment Date:

On or before, Tuesday, September 1, 2020

16.5 Listing Details

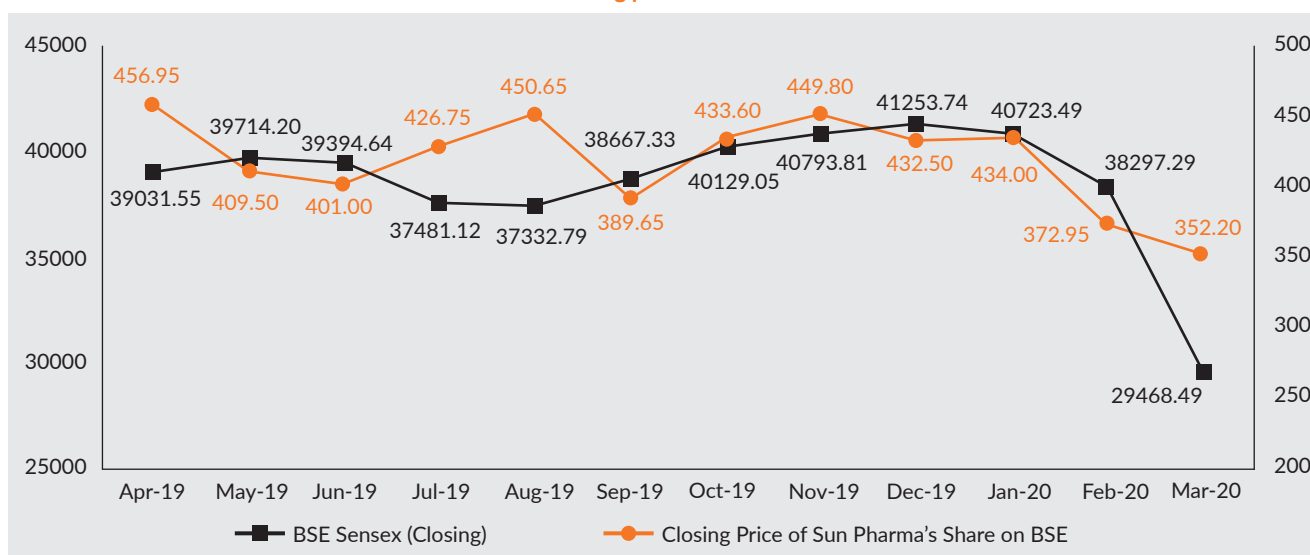
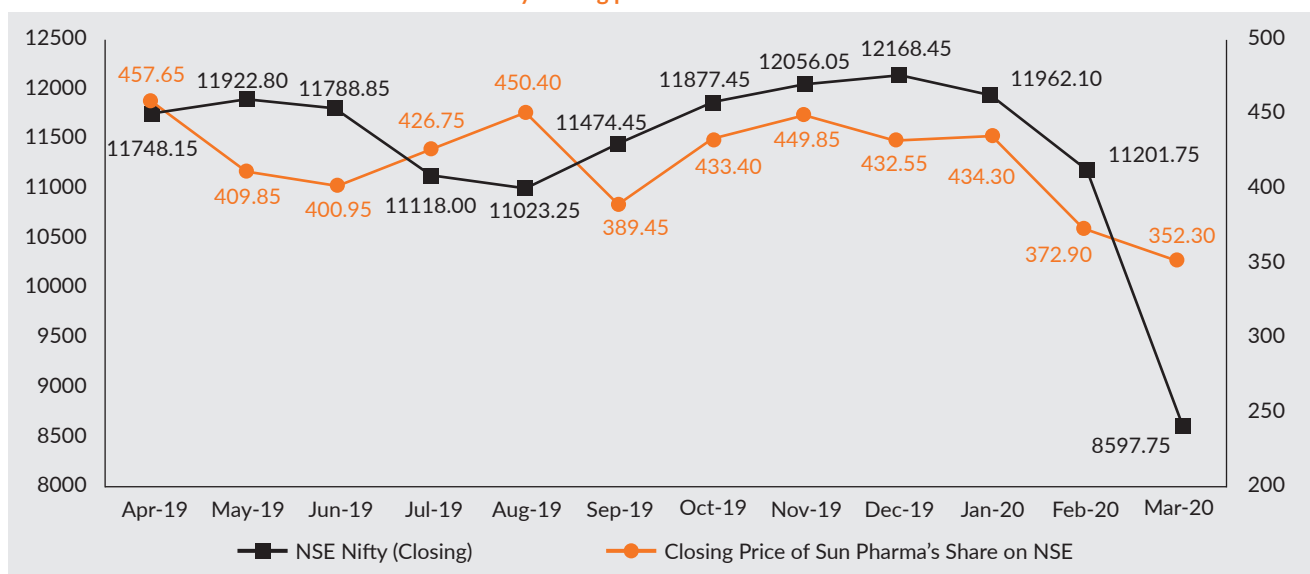
(a) Trading Symbol at BSE Ltd., Market Operations Dept., P. J. Towers, Dalal Street, Mumbai - 400 001	524715
(b) Trading Symbol at National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	SUNPHARMA
(c) Demat ISIN Numbers in NSDL and CDSL for Equity Shares of Re.1/- each	ISIN No.INE044A01036

