

Board's Report

Your directors take pleasure to present the Board's Report in line with the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this report presents the Audited financial results and other developments in respect of the Company during the financial year ended on March 31, 2025 ("FY25"/"Financial Year") and up to the date of the Board meeting held on May 22, 2025 to approve this report.

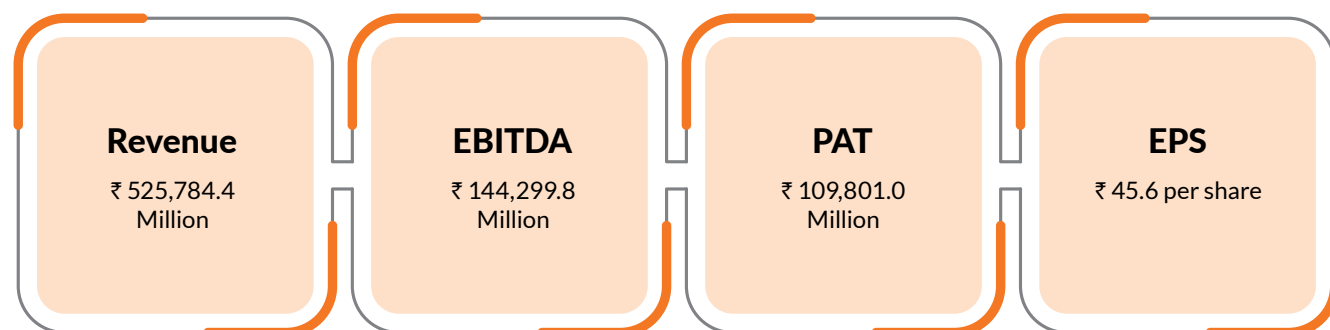
Financial Highlights

The Company's financial performance for the financial year ended March 31, 2025:

	Standalone		Consolidated	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	230,033.3	202,751.7	525,784.4	484,968.5
Profit before exceptional item and tax	50,305.7	36,686.7	144,299.8	115,822.1
Exceptional Item	-	2,190.2	6,778.5	4,943.2
Profit before tax but after exceptional item	50,305.7	34,496.5	137,521.3	110,878.9
Profit after tax	42,826.2	28,581.8	109,801.0	96,484.4
Opening balance in Retained Earnings	127,310.4	127,908.8	501,545.5	436,102.5
Closing balance in Retained Earnings	133,878.2	127,310.4	578,618.4	501,545.5

(₹ in Million)

Performance Highlights (consolidated)



- The Company's performance has been discussed in detail in the 'Management Discussion and Analysis Report'.
- The Company is engaged in the business of Pharmaceuticals, and there has been no change in the nature of the business of the Company during the financial year ended March 31, 2025.

Material Changes and Commitments

There have been no material changes and commitments affecting the Company's financial position between the end of the financial year and the date of this report other than those which have already been disclosed to the Stock Exchanges.

Consolidated Accounts

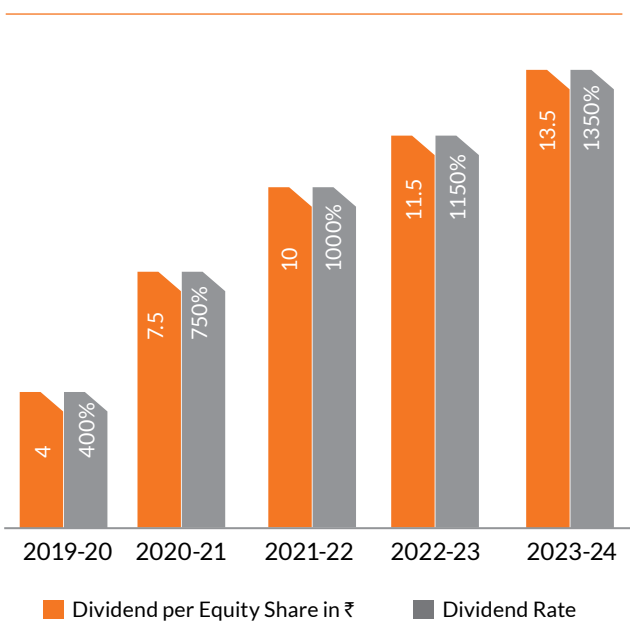
The consolidated financial statements for the year ended March 31, 2025, pursuant to Section 129(3) of the Companies Act, 2013, form part of this Annual Report.

Dividend

During the year under review, the Board has declared an interim dividend of ₹10.50/- (Rupees Ten and Paise Fifty only) per equity share of ₹ 1/- (Rupee One only) each [previous year ₹ 8.50/- (Rupees Eight and Paise Fifty only) per equity share of ₹ 1/- (Rupee One only) each] for the year ended March 31, 2025.

In addition to above, the Board has recommended a final dividend of ₹ 5.50/- (Rupees five and paise fifty only) per equity share of ₹ 1/- (Rupee One only) each [previous year ₹ 5.00/- (Rupees Five only) per equity share of ₹ 1/- (Rupee One only) each] for the year ended March 31, 2025. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting ("AGM") and shall be subject to deduction of tax at source. The dividend, if approved by the shareholders at the 33rd AGM, would involve a cash outflow of ₹ 13,196.34 Million. The total dividend pay-out for the FY25 is ₹ 16/- (Rupees Sixteen only) per equity share of ₹ 1/- each [previous year ₹ 13.50/- (Rupees Thirteen and Paise Fifty only) per equity share of ₹ 1/- (Rupee One only) each].

Dividend payout of Last 5 Years



The dividend payout is in accordance with the Company's Dividend Distribution Policy, which is available on the Company's website at <https://sunpharma.com/policies>.

Scan the QR code to view the Dividend Distribution policy of the Company



Investor Education and Protection Fund ("IEPF")/ Unclaimed Dividends

Pursuant to Section 124 of the Act, the dividends that are unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund along with the underlying shares on which such dividend remains unclaimed.

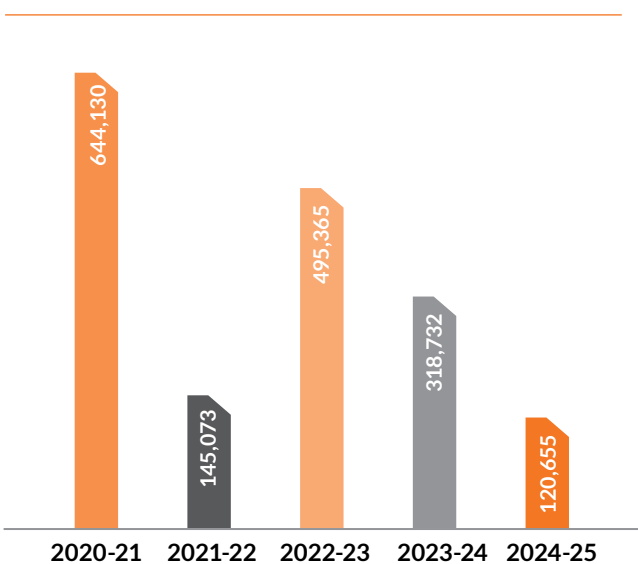
Transfer to IEPF

Details of transfers to IEPF during the year under review are as follows;

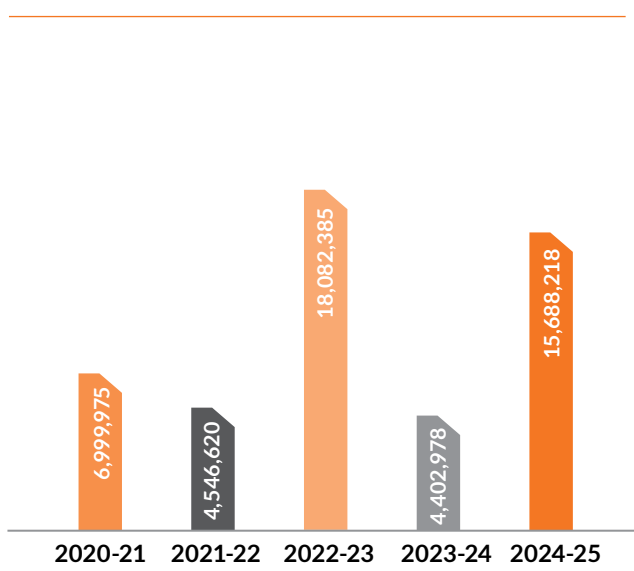
Transfer of unpaid or unclaimed dividends to IEPF	₹ 15,688,218
Transfer of shares to IEPF	1,20,655 shares
Dividend paid to IEPF in respect of shares already transferred to IEPF	<ul style="list-style-type: none"> • ₹ 24,245,007 (Interim Dividend FY 2024-25) • ₹ 11,998,006 (Final Dividend FY 2023-24)

Information on Transfers to IEPF during the previous five years is as follows:

Number of Shares Transferred to IEPF



Amount Transferred to IEPF (₹)



In its endeavour to facilitate the shareholders, your Company has walked the extra mile and has voluntarily;

- Processed the dividends remaining unclaimed for previous years based on the analysis carried out for the shareholders whose updated Bank details were available with the Company based on the latest dividend paid electronically.
- Used our field force employees to reach out to unconnected physical shareholders of the Company. The identified shareholders were then contacted to facilitate the completion of their KYC details and the claim of unpaid dividends.

This resulted in a reduction in unpaid dividends and a transfer of the amount and underlying shares to the IEPF.

Your Board encourages the shareholders to claim unpaid dividends lying with the Company from time to time.

The information regarding unpaid/unclaimed dividends lying in the unpaid dividend account upto the year and the corresponding shares, which are liable to be transferred along with the due dates for such shares or shares already transferred, and due to be transferred to IEPF Authority, is available on the website of the Company, along with the procedure to claim the same from IEPF Authority and can be accessed at www.sunpharma.com under head "Investors" sub-head >"Shareholders Information"> "Investor Services".

Transfer to Reserves

The Board opted not to propose any transfer to reserve at this time, choosing instead to allocate resources toward opportunities that may foster growth and resilience in the future. The decision reflects a careful consideration of our current needs and a strategic approach.

Loans, Guarantees and Investments

We disclose loans, guarantees, and investments to show how the Company manages its finances outside of its main business activities. This transparency helps stakeholders understand the risks involved and how the Company uses its capital. Section 186 of the Act, sets specific rules and limits for these transactions, and our disclosure shows that we follow these regulations.

The particulars of loans, guarantees and investments have been disclosed in the Financial Statements.

Public Deposits

The Company did not accept any public deposits during the year under review, as outlined in Chapter V of the Act and the corresponding Rules.

Changes in Capital Structure

During the year under review, there were no changes to the Company's share capital. The paid-up equity share capital of the Company is ₹ 2,399,334,970. Throughout the year, the Company did not issue any shares or convertible securities, including sweat equity and stock option plans.

Credit Rating

There has been no change in the credit rating, which is disclosed in the Corporate Governance Report, which forms part of this Annual Report.

Subsidiaries/Joint Ventures/Associates

The statement containing the salient features of the Financial Statements of the Company's subsidiaries/joint ventures/associates is given in Form AOC – 1, provided in Notes to the consolidated financial statements, forming part of this Annual Report.

Details pertaining to entities that became subsidiaries/ joint ventures/associates and those that ceased to be the subsidiaries/joint ventures/associates of the Company during the year under review are provided in the notes to the consolidated financial statements, forming part of this Annual Report.

Directors and Key Managerial Personnel

As on March 31, 2025, your Company's Board has eight members. This includes one Non-Executive Non-Independent Director connected to the Promoter, two Executive Directors, and five Non-Executive Independent Directors, one of whom is a Woman Independent Director. You can find details about the Board and Committee composition, director tenure, and more in the Corporate Governance Report, which is part of this Annual Report.

During the year, the following were the changes in Directors/ Key Managerial Personnel:

1. Mr. Aalok Shanghvi (DIN: 01951829) – Whole-time Director has also been designated as the Chief Operating Officer (COO) of the Company.
2. Mr. Sanjay Asher (DIN: 00008221), Non-Executive - Independent Director, retired on completion of his term of appointment and ceased to be the Director effective from March 31, 2025.