The Company has paid the Listing fees for the FY20, to BSE Ltd., and National Stock Exchange of India Limited

16.6 Stock Market Data - Equity Shares of Re.1/- paid-up value:

	BSE Ltd. (BSE) (in ₹)		National Stock Exchange of India Ltd. (NSE) (in ₹)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April, 2019	484.10	446.00	484.25	446.00
May, 2019	462.00	350.40	461.70	344.55
June, 2019	418.00	367.40	418.60	368.00
July, 2019	443.00	365.70	443.30	365.40
August, 2019	453.50	408.15	453.40	408.05
September, 2019	456.05	386.65	456.00	386.55
October, 2019	440.00	372.60	440.55	372.60
November, 2019	467.45	407.25	467.40	407.10
December, 2019	450.10	420.85	449.60	420.65
January, 2020	462.50	431.50	462.50	431.25
February, 2020	441.60	369.65	441.75	369.45
March, 2020	414.85	315.20	414.80	312.00

(Source: BSE and NSE website)

16.7 Share Price performance in comparison to broad-based indices – BSE Sensex and NSE Nifty**Sun Pharmaceutical Industries Limited & BSE Sensex closing price:****Sun Pharmaceutical Industries Limited & NSE Nifty closing price:**

(Source: BSE and NSE website)

16.8 Share price performance relative to NIFTY and BSE Sensex based on share price on March 31, 2020

% change in				% change in			
Period	Sun Pharma Share Price	Nifty	Sun Pharma relative to Nifty	Period	Sun Pharma Share Price	BSE Sensex	Sun Pharma relative to Sensex
Year-on-Year	-26.43%	-26.03%	-0.39%	Year-on-Year	-26.51%	-23.80%	-2.71%
2 Years	-28.84%	-14.99%	-13.85%	2 Years	-28.91%	-10.62%	-18.29%
3 Years	-48.80%	-6.28%	-42.53%	3 Years	-48.79%	-0.51%	-48.27%
5 Years	-65.59%	1.26%	-66.85%	5 Years	-65.55%	5.40%	-70.95%
10 Years	96.60%	63.79%	32.80%	10 Years	96.80%	68.12%	28.68%

(Source: Compiled from data available on BSE and NSE website)

16.9 Registrars & Transfer Agent

Registrars & Transfer Agent

(Share transfer and communication regarding share certificates, dividends and change of address)

Link Intime India Pvt. Ltd.

C 101, 247 Park, L B S Marg,

Vikhroli West, Mumbai 400 083

E-Mail: rnt.helpdesk@linkintime.co.in

Tel: 022- 49186270

Fax : 022- 49186060

16.10 Share Transfer System

The share transfers which were received in physical form upto March 31, 2019 were processed and transferred by Registrar and Share Transfer Agents and the share certificates were returned within the stipulated period from the date of receipt, subject to the documents being valid and complete in all respects. Effective from April 1, 2019, SEBI has mandated that shares can be transferred only in demat. Hence no transfer of shares in physical form can be lodged by the shareholders.

16.11 Distribution of Shareholding as on March 31, 2020

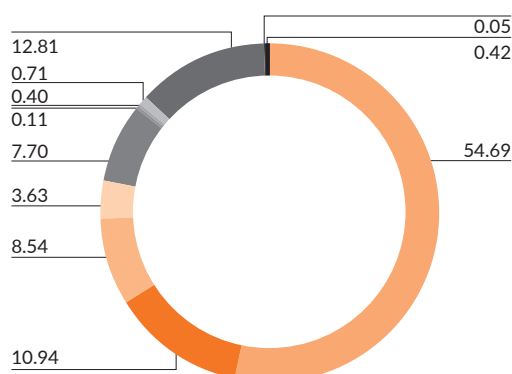
No. of Equity Shares held	No. of folios		Shares of face value Re. 1/- each	
	Numbers	% to total folios	Numbers	% to total folios
Upto 5000	647,945	99.04	105,970,627	4.42
5001 - 10000	2,839	0.43	20,124,384	0.84
10001 - 20000	1,952	0.30	25,329,289	1.06
20001 - 30000	369	0.06	9,130,908	0.38
30001 - 40000	143	0.02	5,093,141	0.21
40001 - 50000	100	0.01	4,604,949	0.19
50001 - 100000	252	0.04	18,330,181	0.76
100001 and above	642	0.10	2,210,751,491	92.14
Total	654,242	100.00	2,399,334,970	100.00

16.12 Category-wise Shareholding as on March 31, 2020 of Equity Shares

Particulars	No. of Shares	Percentage
A. Indian Promoters and Persons acting in Concert	1312134535	54.69
B. Mutual Funds and UTI	262581610	10.94
C. Banks/ Financial Institutions and Insurance Companies	204902536	8.54
D. Private Corporate Bodies	87144164	3.63
E. Indian Public	184796085	7.70
F. Directors	2618747	0.11
G. NRIs /OCBs	9579523	0.40
H. Trusts	16966085	0.71
I. Foreign Portfolio Investor (Corporate)	307313174	12.81
J. Foreign National	24992	0.00
K. Foreign Bank and Foreign Companies	31549	0.00
L. IEPF	1271108	0.05
M. Others	9970862	0.42
Total	2399334970	100.00

Shareholding Pattern as on March 31, 2020

(%)



- Indian Promoters and Persons acting in Concert
- Mutual Funds and UTI
- Banks/ Financial Institutions and Insurance Companies
- Private Corporate Bodies
- Indian Public
- Directors
- NRIs/OCBs
- Trusts
- Foreign Portfolio Investor (Corporate)
- IEPF
- Others

16.13 Dematerialisation of Shares

About 99.66% of the outstanding Equity shares have been dematerialised up to March 31, 2020. Trading in Shares of the Company is permitted only in dematerialised form.

Liquidity:

Our Company's equity shares are fairly liquid and are actively traded on National Stock Exchange of India Ltd., (NSE) and The BSE Ltd. (BSE). Relevant data for the average daily turnover for the FY20 is given below:

	BSE	NSE	BSE + NSE
In no. of shares (in Thousands)	401.43	6759.57	7161.00
In value terms (₹ Million)	166.91	2801.65	2968.56

(Source: Compiled from data available on NSE and BSE website)

16.14 Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2020.

Outstanding Stock Options

The details of Number of Stock Options outstanding as on March 31, 2020, are provided in the Annexure to the Board's Report and is available on the website of the Company.