Subsequent to the year end and up to the date of the Report, the following were the changes:

3. Ms. Jayashree Satagopan has been appointed as the Chief Financial Officer and Key Managerial Personnel effective from July 01, 2025.
4. Mr. C S Muralidharan, Chief Financial Officer, shall retire from the Company and cease to be the Chief Financial Officer effective from July 01, 2025.
5. Mr. Sudhir Valia (DIN: 00005561), a Non-Executive, Non-Independent Director of the Company, will retire by rotation at the ensuing AGM, and he has not offered himself for reappointment.
6. Ms. Vidhi Shanghvi (DIN: 06497350) is appointed as Whole-time Director for a period of five years, effective from May 22, 2025, which shall be subject to approval of the shareholders at the ensuing AGM.

The necessary disclosures required under the Act, the Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), for the above-mentioned appointment/ re-appointment are provided in the Notice of 33rd AGM of the Company.

Declaration by Independent Directors

The Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as outlined in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Additionally, the Independent Directors have declared their compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding their inclusion in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. There have been no changes in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, the Independent Directors meet the conditions specified under the Act and the Listing Regulations, and they remain independent of management.

This requirement highlights how important independent directors are for providing unbiased oversight. They help make sure that the Board's decisions are not swayed by management or major shareholders.

Familiarisation Programme for the Independent Directors

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details

of the Familiarisation Programme are available on the website of the Company at <https://sunpharma.com/policies/>

Scan the QR code to view the Familiarisation Programme for the Independent Directors



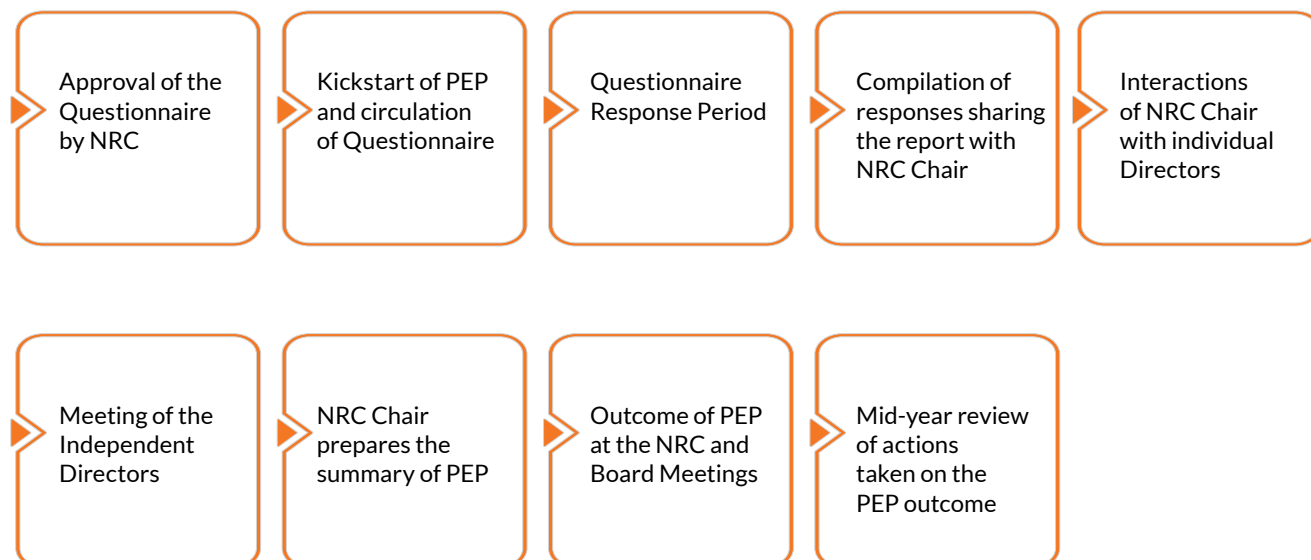
Board Performance Evaluation

Board performance evaluation is carried out under a comprehensive Performance Evaluation Programme ("PEP") every year. PEP is a part of the roles and responsibilities of the Nomination and Remuneration Committee ("NRC"). Every year NRC reviews the performance evaluation criteria for the Board as a whole, the Board committees and individual board members, taking into consideration the SEBI guidelines and the guidance note issued by the ICSI.

The PEP 2024-25 was conducted through a dual approach:

- **Questionnaire Approach** wherein a questionnaire for performance evaluation of the Board as a whole, Board committees and individual Board members was circulated seeking input from each Board member, and
- **Interaction Approach** wherein the Lead Independent Director had one-on-one interactions with each Board member seeking input and suggestions on the effectiveness of the Board processes

The Overview of PEP 2024-25 is as follows:



Remuneration Policy and Criteria for Appointment of Directors

The Company has in place a process for selection of any Director, wherein the NRC identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and the Committee also ensures that the incumbent fulfils such criteria with regard to qualifications, positive attributes, independence, age and other criteria as laid down under the Act, Listing Regulations or other applicable laws and the diversity attributes as per the Board Diversity Policy of the Company. The Remuneration policy, inter alia, covers guiding principles and components such as fixed or variable, retiral benefits, commission, etc.

The Remuneration Policy as approved by the Board is available on the website of the Company and can be accessed at <https://sunpharma.com/policies>.

Scan the QR code to view the Remuneration Policy



Information as per Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in 'Annexure – A' to this Report. Further, the information pertaining to Rule 5(2) & 5(3) of the aforesaid Rules, pertaining to the names and other particulars of employees is available for inspection at the registered office of the Company during business hours and the Annual Report is being sent to the members excluding this. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary and Compliance Officer either at the Registered/Corporate Office address or by email to secretarial@sunpharma.com.

Board Diversity

Your Company recognises and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy, which sets out the approach to the diversity of the Board of Directors. The said Policy is available on the Company's website at <https://sunpharma.com/policies>.

Scan the QR code to view the Diversity Policy



Succession Plan

Your company has an effective succession planning mechanism focusing on the orderly succession of Directors, Key Management Personnel and Senior Management. The NRC implements this mechanism in conjunction with the Board.

Management Discussion and Analysis

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the

Listing Regulations is provided in a separate section and forms part of this Annual Report which includes the state of affairs of the Company and there has been no change in the nature of business of the Company during the financial year ended March 31, 2025.

Corporate Governance Report

The Corporate Governance Report and the certificate from the Company's auditors, as stipulated in Schedule V of the Listing Regulations, are provided in a separate section which forms part of this Annual Report.

Board Meetings

The Board of Directors of the Company met 7 (seven) times during the year under review. The dates of the Board meetings and the attendance of the Directors at the meetings are provided in the Corporate Governance Report, which forms a part of this Annual Report.

Committees of the Board

As on March 31, 2025, the Board has 6 (six) Committees. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and Corporate Governance and ESG Committee.

The Corporate Governance Report, which forms part of this Annual Report, includes details about the meetings and composition of the Board's committees.

Related Party Transactions

With the Company's global reach, size, and operations, related party transactions are essential for the Company's core business. As part of various measures for better corporate governance, the Company has constituted a special Committee, the Corporate Governance and ESG Committee ("CGESGC"), which, inter alia, monitors and reviews all related party transactions before recommending them to the Audit Committee for approval. Furthermore, the Company verifies the nature of these transactions, confirming whether they were conducted at arm's length and in the ordinary course of business, by obtaining a certificate from an Independent consultant. This certificate is then presented to the CGESGC and Audit committee for thorough evaluation, ensuring a robust governance process.

The Policy on Materiality of and Dealing with Related Party Transactions, as approved by the Board, is available on the website of the Company at <https://www.sunpharma.com/policies>.

Scan the QR code to view the Policy on Materiality of and Dealing with Related Party Transaction



As required under Section 134(3)(h) of the Act, details of transactions entered with related parties under the Act are given in Form AOC-2, provided as 'Annexure – B' to this Report.

Board Policies

The various policies that the Board has approved and adopted in accordance with the requirements set forth by the Act and the SEBI Listing Regulations can be accessed at our website at <https://www.sunpharma.com/policies>.

Internal Controls and Internal Financial Controls

The management team recognises that robust internal controls are foundational to sound governance. Actions derived from consensus-based business strategies should operate within a structured system of oversight and balance. The leadership is dedicated to maintaining an internal control environment proportionate to the business's scale and intricacy. This environment is designed to ensure adherence to internal protocols, compliance with pertinent laws and regulations, and the integrity and precision of financial records. It also aims to bolster operational efficiency, safeguard company assets, and aid in preventing and detecting fraud, inaccuracies, and anomalies, thereby substantially mitigating risk exposure.

The Company has established a comprehensive internal controls framework. This framework encompasses an array of policies, procedures, and mechanisms that are pivotal in augmenting operational efficiency and effectiveness, curtailing risks and expenditures, and fostering enhanced decision-making and accountability.

The internal financial controls framework, an integral component of the broader internal controls system, is pivotal in guaranteeing the dependability and precision of financial reporting. This framework facilitates the meticulous preparation of financial statements by generally accepted accounting standards.

Whistle-blower Policy/Vigil Mechanism

At Sun Pharma, we are dedicated to upholding high standards of professional integrity and ethical conduct in all our business dealings. A comprehensive Global Code of Conduct ("Code") underpins our reputation as a distinguished global entity. This Code mandates that our employees embody the Company's core values and engage in business activities with integrity and the utmost ethical standards. Through our Global Whistle-blower Policy, management proactively works to avert any actions that deviate from this Code. This policy establishes a protected avenue for employees to report any infractions of the Code responsibly. The board-sanctioned Global Whistle-blower policy is accessible on our website at <https://sunpharma.com/policies>. For more in-depth information regarding the Company's Vigil Mechanism, please refer to the Corporate Governance Report included within this Annual Report.

Scan the QR code to view the Global Whistle Blower Policy



Global Internal Audit

The Global Internal Audit Function ("GIA") operates with autonomy and authority at the corporate echelon, bolstered by the expertise of a renowned external audit firm. This function conducts comprehensive risk-based audits across the Company's spectrum of operations. The GIA systematically reviews all business units and support functions on a rotational basis, ensuring the robustness and efficacy of business process controls. These evaluations encompass the architecture of financial and operational controls, their functional effectiveness, and the strategies for risk mitigation.

The GIA team is an assembly of professionals with credentials such as Chartered Accountants, Certified Internal Auditors, Certified Information System Auditors, Certified Fraud Examiners, Company Secretaries, MBAs, and Engineers. This department is instrumental in providing assurance and strategic counsel to management, aiming to refine the Company's procedural and systemic efficiency and effectiveness. Governed by the Audit Charter approved by the Board's Audit Committee, the GIA's operations are meticulously defined to facilitate audits of the highest standard. The Audit Committee regularly scrutinises pivotal findings, imparts strategic direction, and evaluates the GIA's performance. The Company's operational management diligently oversees the internal control milieu, ensuring the swift and thorough implementation of audit recommendations.

The Company implemented the Laser Audit Reporting System (LARS®) effective April 1, 2024. The Laser Audit Reporting System (LARS®) is a web-based solution that controls the complete audit lifecycle by establishing a systematic, disciplined, and uniform process for internal audit management. It provides real-time completion status of ongoing audits at all locations, centrally manages audit planning, audit programs, work papers, and fieldwork, and coordinates information among auditors, auditees, and management at all levels of the organisation.

Enterprise Risk Management

The mandatory disclosure of a risk management policy underscores the importance of proactive risk management for the Company's sustainability. Identifying risks that could potentially threaten the Company's existence emphasises the Board's responsibility to consider both immediate and long-term threats to the Company's viability and to implement appropriate mitigation strategies.

In order to comply with the above requirements, the Board of Directors has established a Risk Management Committee to oversee the spectrum of organisational risks diligently. The Corporate Governance Report, an integral part of this document, provides detailed insights into the committee's operations. The committee evaluates the effectiveness of risk mitigation strategies, ensuring they are robust and responsive. In line with this, the Board has endorsed a comprehensive Risk Management Policy, a synopsis of which can be accessed on our website at <https://sunpharma.com/policies>.

Scan the QR code to view the synopsis of Risk Management Policy



Our Company has instituted a holistic Enterprise Risk Management ("ERM") Framework. This framework is instrumental in identifying, evaluating, prioritising, and managing critical risks that could impact our strategic and operational goals. The ERM is pivotal in harmonising the organisation's risk appetite with its strategic direction, refining risk response decisions, minimising unexpected operational disruptions and losses, and bolstering stakeholder confidence.

The ERM team collaborates with the Business Unit, Regional, or departmental heads to pinpoint potential internal and external events that could impede the Company's objectives. It also continuously monitors shifts in the internal and external landscapes that may give rise to new risks. Risks such as financial, operational, sectoral, sustainability, cyber, strategic, compliance, social, geopolitical, third-party, and others are systematically classified. These are meticulously documented in a risk register, which includes comprehensive details like the risk statement, risk category, risk classification, risk mitigation method, control effectiveness status, risk rating, risk owner, contributing factors, mitigation plans/control details, department responsible, risk champion, mitigation plan/control owner, status of mitigation plan/control, and target date. This register is updated half-yearly to reflect the evolving risk environment.

The Company implemented the Laser Risk Management System (LERMS[®]) effective September 1, 2024. The Laser Risk Management System (LERMS[®]) delivers a central risk management system for identifying risks, evaluating their likelihood and impact, relating them to mitigating controls and tracking their resolution. It establishes a risk management culture across the organisation and helps achieve future goals by avoiding surprises.

Auditors

Statutory Auditors

Disclosing the details of the Statutory Auditors in the Board's Report helps ensure transparency and gives shareholders and other stakeholders confidence in the Company's financial health and adherence to regulations.

S R B C & CO LLP, Chartered Accountants, (Firm's Registration. No. 324982E/E300003), have been re-appointed as the Statutory Auditors of the Company for a period of 5 (five) years at the 30th AGM of the Company to hold office till the conclusion of the 35th AGM of the Company.

The Auditor's Report for the financial year 2024-25 has been issued with an unmodified opinion.

Secretarial Auditors

The Secretarial Audit verifies whether the Company follows various laws and regulations, strengthening its compliance efforts. The Board is responsible for responding to any issues

raised in the audit report, which shows its commitment to making necessary changes and maintaining high compliance standards.

The Board had appointed KJB & CO LLP, Practising Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2025. The Secretarial Audit Report in the Form No. MR-3 for the year is provided as 'Annexure - C1' to this Report.

The Secretarial Audit Report for the year does not contain any qualification or reservation except a remark, as follows,

"During the review period, there was a technical deviation in the timing of execution of a related party transaction involving a wholly owned subsidiary and a 99.99% subsidiary. The transaction, relating to a proposed merger, was approved by the audit committee on 31 March 2025 and was intended to be effective from 1 April 2025. It was subsequently observed that the underlying transaction in relation to the proposed merger was consummated on 26 March 2025. In light of the SEBI LODR (Third Amendment) Regulations, 2024 (effective from 13 December 2024), ratification for transactions beyond ₹ 1 Crore is not permitted. As such, the matter was assessed as a pure technical non-alignment of four days."

In the opinion of the Board of directors, the remark in the Secretarial Audit Report is self explanatory and the Company has taken appropriate measures to strengthen the process.

In accordance with the provision of Regulation 24A of the Listing Regulations, Secretarial Audit of two material unlisted Indian subsidiaries of the Company namely, Sun Pharma Laboratories Limited (SPLL) and Sun Pharma Distributors Limited (SPDL), was undertaken by KJB & CO LLP, Practising Company Secretaries, Mumbai and the Secretarial Audit Reports issued by them are provided as 'Annexure - C2' and 'Annexure - C3' respectively to this Report. The Secretarial Audit Reports for these material unlisted Indian subsidiaries does not contain any qualification, reservation or adverse remark.

In order to comply with the recent amendments of Listing Regulations Board of Directors of the Company has proposed, to appoint KJB & CO LLP, Practising Company Secretaries to undertake the Secretarial Audit of the Company for a period of 5 (five) consecutive years, commencing from the 33rd AGM to hold office till the conclusion of the 38th AGM of the Company. Disclosure regarding appointment as required under Listing Regulations is provided in the Notice of the 33rd AGM of the Company and forms part of this Annual Report.

Your Board recommends the appointment of KJB & Co LLP, Practising Company Secretaries, as the Secretarial Auditor of the Company, for a term of five consecutive years.

Cost Auditors

Sharing information about the Cost Auditors in the Board's Report promotes transparency and accountability in the Company's cost accounting practices and the accuracy of cost records. This disclosure shows that the Company meets legal requirements and helps stakeholders understand how it manages costs.

Your Board has appointed K D & Co, Cost Accountants (Firm's Registration No. 004076) as Cost Auditor of the Company for conducting Cost Audit in respect of Bulk Drugs & Formulations of the Company for the FY25.

The Company has maintained the Cost Records as specified by the Central Government under Section 148(1) of the Act.

Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the year ended March 31, 2025 is provided in a separate section and forms part of this Annual Report and is also made available on the website of the Company at <https://sunpharma.com/investors-annual-reports-presentations>.

Corporate Social Responsibility ("CSR")

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Policy of the Company is available on the website of the Company and can be accessed through the web link at <https://sunpharma.com/policies>.

Scan the QR code to view the CSR Policy



The Annual report on CSR activities, which contains details of expenditures incurred by the Company and brief details on the CSR activities, is provided in, 'Annexure - D' to this Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided as 'Annexure - E' to this Report.

Human Resources

FY25 was an exciting year for us. Our dedicated workforce worked relentlessly to ensure medicines continue to reach patients who rely on us. Driven by Sunology, our employees, who are spread across R&D centres, manufacturing sites, corporate offices and sales offices globally, enabled us in delivering a higher performance and stronger growth. The priority for the Human Resource function continued to provide a work environment which is safe, diverse, inclusive and full of growth opportunities in line with our Employee Value Proposition of Better Everyday, Take Charge, Thrive Together. Going forward, focus will be on further enhancing our employer brand, providing growth & development opportunities to our employees through talent management along with focus on high performance and effectiveness.

Your Board would like to take this opportunity to express their gratitude and appreciation for the passion, dedication and commitment of the employees and look forward to the continued contribution.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Board strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavour of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The Company has arranged various interactive awareness workshops in this regard for the employees at the manufacturing sites, R & D set ups & corporate office during the year under review.

There were 7 (seven) complaints received during the year, out of which, 5 (five) complaints were disposed off and 2 (two) complaints were pending as on the end of March 31, 2025.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Prohibition of Insider Trading

The Company has established a Code of Conduct for Prohibition of Insider Trading ("Code") to govern, monitor, and report trading in the Company's shares by designated persons and their immediate relatives, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code outlines the procedures that designated persons must follow when trading or dealing in the Company's shares and sharing Unpublished Price Sensitive Information ("UPSI").

The Sun Compliance Team sends bi-weekly communications to inform the designated person about the compliance do's and don'ts related to Insider Trading Regulations, ensuring understanding and adherence to the Code. The Code can be accessed at the Company's website at <https://sunpharma.com/policies>.

Scan the QR code to view the Code of Conduct for Prevention of Insider Trading



Cyber Security

Due to the rise in cyberattacks, we regularly review our cybersecurity practices and improve our processes and technology controls based on new threats. Our company has real-time security monitoring in place, along with necessary controls at different levels, from individual user devices to networks, servers, applications, and data.

Regulatory Orders

Currently, there are no substantial or impactful orders issued by regulatory bodies, courts, or tribunals that could affect the Company's capacity to continue as a going concern. According to the Listing Regulations, the Company is committed to transparently disclosing any significant events, important information, or regulatory directives it receives, ensuring that stakeholders are kept informed on a regular basis.

Annual Return

The draft Annual Return as required under sub-section (3) of Section 92 of the Act in form MGT-7 is made available on the website of the Company and can be accessed at <https://sunpharma.com/annual-return>.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards as amended from time to time.

Other Disclosures

1. During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee and/or Board under section 143(12) of the Act.
2. There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016, and there is no instance of one-time settlement with any Bank or Financial Institution.
3. Upon receipt of Observations Letters from the Stock Exchanges on the Composite Scheme of Arrangement involving (a) amalgamation of Wholly-owned subsidiary companies viz. Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited, Skisen Labs Private Limited with the Company and (b) Reclassification of General Reserve of the Company to Retained Earnings, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, application was filed with the National Company Law Tribunal, Ahmedabad ("NCLT").

NCLT passed the order on the application and directed the convening of a meeting of the equity shareholders of the Company. Accordingly, a meeting of equity shareholders of the Company was held on January 21, 2025 via video-conferencing, wherein equity shareholders approved the Composite Scheme of Arrangement by the requisite majority. NCLT dispensed with the meetings of the unsecured creditors of the Company and the meetings of shareholders and unsecured creditors of the Transferor Companies.

Subsequent to the shareholders' approval, a petition was filed with the NCLT, which is scheduled for hearing on June 12, 2025.

4. The Company has not issued any equity shares with differential rights regarding dividends, voting, or other rights.

Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) read with Section 134(3)(c) of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

Your Board wish to thank all stakeholders, employees and business partners, Company's bankers, medical professionals and business associates for their continued support and valuable cooperation.

Your Board also wish to express their gratitude to investors for the faith that they continue to repose in the Company.

For and on behalf of the Board of Directors

Dilip Shanghvi
Chairman and Managing
Director
(DIN: 00005588)

Aalok Shanghvi
Whole-time Director
and Chief Operating Officer
(DIN: 01951829)

Place: Mumbai
Date: May 22, 2025

ANNEXURE – A

**Information required under Section 197 of the Act Read with Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- (i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY25 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY25:

Name of Director and Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	Increase/(Decrease) in Remuneration ¹ in the FY25 (in percentage)
Directors:			
Mr. Dilip Shanghvi	Chairman and Managing Director	91.45	7.13%
Dr. Pawan Goenka	Lead Independent Director	14.70	27.06%
Mr. Gautam Doshi	Independent Director	13.34	25.64%
Ms. Rama Bijapurkar	Independent Director	9.26	33.33%
Mr. Sanjay Asher ²	Independent Director	9.26	41.67%
Mr. Rolf Hoffmann ³	Independent Director	8.98	106.25%
Mr. Sudhir Valia	Non-executive Director	2.99	0.00%
Mr. Aalok D. Shanghvi	Whole-time Director and Chief Operating Officer	107.27	14.37%
Key Managerial Personnel			
Mr. C. S. Muralidharan	Chief Financial Officer	Not Applicable	5.48%
Mr. Anoop Deshpande	Company Secretary and Compliance officer	Not Applicable	17.90%

Notes:

1. Remuneration to Independent Directors consists of sitting fees and commission. Remuneration to Non-Executive Director consists only of sitting fees. The percentage increase/(Decrease) in Remuneration in the FY25 is calculated on the basis of cost to company for Managing Director, Whole-time Director and KMPs.
2. Mr. Sanjay Asher retired and ceased to be the Director of the Company from March 31, 2025.
3. The commission paid to Mr. Rolf Hoffmann in the previous year was on proportionate basis.

- (ii) The percentage increase in the median remuneration of employees in the FY25 (Median -2025/Median 2024): 8.44%
- (iii) The number of permanent employees on the rolls of the Company as on March 31, 2025: 19297
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year ending March 31, 2025 was approximately 10.83% and the average increase in the managerial personnel remuneration was 10.75%.
- (v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 ("the Act") and rule 8(2) of the Companies (Accounts) Rules, 2014))

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL

2. Details of material contracts or arrangement or transactions at arm's length basis – NIL. However, the Company's transactions with related parties which are material as per the Company's Policy on Materiality of and Dealing with Related Party Transactions, are as follows:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, as on March 31, 2025 if any:
1.	Sun Pharma Laboratories Limited (Wholly-Owned Subsidiary)	Purchase of Goods, Purchase and Sale of Property, Plant and Equipment Receiving and Rendering of Services Reimbursement of expenses- Received Loans taken, Loans Repaid, Interest Expense, Lease Rent Received, Payment towards Lease Liabilities, Revenue from Contracts with Customers-Net of Returns	On-going	The aggregate amount of transactions for FY25 was ₹ 256,500.6 Million	Not applicable	NIL
2.	Sun Pharmaceutical Industries INC (Wholly-Owned Subsidiary)	Revenue From Contracts with Customers-Net of Returns Other operative income /Other Income Reimbursement of Expenses – Paid and Received, Rendering of Service – Income Interest Income	On-going	The aggregate amount of transactions for FY25 was ₹ 81,221.8 Million	Not applicable	NIL
3.	Sun Pharma Distributors Limited (Wholly-Owned Subsidiary)	Revenue From Contracts with Customers-Net of Returns Reimbursement of Expenses – Received and Paid Lease Rent Received	On-going	The aggregate amount of transactions for FY25 was ₹ 47,372.5 Million	Not applicable	NIL

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 22, 2025

Dilip Shanghvi

Chairman and Managing Director
(DIN: 00005588)

Aalok Shanghvi

Whole-time Director and Chief Operating Officer
(DIN: 01951829)

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Sun Pharmaceutical Industries Limited,
Vadodara, Gujarat.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate governance practice by **Sun Pharmaceutical Industries Limited, ("the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2025, according to the provisions of:

- i. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not Applicable to the Company for the year under review;

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**");
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company for the year under review**;
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable to the Company for the year under review**;
 - e. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - **Not applicable to the Company for the year under review**;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company for the year under review**;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company for the year under review**;
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client - **Not applicable to the Company for the year under review**;
 - i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review**.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above to the extent applicable except.