Outstanding Unclaimed Shares

The status of outstanding unclaimed shares in the Unclaimed Share Suspense Account of the Company is as under:-

Particulars	No. of Shareholders	No. of equity shares of Re.1/- each
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on April 1, 2019.	300	133880*
Number of shareholders who approached the Company for transfer of shares from the said Unclaimed Suspense Account during the period from April 1, 2019 up to March 31, 2020	4	3164
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the said period from April 1, 2019 up to March 31, 2020.	4	3164
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2020.	296	130716

*The voting rights in respect of these shares shall remain frozen till the claim of the rightful shareholders is approved by the Company.

16.15 Disclosure of commodity price risk or foreign exchange risk and commodity hedging activities

The Company is exposed to foreign exchange risks emanating from our business, assets and liabilities denominated in foreign currency. In order to hedge this risk, the Company proactively uses hedging instruments e.g. forward contracts, options and other simple derivatives from time to time. The Company does not have any significant exposure on commodities directly.

16.16 Plant locations as on March 31, 2020:

- | | |
|--|--|
| 1) Survey No.214 and 20, Govt. Industrial Area, Phase-II, Piparia, Silvassa - 396 230, U.T. of D & NH. | 7) Plot No. Z/15, Sez-1, Po. Dahej, Taluko vagra, Dist. Bharuch, Gujarat. |
| 2) Survey no. 259/15, Dadra - 396191, U.T. of D. & NH. | 8) A-7 & A-8, MIDC Industrial Area, Ahmednagar - 414 111, Maharashtra. |
| 3) Plot No.24/2 and No.25, GIDC, Phase- IV, Panoli - 395 116, Dist. Bharuch, Gujarat. | 9) Plot No. B-2 Madkaim Industrial Estate, Ponda, Goa |
| 4) Plot No. 4708, GIDC, Ankleshwar - 393 002, Gujarat. | 10) Village & PO Ganguwala, Tehsil Paonta Sahib-173025, Distt. Sirmour, Himachal Pradesh |
| 5) Halol-Baroda Highway, Near Anand Kendra, Halol, Dist. Panchmahal- 389350 Gujarat. | 11) Village Toansa, P.O. Railmajra Distt. Nawansahar-144533 (Punjab) |
| 6) Plot No. 817/A, Karkhadi - 391 450, Taluka: Padra, Dist. Vadodara, Gujarat. | 12) A-41, Industrial Area, Phase VIII-A, Sahibzada Ajit Singh Nagar, Mohali-160071 (Punjab) |
| | 13) Plot No. K - 5,6,7, Ghirongi Industrial Area, Malanpur, Dist. Bhind, Madhya Pradesh |
| | 14) Pharma Manufacturing Industrial Area 3 A.B. Road, Dewas-455001, Madhya Pradesh |
| | 15) Sathammai Village, Karunkuzhi Post, Maduranthakam T.K. Kanchipuram Dist. Tamil Nadu - 603 303. |
| | 16) Khasra No.- 1335-1340, Near Epip Phase-1, Hill Top Industrial Area, Vill.-Bhatolikalan, P.O.-Barotiwala, Distt-Solan, Himachal Pradesh, India - 174103 |

16.17 Investor Correspondence:

Registrars & Transfer Agent:	Link Intime India Private Limited, Unit: Sun Pharmaceutical Industries Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai (INDIA) - 400083 Tel. No.: +91 22 49186270 / +91 22 49186000 Fax No.: +91 22 49186060 E-Mail: rnt.helpdesk@linkintime.co.in / sunpharma@linkintime.co.in
Individual Investors & Queries Related to Shares/ Dividend, etc. Secretarial Department	Sun Pharmaceutical Industries Limited Sun House, Plot No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Telephone: (+91 22) 4324 4324, Direct no. (+91 22) 4324 2230 Email : secretarial@sunpharma.com
Institutional Investors: Mr. Nimish Desai	Sun Pharmaceutical Industries Limited Sun House, Plot No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Telephone: (+91 22) 4324 4324, Direct no. (+91 22) 4324 2778 Email: nimish.desai@sunpharma.com
Nodal Officer (for the purpose of IEPF) Mr. Sunil Ajmera, Company Secretary	Sun Pharmaceutical Industries Limited Sun House, Plot No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Telephone: (+91 22) 4324 4324, Direct no. (+91 22) 4324 2231 Email: secretarial@sunpharma.com