During the review period, there was a technical deviation in the timing of execution of a related party transaction involving a wholly owned subsidiary and a 99.99% subsidiary. The transaction, relating to a proposed merger, was approved by the audit committee on 31 March 2025 and was intended to be effective from 1 April 2025. It was subsequently observed that the underlying transaction in relation to the proposed merger was consummated on 26 March 2025. In light of the SEBI LODR (Third Amendment) Regulations, 2024 (effective from 13 December 2024), ratification for transactions beyond ₹ 1 Crore is not permitted. As such, the matter was assessed as a pure technical non-alignment of four days.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, a Woman Director and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in some cases where the meetings were held on shorter notice. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. On verification of minutes, we have not found any dissent/disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

Based on the information received and records maintained, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on the basis of the representations made by the respective plant heads, the Company has identified and complied with the various laws applicable to the Company inter-alia:

- Drugs and Cosmetics Act, 1940;
- Drugs (Price Control) Order, 2013;
- Narcotic Drugs and Psychotropic Substances Act, 1985;
- Indian Boiler Regulation Act, 1950;
- Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954;
- Legal Metrology Act, 2009.

For **KJB & CO LLP**,

Practicing Company Secretaries

Firm Unique Identification No. – L2020MH006601

Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal

Partner

FCS No.: 12908

C P No.: 20120

UDIN: F012908G000409832

Date: 1 Jyeshtha 1947 | 22 May 2025

Place: Vadodara

This report is to be read with our letter of even date which is annexed as **Annexure – 1** and forms an integral part of this report.

ANNEXURE – 1

To,
The Members,
Sun Pharmaceutical Industries Limited,
Vadodara, Gujarat.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KJB & CO LLP,**
Practicing Company Secretary
Firm Unique Identification No. – L2020MH006601
Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal
Partner
FCS No.: 12908
C P No.: 20120
UDIN: F012908G000409832
Date: 1 Jyeshtha 1947 | 22 May 2025
Place: Vadodara

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sun Pharma Laboratories Limited,
Vadodara, Gujarat.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate governance practice by **Sun Pharma Laboratories Limited ("the Company")**. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2025, according to the provisions of:

- i. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder; **Not applicable to the Company for the year under review;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable to the Company for the year under review;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
 - a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review;**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company for the year under review;**
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable to the Company for the year under review;**
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable to the Company for the year under review;**
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable to the Company for the year under review;**
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company for the year under review;**
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company for the year under review;**
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client – **Not applicable to the Company for the year under review;**
 - i. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable to the Company for the year under review;**

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent applicable.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, a Woman Director and Independent Directors to the extent applicable during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Further, The Board of Directors of the Company consist of 2 (two) Independent Directors although the provisions relating to having independent directors are not applicable to the Company and therefore in the opinion of the management the requirements under schedule IV of the Act are not applicable.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. On verification of minutes, we have not found any dissent/disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

Based on the information received and records maintained, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on the basis of the representations made, the Company has identified and complied with the various laws, applicable to the Company which inter-alia include:

- The Drugs and Cosmetics Act, 1940;
- Drugs (Price Control) Order, 2013;
- Narcotic Drugs and Psychotropic Substances Act, 1985;
- Indian Boiler Regulation Act, 1950;
- Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954;
- Legal Metrology Act, 2009.

For **KJB & CO LLP**,
Practicing Company Secretaries
Firm Unique Identification No.- L2020MH006601
Peer Review Certificate No.- 2797/2022

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908G000397952
Date: 31 Vaishakh 1947 | 21 May 2025
Place: Vadodara.

This report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

ANNEXURE – A

To,
The Members,
Sun Pharma Laboratories Limited,

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KJB & CO LLP,**
Practicing Company Secretaries
Firm Unique Identification No.- L2020MH006601
Peer Review Certificate No.- 2797/2022

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908G000397952
Date: 31 Vaishakh 1947 | 21 May 2025
Place: Vadodara.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Sun Pharma Distributors Limited,
Mumbai, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sun Pharma Distributors Limited ("the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31 March 2025, according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made there under - **Not applicable to the Company for the year under review;**
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under - **Not applicable to the Company for the year under review;**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and

External Commercial borrowings – **Not applicable to the Company for the year under review;**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto from time to time - **Not applicable to the Company for the year under review;**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company for the year under review;**
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable to the Company for the year under review;**
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company for the year under review;**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021 - **Not applicable to the Company for the year under review;**
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company for the year under review;**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company for the year under review;**

- (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review;**
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company for the year under review;**

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

We further report that:

- a) The Board of Directors of the Company is duly constituted with a proper balance of Non-Executive Director, Woman Director and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees. Agenda and detailed notes on agenda were made available in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) On verification of minutes, we have not found any dissent/disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

Based on the information received and records maintained, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on the basis of the representations made, the Company has identified and complied with the various laws, applicable to the Company which inter-alia include:

- Drugs and Cosmetics Act, 1940;
- Drugs (Price Control) Order, 2013;
- Narcotic Drugs and Psychotropic Substances Act, 1985;
- Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954;
- Legal Metrology Act, 2009.

For **KJB & CO LLP**,
Practicing Company Secretaries
Firm Unique Identification No.-L2020MH006601
Peer Review Certificate No.- 2797/2022

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908G000398106
Date: 31 Vaishakh 1947 | 21 May 2025
Place: Vadodara.

This report is to be read with our letter of even date which is annexed as **Annexure – 1** and forms an integral part of this report.

ANNEXURE – 1

To,
The Members,
Sun Pharma Distributors Limited,

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KJB & CO LLP,**
Practicing Company Secretaries
Firm Unique Identification No.-L2020MH006601
Peer Review Certificate No.- 2797/2022

Alpeshkumar Panchal
Partner
FCS No. - 12908
C. P. No. - 20120
UDIN: F012908G000398106
Date: 31 Vaishakh 1947 | 21 May 2025
Place: Vadodara.

Annual Report on Corporate Social Responsibility (CSR) Activities for the FY25

1. Brief outline on CSR Policy of the Company

The Company's CSR policy reflects its philosophy on social responsibility and lays down the guidelines and mechanism for undertaking socially useful programs aimed at the welfare and sustainable development of the community as a whole. The Company strives to create maximum impact through its CSR activities by leveraging its financial and human resources, networks, and expertise. The CSR Policy and programs focus on the areas covered under Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation in the CSR Committee	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Rama Bijapurkar	Chairperson	Non-Executive Independent Director	3	3
2.	Mr. Dilip Shanghvi	Member	Chairman and Managing Director	3	3
3.	Mr. Sudhir Valia	Member	Non-Executive Non-Independent Director	3	3
4.	Dr. Pawan Goenka	Member	Non-Executive Independent Director	3	3

3. Web-Link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

Composition of CSR committee: <https://sunpharma.com/committees-of-the-board/>

CSR Policy : <https://sunpharma.com/policies/>

CSR projects approved by the Board: <https://sunpharma.com/csr/>

4. Executive Summary alongwith Web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable

During the financial year, impact assessment was carried out for the following projects. The Executive Summary of the Impact Assessment Reports are annexed to this Report as 'Annexure D1' and 'Annexure D2'.

Sl. No.	Name of Project	Duration	Total Amount Spent (₹ in Million)	Name of Implementing Agency	Web-link of the Impact Assessment Report
1.	Mobile Healthcare Unit Project	April 2020 to March 2023	78.9	Sun Pharma Community Healthcare Society	https://sunpharma.com/csr/
2.	School Infrastructure Development Project	April 2020 to March 2023	11.8	Association for Sustainable Community Development	
				Act-Eve Education & Social Welfare Society	
				Anwasha Foundation	
				Vadodara Education Trust	
				Sahyog Vikas Foundation	

5. Obligation for the Financial Year

Sl. No.	Particulars	Amount ₹ in Million
a.	Average Net Profit of the Company as per Section 135(5)	28,927.3
b.	Two percent of average net profit of the company as per section 135(5)	578.5
c.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0.2
d.	Amount required to be set off for the financial year, if any	0.9
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	577.8

6. Expenditure for the Financial Year

Sl. No.	Particulars	Amount ₹ in Million
a.	Amount spent on CSR Projects (both ongoing projects and other than ongoing projects)	483.3
b.	Amount spent in Administrative Overheads	24.3
c.	Amount spent on Impact Assessment, if applicable	0.7
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]	508.3

e. CSR amount spent or unspent for the financial year

(₹ in Million)					
Total Amount Spent for the Financial Year	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount Unspent		
			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
508.3	47.4	March 24, 2025	Not Applicable		
	25.0	April 30, 2025			

f. Excess amount for set off, if any - Nil

Sl. No.	Particulars	Amount (₹ in Million)
a.	Two percent of average net profit of the company as per section 135(5)	Not Applicable
b.	Total amount spent for the Financial Year	
c.	Excess amount spent for the financial year [(ii)-(i)]	
d.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
e.	Amount available for set off in succeeding financial years [(iii)-(iv)]	

7. Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in unspent CSR Account under section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(6), if any		Amount remaining to be spent in succeeding financial years	Deficiency if any
					Amount	Date of transfer		
1.	2021-22				Not Applicable			
2.	2022-23							
3.	2023-24							
TOTAL								

8. Capital assets

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: Yes

Number of capital assets created/ acquired: 2,924

Details relating to the asset so created or acquired through CSR amount spent in the financial year form an integral of this report and are available at the website of the Company at <https://sunpharma.com/investors-annual-reports-presentations/>

9. Reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5)

The unspent amount pertains to the following on-going projects undertaken by the Company:

Sl. No.	Project to which the unspent amount relates	Amount Unspent	Reasons
1.	Setting up of a Skilling Institute – Foundation for Pharmaceutical Academy for Global Excellence	₹ 47.4 Million	In FY 2024–25, the Company ("Sun Pharma") and other Member Companies of the Indian Pharmaceutical Alliance ("IPA") collaborated to establish a skilling institute for the purpose of developing talent for pharmaceutical industry through Pharmaceutical Academy for Global Excellence Foundation ("PAGE Foundation"), a not-for-profit company set up by IPA member companies, at a total estimated cost of approximately ₹ 2,000 Million. Sun Pharma and other participating members will contribute to the cost of the project in an equal ratio. PAGE Foundation has already acquired land in Hyderabad and is in the process of acquiring land in Gujarat.
2.	Mobile Health care Unit - Implemented by Sun Pharma Community Healthcare Society	₹ 25.0 Million	Under this project, mobile health care vans are operated in rural areas ensuring last-mile availability of medical help. This is an ongoing activity, and a portion of the funds allocated for the project this year remained unutilised due to changes in circumstances. These included rescheduling of planned activities and dependencies on external stakeholders.

Date: May 22, 2025

Rama Bijapurkar

Chairperson of CSR Committee
(DIN: 00001835)

Dilip Shanghvi

Chairman and Managing Director
(DIN: 00005588)

Executive Summary of Impact Assessment of Mobile Healthcare Unit Project

1. Background

Sun Pharma operates 12 Mobile Healthcare Units (MHUs) that provide primary healthcare and reproductive child health services to the communities near its plant locations. These full-fledged clinics on wheels, with an onboard doctor and paramedic staff, provide consultation, medicines, and awareness about preventive healthcare. The project is implemented through Sun Pharma Community Healthcare Society (SPCHS). Birla Institute of Management Technology (BIMTECH) was retained to conduct the assessment study of the MHU initiative.

2. Objective of the Impact Assessment Study

- To measure, through an independent evaluation, the impact that can be attributed to the program
- To assess sustainability and learning, gather data about the program's effectiveness and impacts, and ensure that the intervention was on track and reached its objectives.
- To inform SPCHS on key impact areas and support in understanding improvement needs for future similar programming for further interventions.

2. Location for Study

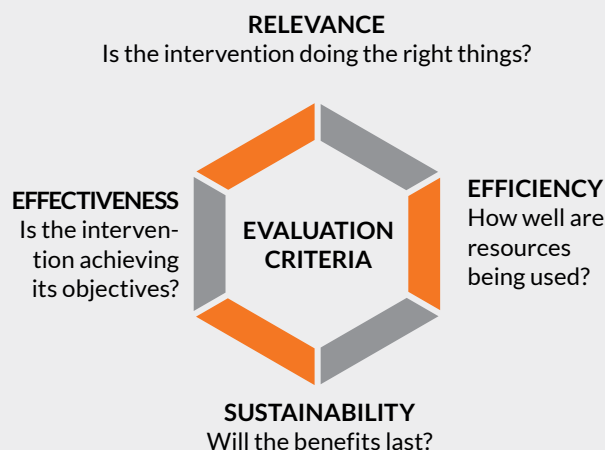
The study included Mobile Healthcare Units (MHU) across following locations :

- Set 1: Locations which have completed 30 years since implementation namely Mohali, Toansa, Paonta and Dewas
- Set 2: Locations which have completed 5 years in minimum since implementation namely Halol, Panoli, Ahmednagar and Madurantakam

2. Methodology

The Organization for Economic Cooperation and Development (OECD) criteria for project assessment was adapted as the framework for this study (Fig. 1). The assessment team used a bouquet of techniques to elicit information and evidence to judge how the program has performed. The tools include (i) Primary Survey(n=342, aggregate beneficiary sample at 9 study locations), (ii) Semi- Structured Interviews, (iii) Case Studies, (iv) Focus Group Discussion, (v) Secondary Data, and (vi) Literature Review (to benchmark SPCHS initiative against global MHU experience).

Fig 1: The Impact Assessment Framework



3. Project Impact : Effectiveness

The extent to which the intervention is achieving or has achieved its objectives.

3.A. MHU provides primary healthcare access to the socially and economically marginalised

- 70% of the household accessing MHU services belong to SC, ST and OBC communities.
- At an aggregate level, 74% of the households visiting the MHU are categorised as BPL. 25% of such households are denoted as destitute and hold Antodaya and PPH ration cards.
- It is estimated that about 30% of the households accessing MHU services are either landless or are small and marginal farmers.

3.B. A wide bouquet of primary healthcare services made available to the community through MHU

Most mobile healthcare unit projects in the country confine themselves to curative care. SPCHS MHUs, in contrast, take a life-cycle approach and provide services which include (i) Curative care, (ii) Maternal & Newborn care, (iii) Child Health, (iv) Adolescent Health, (v) NCD screening, and (vi) Health Awareness.

Tab 1: MHU services accessed by beneficiary households

Curative Care	Maternal / Newborn care	Child Health	Adolescent Health	NCD	Aware-ness
91%	23%	38%	22%	76%	85%

Source: Primary Survey

3.C. Vital indicators at SPCHS catchment better than national average

- Birthrate at SPCHS catchment (6.62 in 2024) is much lower than the national average (17.8-NFHS 5)
- Infant Mortality Rate at SPCHS catchment (2.2 in 2024) is much lower than the national average (28.3 -NFHS 5)
- Maternal Mortality Rate at SPCHS catchment (0 in 2024) is much lower than the national average (130-NFHS 5)

3.D. SPCHS MHUs have improved access to healthcare

100% of the beneficiaries surveyed reported that SPCHS MHU help transcend healthcare access barriers, some of which include (i) Lack of proper transport facility, (ii) Patients suffering with mobility issues emanating from old age/disability, (iii) Social mores that restrict movement of women outside the village unchaperoned, (iv) Consultaion with quacks.

3.E. Early initiation of care

MHU aids in starting medical treatment or supportive care much earlier than is achieved through traditional clinics. Some examples of early care initiation highlighted during FGD and discussion with MO include: (i) Early detection of hypertension and diabetes, (ii) Early initiation of ANC, (iii) Pre-conception initiation of folic acid in newly weds has led to significant reduction in neural tube defects, (iv) Early detection of anemia, and (iv) Awareness during neo-natal care has led to no deaths from Pneumonia and diarrhea prevention- in recent year in the project villages.

3.F. MHU limits the propensity to seek medical consultation from unqualified entities

The primary survey revealed that about 15% of the households would seek medical consultation from a chemist, quack, or a traditional healer if the MHU option is unavailable.

3.G. MHU ensures significant savings on direct medical expenses

The median doctor consultation fee payable if MHU services were unavailable is around ₹ 100-200. This adds up to a substantial sum when multiple clinic visits are required.

Tab 2. Doctor consultation fee payable for seeking alternative healthcare service in lieu of MHU

<₹50	₹ 50 - 100	₹ 100 - 200	₹ 200 - 300	₹ 300 +	No Re-sponse
47%	17%	25%	4%	3%	7%

Source: Primary survey

3.H. MHU helps achieve significant savings in travel costs

The majority of the respondents (55%) reported about ₹50/trip as transportation costs to their preferred primary health service provider in case MHU was not available.

This becomes a substantive cost when multiple trips for medical consultation are required.

Tab 3. Average cost of transport to alternate healthcare provider

No cost	Upto ₹ 50	₹ 50- 100	₹ 100- 200	₹ 200+
21%	55%	13%	7%	4%

Source: Primary survey

3.I. MHU helps save travel time and drudgery while seeking primary healthcare

In most cases (82%), the travel time to an alternate preferred health facility if MHU service is unavailable is estimated to be up to half an hour. However, in certain MHUs (Ranipool, MKM, and Malanpur), a significant number of respondents reported the travel time to an alternate primary health service provider to be between 45-60 minutes.

Tab 4. Time required to reach alternate health facility

	0-15	15-30	30-45	45-60	60+
Total	43%	39%	4%	12%	2%

Source: Primary survey

3.J. MHU help reduce OPD waiting time

At least 34% of the respondents reported that the waiting time at the alternate primary health care facility could be higher than 30 minutes. In contrast, the waiting time at the MHU OPD at its peak load is a maximum of 10-15 minutes.

Tab 5. Waiting time at alternate primary health service provider

0-15 min	15-30 min	30-45 mins	45-60 mins	60+ mins
42%	25%	4%	12%	18%

Source: Primary survey

3.K. MHU ensures availability of quality medicines

Medicine quality and availability are one big draw for patients to the MHU. 97% of the respondents reported satisfaction regarding the availability of medicines. There was a general consensus during the Focus Group discussion that the medicines made available through MHU were relatively more effective and potent than those available from other sources, both government and private.

3.L. Steady patient load at MHU

MHU has seen a steady patient footfall, an indicator that iMHU is fulfilling its objective of readily accessible, affordable, and quality primary healthcare.

Tab 6. Patient footfall at MHU

Year	Curative	Promotive (Home Visits + IEC participants)	Total
2020-21	148,919	32,992	181,911
2021-22	183,587	28,248	211,835
2022-23	199,175	34,048	232,223
2023-24 (*)	198,786	31,643	230,429

Source: SPCHS (*) Closure of Karkhadi unit has brought patient numbers down

3.M. High population coverage

At an aggregate level, MHUs provide services to about 41% of the total population in the communities they serve. The 224 villages and urban low-income pockets served by the MHUs constitute a population of 5.62 Lakh, of which 2.30 Lakh persons are beneficiaries of at least one MHU service.

3.N. High satisfaction with curative services About 96% of the respondents affirmed receiving good-quality curative care at the MHU.

Tab 7. Satisfaction of MHU beneficiaries with quality of OPD consultation received

No Response	Slightly Satisfied	Neutral	Very Satisfied	Extremely Satisfied
1%	0%	3%	75%	22%

Source: Primary Survey

About 98% of the respondents confirmed that MHU personnel were responsive and humane in their behaviour.

Tab 8 Satisfaction with the behaviour of the MHU staff

No Response	Slightly Satisfied	Neutral	Very Satisfied	Extremely Satisfied
0%	0%	2%	74%	24%

Source: Primary Survey

3.O. Good performance in antenatal care

- A. Very high rates of complete antenatal care achieved: In all the MHU catchments, almost 100% of pregnant women receive complete antenatal care, surpassing the district/ state averages.

Tab 9 Complete antenatal care

MHU (district)	MHU Catchment	District Average (NFHS V)	State Average (NFHS V)
Ahmednagar	100%	76.6%	71.4%
Dewas	100%	49.1%	57.5%
Malanpur (Bhind dist)	100%	63.1%	57.5%
MKM (Kanchipuram dist)	100%	76.1%	90%
Mohali (SBS Nagar dist)	100%	60.5%	59.7%
Panoli (Bharuch dist)	100%	65.7%	77.2%
Paonta (Sirmaur dist)	100%	85.2%	70.6%
Ranipool (E. Sikkim dist)	100%	43.8%	58.4 %
Toansa (SBS Nagar)	100%	60.5%	59.7%
Halol	96.50%	88.7%	77.2%

Source: SPCHS 2023-24 | NFHS Report-5

The beneficiaries attested to the efficacy of antenatal care provided through MHU during FGD, and the Medical Officers reiterated this, a number of documented case studies validate the quality of ANC service provided at the various MHUs.

- B. Significant reduction in low birth weight births: The incidence of low birth weight in MHU catchment neonates is extremely low. This is an outcome of reduced antenatal anemia and complete antenatal care.

Tab 10. Incidence of LBW

MHU	MHU Catchment	District Average (HMIS) *	State Average (HMIS)
Ahmednagar	3.40%	7%	12.1%
Dewas	6.10%	13.8%	15.6%
Malanpur (Bhind dist)	1.40%	15.6%	15.6%
MKM (Kanchipuram dist)	4%	19.6%	12.8%
Mohali (SBS Nagar dist)	4.50%	9.4%	7%
Panoli (Bharuch dist)	4.40%	15.4%	12.9%
Paonta (Sirmaur dist)	3.10%	13.1%	13.6%
Ranipool (E. Sikkim dist)	2.60%	10.8%	9.1%
Toansa (SBS Nagar dist)	1.90%	9.4%	7%
Halol (Panchmahal dist)	8.50%	10.2%	12.9%

SPCHS 2023-24/ Health Management Information System-2019-20, (*) MoHFW (<https://hmis.mohfw.gov.in/#/standardReports>)

- C. High beneficiary satisfaction with antenatal care at MHU: During the primary survey, the beneficiaries were asked to rate maternal services at MHU. All the antenatal care beneficiaries who were surveyed expressed their appreciation for the quality of service received.

Tab 11. Satisfaction with quality of maternal health service

	Very Satisfied	Extremely Satisfied
Total	53%	47%

Source: Primary Survey

3.P. High satisfaction with post natal care service provided by MHU

At an aggregate level, about 84% of all women giving birth in the MHU catchment were provided postnatal care by MHU personnel. During the primary survey, the beneficiaries were asked to rate postnatal care services at MHU.

All (100%) the surveyed beneficiaries who had received postnatal care expressed their appreciation for the quality of service.

3.Q. High satisfaction with childcare services

As per primary survey nearly all beneficiaries of child care services provided by MHU reported receiving a complete range of services, which include growth monitoring (97%), advice on under-nutrition(95%), vaccination guidance(89%), and referrals (20%) as needed. In response to the question asked in the primary survey regarding satisfaction with the child care services, 57% of the respondents indicated they are satisfied, while 41% reported being extremely satisfied.

3.R. High effectiveness in combating adolescent anemia

At an aggregate level, the incidence of anemia among adolescent girls was 32%. 48% of the anemic adolescents detected and treated at an MHU saw an improvement in their condition. The highest improvement is seen at Dewas (94%), followed by Mohali (62%) and Toansa (60%).

3.S. High incidence of NCD screening

Screening for NCD is done at MHU for (i) Blood Pressure, (ii) Diabetes, and (iii) Breast Cancer. This is done as part of routine medical consultations at OPD or NCD camps organised by MHU. The primary survey asked respondents whether any person in their household had ever received screening for any of the three ailments at the MHU. BP measurement was the most common (93%), followed by screening for blood sugar (78%). Screening for breast cancer was reported from two MHUs, MKM and Paonta. Visual acuity using a Snellen chart is done at MHU Halol.