16.18 List of all credit ratings

Rating Agency	Instrument Type	Rating	Remarks
ICRA Limited	Bank Facility (Short-Term Scale)	[ICRA] A1+	No revisions in credit rating during the FY20
	Long-Term/Short-Term Borrowing	[ICRA] AAA (Stable)/ [ICRA] A1+	
	Commercial Paper	[ICRA] A1+	
CRISIL Limited	Bank Facility (Short-Term)	CRISIL A1+	No revisions in credit rating during the FY20
	Bank Facility (Long-Term)	CRISIL AAA/ Stable	
	Commercial Paper	CRISIL A1+	

For and on behalf of the Board

Place : Mumbai
Date : May 27, 2020

Dilip S. Shanghvi
Managing Director
(DIN: 00005588)

Sailesh T. Desai
Whole-time Director
(DIN: 00005443)

ANNEXURE 'A' TO CORPORATE GOVERNANCE REPORT**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT FOR THE YEAR ENDED MARCH 31, 2020**

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

For Sun Pharmaceutical Industries Ltd.,

Date : May 27, 2020

Dilip S. Shanghvi
Managing Director
(DIN: 00005588)

ANNEXURE 'B' TO CORPORATE GOVERNANCE REPORT

CERTIFICATE

(pursuant to Regulation 34(3) and schedule V para C clause (10) (i) of the SEBI (Listing Obligation Disclosure requirement) Regulation, 2015)

To,
The Member of
Sun Pharmaceutical Industries Limited
CIN: L24230GJ1993PLC019050
Add: SPARC, Tandalja, Vadodara Gujarat - 390012

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Sun Pharmaceutical Industries Limited having CIN L24230GJ1993PLC019050 and having registered office at SPARC, Tandalja, Vadodara Gujarat - 390012 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V para - C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company as stated below for the Financial year ending on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange and Board of India, Ministry of Corporate affairs or any such other Statutory Authority.

Sr. No	Name of the Directors	Director Identification Number (DIN)	Date of Appointment in the Company
1.	Israel Makov	05299764	29-05-2012
2.	Dilip S. Shanghvi	00005588	01-03-1993
3.	Sudhir V. Valia	00005561	31-01-1994
4.	Sailesh T. Desai	00005443	25-03-1999
5.	Kalyanasundaram Subramanian	00179072	14-02-2017
6.	Rekha Sethi	06809515	13-02-2014
7.	Vivek Chaand Sehgal	00291126	14-11-2017
8.	Gautam Bhailal Doshi	00004612	25-05-2018

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, KJB & CO LLP

Practising Company Secretaries,

Alpeshkumar Panchal

Partner

Mem. No: 49008

COP No. : 20120

UDIN: A049008B000288467

Date: 27th May 2020

Place: Mumbai

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of
Sun Pharmaceutical Industries Limited

1. The Corporate Governance Report prepared by Sun Pharmaceutical Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2020 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2019 to March 31, 2020:
 - (a) Board of Directors meetings;
 - (b) Audit Committee meetings;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee meetings;
 - (e) Stakeholders Relationship Committee meetings;
 - (f) Risk Management Committee meetings;
 - (g) Corporate Governance and Ethics Committee meetings;
 - (h) Corporate Social Responsibility Committee meetings; and
 - (i) Independent Directors meeting.
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

- viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares

Partner

Membership Number: 105754

UDIN: 20105754AAAACU9213

Place of Signature: Pune

Date: May 27, 2020