Tab 12. %age of beneficiary households who reported at least one member receiving health screening at the MHU

Screening for blood Pressure	Screening for blood sugar	Screening for breast cancer
93%	78%	6%

Source: Primary Survey

3.T. High variety and reach of health messages

At an aggregate level, 85% of the sampled households reported that at least one family member has received a health message from MHU. The most dispensed health messages by MHU are (i) Handwashing (65%), (ii) ORS (61%), (iii) BP awareness (60%), and (iv) Diabetes awareness (53%).

Tab 13. %age of households who reported that atleast one family member got health awareness message through MHU

Awareness (n=342)	%age of households
Handwashing	65%
ORS Demo	61%
BP Awareness	60%
Diabetes Awareness	53%
Camp on NCD	34%
Oral Hygiene Camp	34%
Adolescent Health	23%
Women & Child Health	23%
Breast Cancer Awareness	18%
Dengue/Malaria Awareness	16%
Adarsh Mata Contest	15%
Healthy Baby Show	14%
TB Awareness	14%
Nutrition Week	14%
Tobacco Awareness	9%
School Health Awareness	4%
Iodine Deficiency	1%

Source: Primary Survey

About 83% of the sampled respondents remembered at least one piece of health-related advice received from the MHU, and 64% reported having adopted at least one advice received from the MHU. The most frequently cited health behaviour messages adopted include use of ORS, low-salt diet, and the importance of nutrition and adoption of handwashing.

3.U. Keeping the Medical Healthcare Units operational during COVID-19

During the COVID-19 pandemic, MHU remained operational and provided healthcare services and COVID management awareness to the host communities at a time when the entire healthcare system was under severe strain. The public health system was closed to routine primary health care services, and so was the private health sector.

Availability of doctors and medicines was at a premium. Given this circumstance, it was imperative that the MHUs operate. The actions taken to keep the MHUs operational include (i) Constant motivation of the field teams, (ii) Keeping track of government guidelines, (iii) Appropriate kits provided to MHU personnel, distribution of masks and Covid-19 awareness, (iv) Increased frequency of review meetings, and (v) Swift response to government request towards logistics of screening camps.

4. Project Impact : Efficiency

The efficacy of the program processes which help achieve the program objectives

4.A. Regularity of MHU visits

The hallmark of MHCs is the regularity of visits as per a scheduled timetable. In the year 2023-24, all the MHUs included in the study together missed only 12 clinics of the 2506 scheduled. All the respondents in the primary survey reported that the MHU was regular and adhered to a set timetable. They pointed out that their trust in the MHU service is greatly enhanced due to the regularity and punctuality of the MHU van's visits to their hamlets.

4.B. High caseload managed at MHU OPD clinics

The average patient load per MHU OPD clinic is 58, which is higher than the national average per doctor OPD caseload at PHC, which stands at around 32 patients.

Tab 14. Caseload at MHU OPD

MHU (#)	No of clinics held	OPD patients	Per clinic patient
Grand Total	2494	144768	58

Source: SPCHS 2023-24

4.C. MHU largely coforms to government guidelines

The Ministry of Health and Family Welfare, Government of India, has issued Operational Guidelines for Mobile Medical Units (MMUs)¹. These guidelines intend to provide a framework to improve the use of MMUs. The MHUs run by SPCHS conform to government standards under most norms and, in many instances, surpass the recommended standards.

4.D. Well structured referral system:

Each MHU makes about 10-15 referrals per month to a secondary/tertiary government hospital on average. Each referral slip details the patient's case history and provisional diagnosis, if any. MHU ANM follows up with each referred patient to ensure they seek the recommended specialist medical consultation. The MHU MO often briefs the patient's case history to the government hospital specialist doctor. Post-consultation follow-up is also done to ensure that the patient adheres to the recommended treatment by the specialist doctor. Per the primary survey, the incidence of the patient going for specialist consultation based on the referral varies over MHUs. While Ahmednagar and Dewas report high patient follow-up of referrals, Malanpur and Panoli report low confirmation of the patients to MHU referrals. This rate depends on patient characteristics and health-seeking behaviour, which vary across MHUs.

4.E. Streamlined medicine indenting system

The beneficiaries cited ready availability, high quality, and free medicines as strong attributes of MHUs. Each MHU must carry an inventory of at least one month's requirement. Essential medicines based on the WHO recommended list of primary care medicines are available at the MHU. There are instances when a patient is prescribed a medicine that does not feature in the list of essential medicines of MHU, for example, medicine for epilepsy, thyroid, eclampsia, etc. Special permission is obtained, and the medicine is provided to the patient(s).

4.F. Conscious effort to work closely with the government health system and village leadership

MHU works in close coordination with the public health system. This helps create synergy, avoid duplication of effort, and share resources where possible.

- ASHA workers assist the MHUs as Community Health Volunteers: At almost all MHUs, ASHA has been co-opted as part of the MHU team and works in close coordination with the MHU in the target villages. MHU ANM makes joint home visits for post-natal care with ASHA; ASHA shares her health records with the MHU team and tracks referral patients. This arrangement with ASHA has given the program depth and reach in the community.
- Regular meetings with government officials and community leaders: Each MHU MO meets government officials and community leaders on a regular basis.

- Quarterly report to CMO: Each MHU sends a quarterly activity report to the district's Chief Medical Officer where it is operational.
- Contact specialists in government hospitals: MHU MOs often contact specialists at government hospitals when they refer a patient and provide detailed case histories, which helps improve treatment outcomes.
- IEC during national health days in collaboration with government health system: MHU collaborates in various locations with the PHC/sub-center to organise IEC activities during national health days.

4. G. Keeping the larger constituency informed

Each MHU is expected to engage with the local media in disseminating information regarding MHU activities. The bulk of the media engagement is through print media, followed by electronic media. In the year 2023-24, 65 media articles/stories were published.

4.H. SPCHS has put in place a robust monitoring system

Key Performance Indicators and concomitant targets are set up at the outset, and achievement is closely monitored monthly. Review meetings take place monthly, quarterly, and half-yearly. A tablet-based MIS system has been set up, with MOs and ANMs keying in service statistics at the point of service delivery.

4.I. Use of technology

SPCHS has introduced IT to manage the OPD consultation (e-prescription), dispensing medicines, tracking outreach, and monitoring health outcomes. MOs and ANMs have been provided with tabs loaded with custom software, which helps automate the MHU processes.

5. Project Impact : Sustainability

Will the project continue to provide services in the short and medium term?

5.A. Continued commitment of Sun Pharma

Sun Pharma CSR's financial commitment to SPCHS towards MHU has steadily increased. The average year-on-year increase has been around 10%.

Tab 15 Spending on SPCHS MHU Program (in ₹ million)

	2019-20	2020-21	2021-22	2022-23	2023-24
Spending	24.53	22.70	26.17	30.12	32.83
% increase		-7%	15%	15%	9%

Note: Spending for all MHUs (including the study MHUs)

5.B. Sub Center Level Arogya Mandirs will not make MHU irrelevant

Under the Ayushman Bharat scheme, the existing Health sub-centers are being upgraded to Ayushman Arogya Mandir in an attempt to deliver a comprehensive range of health services closer to the target population. Given this, will MHU face competition from Arogya Mandirs as a quality healthcare provider close to the patient? It is felt that MHU will remain topical in the communities it serves. The reasons for this contention include systemic issues at MHUs- (i) Nonavailability of MBBS doctors at Arogya mandirs, (ii) Shortage of medicines, and (iii) Staffing shortage. Discussion during field visits with MHU patients also revealed these bottlenecks.

5.C. High Caliber leadership

The SPCHS Governing Council includes eminent public health experts and senior management from Sun Pharma. The leadership has the means and resources to track shifting paradigms in public health and dovetail SPCHS program content and strategy accordingly. The proposed introduction of an AI-based diabetic retinal scan is a case in point.

6. Suggestions

6.A. Equipping the ASHA : As Community Health Volunteers, ASHA workers are integrated into nearly all Mobile Healthcare Unit (MHU) teams. With expanding roles like Diabetic Retinopathy Scans and rising patient loads, MHUs will rely more on ASHAs for outreach and follow-up. Providing ASHAs with proper equipment, training, and supportive supervision will improve healthcare delivery and reduce the MHU ANM workload. Many ASHAs in the field reported about non-availability of required basic equipment.

6.B. Addressing the issue of access to government entitlements for nutrition and health services: Only about 40% of households in the MHU area have Ayushman cards for cashless hospitalisation. Many, especially migrants and vulnerable tribal groups, lack proper documents, limiting access to health and nutrition services. It's recommended that SPCHS or Sun Pharma CSR start a program to help all households obtain essential documents for government health, nutrition, and insurance schemes.

5. C. Introduce mobile alerts to inform beneficiaries of health related actions due: Mobile phone text message reminders (MPTMRs) have been implemented globally to promote vaccination uptake, antenatal care, hygiene practices, and alert the community about potential outbreaks. SPCHS may consider introducing an MPTMR system at MHU locations.

5.D. Universal coverage of adolescent anemia

SPCHS may consider universal coverage (against the current fixed number approach), i.e., reaching out to every adolescent girl in its project villages with Hb testing, IFA supplementation and dietary education.

6.E. Tackling substance abuse: MHU locations at Toansa, Paonta, Mohali, and Ranipool have high rates of drug usage, especially amongst the youth. MHU has started a program to raise awareness of substance abuse among Mohali schoolchildren in collaboration with BR Ambedkar Institute of Medical Sciences, Mohali. Extension of such a program to other MHUs may be considered. The suggestion from the field included making available the services of a counselor to provide professional counseling services to people with an addiction and vulnerable youth.

6.F. Demand for extended diagnostic services: One persistent demand from the beneficiaries was to make diagnostic services available. Currently, only a limited number of point-of-care tests (Hb and glucose) are available. It was suggested that a tie-up with a local accredited lab be considered at each MHU. However, while helpful, this facility will require significant budgetary allocation and logistical planning.

6.G. Scholarship for girls for medical profession: The lady MOs at the MHUs often receive queries from young girls on how to enter the medical profession—the lady MOs act as role models. SPCHS may consider a few scholarships for gifted girl students from the MHU catchment to pursue courses such as ANM, GNM, or allied professions. Precedence exists in other CSR programs where such scholarships have been instituted.

Executive Summary of Impact Assessment of School Infrastructure Development Projects

Research Methodology

Sun Pharmaceutical Industries Ltd. commissioned SoulAce to assess the impact of its School infrastructure development program. The study evaluates the reach, effectiveness, and alignment of these initiatives with Sunpharma's goals of inclusive growth and community development. It also offers actionable insights to enhance program outcomes and strengthen Sunpharma's commitment to sustainable and responsible corporate practices.

Objectives of The Study

- To assess the effectiveness of organisational activities and measure their impact
- To conduct impact evaluations that generate meaningful insights while considering resource availability and decision-making timelines for the intervention
- To analyse the impact of social investments in programs and projects on beneficiaries and society
- To make evidence-based decisions for implementation, identify challenges, and ensure program continuity, scalability, sustainability, and efficiency

Mixed Methodology

The impact assessment study adopted a comprehensive mixed-methods strategy, blending quantitative and qualitative approaches to offer a more intricate understanding of the project's impact. This combination allowed for the acquisition of both numerical data and detailed contextual insights, resulting in a more comprehensive evaluation of the project's outcomes.

On the quantitative side, structured interviews and closed-ended surveys with multiple-choice and Likert-scale questions enabled the collection of data that could be quantified and statistically analysed for clear, measurable outcomes.

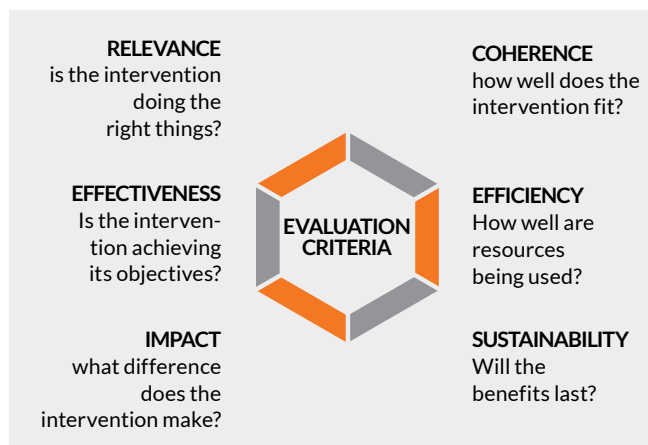
To complement this, qualitative methods such as semi-structured and open-ended interviews, along with Focus Group Discussions (FGDs), were conducted with a diverse group of stakeholders. These qualitative insights enriched the numerical data by uncovering deeper perspectives on program effectiveness, challenges faced, and areas for improvement. The findings from both methods were cross-validated through triangulation, enhancing the reliability and depth of the overall analysis. The study used a centralised dashboard and in-house app for real-time data monitoring, with descriptive, numerical, and graphical analysis to ensure data integrity and extract key trends.

Upholding Research Ethics

The impact assessment study followed a strong ethical framework to ensure participant protection and trust. Informed consent was obtained after explaining the study's purpose, risks, and benefits. Confidentiality and data security were strictly maintained to ensure anonymity. The study prioritised non-maleficence, transparency, and fairness, treating all participants equitably and without bias. These principles reinforced the integrity and credibility of the research process.

Standardised Framework for Evaluation

The study used the OECD-DAC framework to ensure globally aligned, credible, and consistent evaluation of the project's impact.



Sampling Framework

In order to ensure a well-rounded representation of the different sub-groups within the target population, the study employed a stratified random sampling technique. Additionally, for qualitative interactions, purposive sampling was utilised to engage key stakeholders.

Stratified random sampling is a method that involves dividing the population into distinct subgroups and then randomly selecting samples from each subgroup to ensure representative diversity in the study.

Purposive sampling is a method in research where specific individuals or groups are deliberately chosen for inclusion in a study based on their unique characteristics or expertise to provide targeted and specialised insights into the research topic.

The sampling framework is illustrated below:

Project	Location	Sample size
School Infrastructure Development Programme	Panchmahal, Vadodara, Bharuch, Dewas, Chengalpattu	260 Students

Key Stakeholders

- Students
- Sun Pharma Team
- School Teachers
- Principal
- Parents

Project: School Infrastructure Development Programme**Project Background**

Sun Pharmaceutical Industries Ltd. implemented the School Infrastructure Development Program across select locations in Gujarat (Panchmahal, Vadodara, Bharuch), Madhya Pradesh (Dewas), and Tamil Nadu (Chengalpattu) to address persistent gaps in basic school infrastructure. The program aimed to improve the quality of the learning environment in government schools, especially in underserved and rural areas, by upgrading physical infrastructure and essential facilities.

The initiative focused on the renovation and construction of classrooms along with the provision of smart classrooms, installation of sanitation and drinking water facilities, supply of classroom furniture, and overall school beautification. It aimed to enhance student attendance, learning outcomes, and school retention, particularly among girls and children from disadvantaged communities. By improving the functionality and inclusivity of school spaces, the program worked toward creating a safe, engaging, and enabling environment for students and teachers alike.

Project Details

Implementing Year – FY 2020-23

Implementing Partner - Sun Pharmaceutical Industries Ltd.

Assessment year – FY 2024-25

No. of Beneficiaries – 40,194 students

Project Budget – ₹ 1.18 Cr.

Project location - 21 schools in Panchmahal, Vadodara, Bharuch, Dewas, Chengalpattu

Alignment with SDGs – SDG 04, SDG 05, SDG 10 (The program also reflected strong coherence with national initiatives: National Education Policy (NEP) 2020 and Samagra Shiksha Abhiyan)

Project Activities

- Upgrading and constructing classrooms, along with overall school campus improvements, including painting, waterproofing, and building boundary walls.
- Developing supporting infrastructure like midday meal sheds and kitchen spaces and distributing utility items such as plates and tumblers to enhance school meal programs.
- Setting up smart classrooms with digital learning tools such as smart TVs, digital panels, and audio systems.
- Supplying essential classroom furniture and learning aids, including benches, desks, chairs, cupboards, and other educational materials.
- Building and refurbishing toilet facilities to improve sanitation in schools.

Key Findings

- **66.6%** of the surveyed students were enrolled in grades 6 to 8, with 19.6% from grades 2 to 5 and 14.2% from grades 9 to 11, while 54.6% were female students.
- **61.9%** of the respondents were aged 13–15 years, followed by 20.8% between 10–12 years in terms of age distribution.
- **97.7%** of the respondents stated that classrooms are now more comfortable and supportive of learning, with 84.6% of students rating the sanitation and hygiene facilities in their schools as good.

Key Impacts

- **98.5%** of the students reported regular attendance, with school principals noting increased enrolment and reduced dropout rates, highlighting the positive impact of better facilities on student retention.
- **89.6%** of the students reported improved academic performance, particularly in English, Science, and Mathematics, while parents observed that enhanced amenities like clean toilets, digital classrooms, and proper seating motivated children to attend school more willingly and enthusiastically.
- **93.5%** of the students felt a supportive learning environment, and the upgrades also encouraged stronger parental and community engagement, reinforcing shared responsibility for school development.

The Way Forward**Ensure Ongoing Maintenance and Repair Support**

To sustain the benefits of improved infrastructure, schools need access to regular maintenance support. Establishing local maintenance plans through School Management Committees and providing basic training or resources for upkeep will help prevent the deterioration of facilities over time.

Enhance Teacher Training for Digital Tools

While many schools have received smart boards and digital panels, their effective use relies on teacher preparedness. Providing regular training and refresher sessions, in partnership with educational organisations or training institutes, can help teachers confidently integrate these tools into daily classroom practices, thereby improving student engagement and learning outcomes.

OECD-DAC Rating

Relevance	-	5.0
Effectiveness	-	4.0
Impact	-	4.0
Coherence	-	5.0
Efficiency	-	3.5
Sustainability	-	4.0

Index: 5 Points - Very High; 4 Points -High; 3 Points -Moderate; 2 Points - Low; 1 Point - Very Low

ANNEXURE – E

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

(A) Conservation of Energy

Sun Pharmaceutical Industries Limited remains committed to the continuous enhancement of energy performance and the conservation of energy across all its operations. A dedicated team is actively engaged in driving initiatives to ensure the efficient utilisation of energy resources.

Energy consumption is monitored on equipment wise and plant wise basis, with regular benchmarking and energy gap assessments conducted at defined intervals. Based on these assessments, targeted energy conservation projects are identified and implemented. These initiatives have significant contribution to the reduction of carbon emission and have supported the organisational boarder decarbonisation objectives.

To further strengthen our energy management practices, we have implemented ISO 50001:2018 Energy Management System at our manufacturing sites in Halol, Mohali, Dadra and Dewas. This implementation ensures a structured and systematic approach towards achieving sustainable energy efficiency.

1. Steps taken or impact on Conservation of Energy

Various initiatives taken for energy conservation are:

- Use of heat pumps for hot water generation to reduce reliance on steam and associated energy costs.
- Installation of an energy-efficient Blower for HVAC systems.
- Replacement of inefficient chillers with high-efficiency models and integration of chiller smart control.
- Upgradation of inefficient electric motors to IE3 energy-efficient motors.
- Implementation of demand side compressed air management to minimise energy use in an air compressor.
- Use of an energy-efficient dryer to reduce power consumption.
- Installation of energy-efficient lighting along with motion sensors to prevent unnecessary power wastage.
- Enhancement of condensate recovery systems, resulting in fuel and water savings across various sites.
- Replacement of inefficient pumps with energy-efficient alternatives.
- Installation of variable frequency drives (VFDs) for part-load motor operations to optimise power consumption.
- Installation of an automatic tube cleaning system in chillers to enhance performance and reduce energy consumption.

2. Steps taken by the Company for utilising alternate sources of energy

We are consistently taking various initiatives to reduce carbon emissions and utilising alternative sources of energy.

- A Captive Hybrid power plant (Wind + Solar) has been installed to partially meet the power requirements of the manufacturing facilities in Gujarat.
- A Captive solar power plant is operational for meeting the partial power of the Dewas site.
- Captive windmills are being utilised at MKM Sites to partially fulfil energy requirements.
- During the current financial year, we expanded our captive solar rooftop at the Mohali and Poanta Sahib manufacturing facilities and Basma warehouse, building upon the earlier capacity additions made at the Halol, Gurgaon, Dadra, and Vadodara Sites.
- Fuel substitution: At most sites, conventional boiler fuels such as furnace oil and high-speed diesel have been replacing with renewable biomass briquettes for steam generation, contributing to reduced environmental impact.

3. Capital investment on energy conservation equipments

Capital investment of ₹ 120.1 Mn has been made on energy conservation equipment.

(B) Technology Absorption

(A) Research and Development

Expenditure on R&D

	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Capital	726.4	436.7
Revenue	18,334.7	18,147.9
Total	19,061.1	18,584.6
Total R&D expenditure as % of Total Turnover	8.29%	9.2%

(B) Technology Absorption, Adaptation and Innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation

The Company continues to invest on R&D, both as revenue expenses as well as capital investments. This spending is directed at developing complex products, specialty products, generic products, and API technologies. Some of these products may require dedicated manufacturing blocks. Investments have been made in employing scientifically skilled and experienced manpower, adding technologically advanced and latest equipment, sponsored research and in accessing world class consultants to continuously upgrade the research understanding of the scientific team in the technologies and therapy areas of our interest.

There has been thrust on the development of novel technologies like use of green reagents for chemical transformations in API synthesis, use of PAT tools in process development, and advanced crystallisation and powder processing techniques like ultrasonic crystallisation for achieving required particle size and physical characteristics for formulation, plug flow reactors, advanced flow reactors for continuous process and safety related studies using reaction calorimetry and other advanced process engineering tools. Product Life Cycle management has been undertaken for key products. Backwards integration is a key strategic objective, and many of our products enjoy the benefit of this backwards integration.

Process optimisation based on Quality by Design (Qbd) concept and robustness by six sigma calculation has been implemented for a wide range of products with the objective to reduce cost and increase in-process capability.

Novel compact dosage forms having differentiation with regards to improved stability and/or reduced pharmacokinetic variability have been developed for the Indian market. Stable liquid oral formulations of labile products are also being developed.

2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution

- (a) Offers complete basket of products under chronic therapeutic classes. Many products are in the pipeline for future introduction in India, emerging markets, as well as US and European generic market. The Company has developed an ability to challenge patents in the US market, and earn exclusivity.
- (b) For FY25, 52 formulations were developed and filed from our R&D locations for the Indian and regulated markets and 183 dossiers were submitted for filing in various emerging markets. The Company has also filed 100+ drug master files across various markets during the year.
- (c) Not dependent on imported technology, can make high-end products available at competitive prices by using indigenously developed manufacturing processes and formulation technologies.
- (d) Offers technologically advanced differentiated products which are convenient and safe for administration to patients.
- (e) We are among the few selected companies that have set up completely integrated manufacturing capability for the production of anticancer, hormones, peptide, immunosuppressant and steroidal drugs.
- (f) The Company has benefited from reduction in cost due to import substitution and increased revenue through higher exports.
- (g) Clinical studies of some products (complex and difficult to formulate) have been carried out at our in-house clinical pharmacology units. This has helped to maintain R&D quality and regulatory compliance with significantly reduced cost.

3. Your Company has not imported technology during the last 5 years reckoned from the beginning of the financial year.

(C) Foreign Exchange Earnings and Outgo -

	₹ in Million	
	Year ended March 31, 2025	Year ended March 31, 2024
Earnings	168,406.8	142,683.3
Outgo	74,386.1	62,931.5

Corporate Governance at Sun Pharma: An Overview

Integration of ESG and sustainability considerations within board processes through a dedicated Board Committee (Corporate Governance and ESG Committee).

Promotion of awareness and excellence in Governance within the organisation through the celebration of the annual "Governance Week".

Engagement of independent third-party agency for Independent Director search.

Establishment of uniform retirement age standards for employees, senior management, and various categories of board members.

Adoption of a standard for minimum attendance of at least 75% at the Board/ Committee meetings in a financial year.

Proactive and significant measures for shareholder outreach and reduction in physical shareholders and unclaimed dividends.

Establishment of the office of Lead Independent Director with defined roles and responsibilities.

Robust Whistle Blower mechanism covering even the external stakeholders.

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

Sun Pharma's philosophy aims to reach and positively impact lives around the world by adhering to core values of **Quality, Reliability, Consistency, Trust, Humility, Integrity, Passion, and Innovation**. These values are not only fundamental to the Sun Pharma's identity but also serve as the foundation for its corporate governance practices. The Company wholeheartedly embraces these principles in every interaction with its valued stakeholders, including shareholders, employees, customers, consumers, suppliers, and regulatory authorities, fostering meaningful connections and collaboration.

Promoting in-house governance

Governance thrives through the collective efforts of every individual within the organisation, where each member exemplifies our shared values and principles, irrespective of their role or rank. At Sun Pharma, we are genuinely dedicated to cultivating a culture of knowledge sharing and collaboration among our global team. In our commitment to enhancing awareness and understanding, we proudly launched "Governance Week" last year.

This February 2025, Governance Week was celebrated with an array of inspiring initiatives designed to illuminate the key aspects of governance. The results have been extraordinarily encouraging, demonstrating enhanced commitment and participation while fostering a strong sense of unity within the organisation. Together, we are making remarkable strides in championing best practices in corporate governance, and we eagerly anticipate the continued growth of this vital initiative.

2. Code of Conduct

The Board of Directors has laid down a Global Code of Conduct ("Code") for all Board members, the senior management of the Company and all employees including employees of its subsidiary companies. This Code serves as a guide for daily business interactions reflecting our standard for appropriate behaviour and our corporate values, and is designed to prevent, detect, and address any allegation of misconduct and to provide guidance to personnel in recognising and dealing with important ethical and legal issues and to foster a culture of honesty and accountability within the organisation. The Global Code of Conduct of the Company is available on the website of the Company at <https://sunpharma.com/policies>.

Scan the QR code to view the Global Code of Conduct



All the Board Members and Senior Management Personnel affirm 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 Chairman and Managing Director has been annexed as 'Annexure A' to this Report.

3. Board of Directors

a. Board Composition

Sun Pharma is committed to maintaining an optimal board composition that includes both executive and non-executive directors. Focusing on independence and diversity contributes to a balance between internal insights and external perspectives, which enhances governance practices. Furthermore, as part of Sun Pharma's commitment to good governance, the Lead Independent Director serves as a member of all Board Committees upholding the highest standards of governance.

Carefully selected for their diverse skills, experience and expertise, the Board of the Company comprises eight Directors as of March 31, 2025.

Category of Directors	Sl. No.	Name of the Directors	Inter-se Relationship between Directors
Promoter/Promoter Group Executive Director	1.	Mr. Dilip Shanghvi Chairman and Managing Director (DIN: 00005588)	Father of Mr. Aalok Shanghvi Brother-in-law of Mr. Sudhir Valia
	2.	Mr. Aalok Shanghvi Whole-time Director & Chief Operating Officer (DIN: 01951829)	Son of Mr. Dilip Shanghvi
Independent Directors	3.	Dr. Pawan Goenka Lead Independent Director (DIN: 00254502)	-
	4.	Mr. Gautam Doshi (DIN: 00004612)	-
	5.	Ms. Rama Bijapurkar (DIN: 00001835)	-
	6.	Mr. Rolf Hoffmann (DIN: 10200311)	-
	7.	Mr. Sanjay Asher ¹ (DIN: 00008221)	-
Promoter/Promoter Group Non-Executive and Non-Independent Director	8.	Mr. Sudhir Valia (DIN: 00005561)	Brother-in-law of Mr. Dilip Shanghvi

Note:

1. Retired from the Board of Directors of the Company after the close of business hours on March 31, 2025, upon completion of his term

None of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India ("SEBI")/Ministry of Corporate Affairs ("MCA") or any such statutory authority. A certificate from a practicing company secretary confirming this is annexed as 'Annexure B' to this Report.

In the opinion of the Board, the Independent Directors fulfill conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and are independent of the management.

b. Board skill matrix

In a dynamic business environment, effective governance requires a well-rounded and strategically skilled board. The board skill matrix serves as a vital framework for assessing the expertise, experience, and competencies of the board members, ensuring alignment with organisational objectives and long-term vision. A distinguished board is the driving force behind strategic vision and corporate resilience, with expertise serving as its cornerstone.

Sun Pharma's Board Diversity Policy outlines key characteristics and factors that contribute to a well-rounded and diverse composition of the Board. This policy emphasises the importance of various perspectives, skills, backgrounds, and experiences to ensure effective governance and decision-making. It aims to create a Board that reflects the rich diversity of our community and stakeholders, thereby enhancing its ability to address complex challenges and seize opportunities.

In view of the Company's business and operations, the Board has identified the various areas and skills for the Board.

Knowledge/Expertise	Skills	Behavioural Traits
<ul style="list-style-type: none"> Finance and Accounts Legal Governance Domain Knowledge Risk Management Global Exposure Technology and Cyber Security Talent and Performance Management ESG General Management 	<ul style="list-style-type: none"> Strategic Thinking/Planning Skills Problem Solving Skills Analytical Skills Decision Making Skills Leadership Skills People Skills 	<ul style="list-style-type: none"> Integrity Genuine interest Interpersonal skills/Communication Active participation

This table provides a glimpse into the expertise of the Board members:

Expertise	Finance and Accounts	Legal	Governance	Domain Knowledge (Pharma Industry)	Risk Management	Global Exposure	Technology and Cyber Security	Talent and Performance Management	ESG	General Management	Skills	Behavioral Traits
Mr. Dilip Shanghvi	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Mr. Aalok Shanghvi	Yes	No	No	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes
Mr. Pawan Goenka	Yes	No	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Mr. Gautam Doshi	Yes	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes
Ms. Rama Bijapurkar	Yes	No	Yes	No	Yes	No	No	No	No	Yes	Yes	Yes
Mr. Rolf Hoffmann	Yes	No	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Mr. Sanjay Asher	Yes	Yes	Yes	No	Yes	No	No	No	No	Yes	Yes	Yes
Mr. Sudhir Valia	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes

c. Other Directorships

In addition to their roles on our Board, the Directors bring valuable experience and expertise from their positions on other Boards and Committees. These external roles not only broaden their perspectives but also enable them to leverage best practices, networks, and insights that benefit the Company.

An overview of the other directorships held by the members of the Board is given below:

Name of the Director	No. of other Directorships and Committee Memberships/Chairmanships as of March 31, 2025			Other Indian Equity Listed entities in which they hold Directorship	Category of Directorship
	Other Directorships ¹	Committee Memberships ^{2&3}	Committee Chairmanships ²		
Mr. Dilip Shanghvi	1	0	0	Sun Pharma Advanced Research Company Limited	Non-Executive and Non-Independent Chairman
Mr. Aalok Shanghvi	0	0	0	Nil	Not Applicable
Dr. Pawan Goenka	1	1	0	Bosch Limited	Non-Executive and Independent
Mr. Gautam Doshi	5	6	2	Suzlon Energy Limited	Non-Executive and Independent
Ms. Rama Bijapurkar	5	4	1	Piramal Enterprises Limited	Non-Executive and Independent
				Gokaldas Exports Limited	Non-Executive and Independent
				Cummins India Limited	Non-Executive and Independent
				VST Industries Limited	Non-Executive and Independent
				Apollo Hospitals Enterprise Limited	Non-Executive and Independent
Mr. Rolf Hoffmann	0	0	0	Nil	Not Applicable
Mr. Sanjay Asher	9	9	2	Sonata Software Limited	Non-Executive and Independent Chairman
				Deepak Nitrite Limited	Non-Executive and Independent
				Ashok Leyland Limited	Non-Executive and Non-Independent
				Hawkins Cookers Limited	Non-Executive and Independent
				Gillette India Limited	Non-Executive and Independent
Mr. Sudhir Valia	3	4	2	Epigral Limited	Non-Executive and Independent
				Nil	Not Applicable

Notes:

- Does not include Directorships in Private Limited, Foreign and Section 8 Companies.
- Includes only Memberships and Chairmanships of Audit and Stakeholders' Relationship Committees.
- Also includes Chairmanships.

d. Meetings and attendance

The Company prioritises effective governance by planning meetings well in advance and carefully aligning schedules with regulatory requirements. Predetermined dates are strategically chosen to maximise director availability, ensuring broad participation. Board attendance is one of the key measures of director engagement, and as a good governance practice, directors are required to maintain at least a 75% attendance in a financial year.

Seven Board meetings were held during the financial year ended March 31, 2025.

A summary of the attendance of the Board members is given below:

	May 22, 2024	August 1, 2024	September 30, 2024	October 28, 2024	January 31, 2025	March 7, 2025	March 31, 2025	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Dilip Shanghvi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7
Mr. Aalok Shanghvi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7
Dr. Pawan Goenka	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7
Mr. Gautam Doshi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7
Ms. Rama Bijapurkar	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7	7
Mr. Rolf Hoffmann	Yes	No	Yes	Yes	Yes	No	Yes	7	5
Mr. Sanjay Asher	Yes	Yes	Yes	Yes	Yes	Yes	No	7	6
Mr. Sudhir Valia	Yes	Yes	No	Yes	Yes	Yes	Yes	7	6

During the year, two meetings of the Independent Directors were held on May 11, 2024 and March 31, 2025, with all Independent Directors in attendance.

The 32nd Annual General Meeting ("AGM") was held on August 5, 2024 and was attended by all Directors of the Company. Another meeting of the shareholders of the Company was held on January 21, 2025 as directed by the National Company Law Tribunal, which was attended by Mr. Aalok Shanghvi and Mr. Sanjay Asher, for obtaining approval for the Composite Scheme of Arrangement.

e. Familiarisation Programme

As part of the familiarisation programme for the Board Members, the functional heads/senior executives make presentations for the Board Members on various topics covering operations, functional overviews, business performance and opportunities, risk management framework, the regulatory environment in which the Company operates, etc.

Attendance of the Independent Directors for such programmes is available on the website of the Company at <https://sunpharma.com/policies>.

Scan the QR code to view the Familiarisation Programme



f. Shareholding of Non-Executive Directors as on March 31, 2025

Name of the Director	No. of Equity Shares
Dr. Pawan Goenka	Nil
Mr. Gautam Doshi	8,000
Ms. Rama Bijapurkar	Nil
Mr. Rolf Hoffmann	Nil
Mr. Sanjay Asher	Nil
Mr. Sudhir Valia	14,345,019

4. Board Committees

A. Audit Committee

The composition of the Audit Committee and the terms of reference comply with the requirements under Section 177 of the Companies Act, 2013 ("Act") and Regulation 18 of the SEBI Listing Regulations.

The terms of reference of the Audit Committee, inter alia, include, overseeing Company's financial reporting process, reviewing the annual financial statements and auditor's report thereon; reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; recommending appointment and remuneration of the auditors of the Company; reviewing the adequacy of internal audit function, discussing with internal auditors of any significant findings and follow up there on; evaluating internal financial controls and risk management systems; reviewing transactions with related parties, etc.

Meetings and Composition:

Six meetings of the Audit Committee were held during the financial year ended March 31, 2025 on April 26, 2024; May 21, 2024; July 31, 2024; October 25, 2024; January 30, 2025 and March 31, 2025. In order to minimise the gap between the approval and publication of financial results, the meetings held on May 21, 2024; July 31, 2024; October 25, 2024 and January 30, 2025 were adjourned to the date of the Board meeting.

The composition of the Audit Committee and a summary of the attendance at meetings are given below:

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Gautam Doshi	Independent Director	Chairman	6	6
2.	Dr. Pawan Goenka	Lead Independent Director	Member	6	6
3.	Mr. Sanjay Asher ¹	Independent Director	Member	6	5
4.	Ms. Rama Bijapurkar ²	Independent Director	Member	0	0

Mr. Anoop Deshpande, Company Secretary and Compliance Officer of the Company is the Secretary of the Audit Committee.

Notes:

1. Retired from the Board of Directors of the Company after the close of business hours on March 31, 2025, upon completion of his term.
2. Appointed as a member of the Committee effective from March 31, 2025.

B. Nomination and Remuneration Committee ("NRC")

The composition of the NRC and the terms of reference comply with the requirements under Section 178 of the Act and Regulation 19 of the Listing Regulations.

The terms of reference of NRC, inter alia, include, identification, selection and recommendation of senior management personnel and directors; formulation of criteria for evaluation of Directors and Board and carrying out such evaluation; review and recommendation of remuneration of senior management and directors, etc.

Meetings and Composition:

Five meetings of the NRC were held during the financial year ended March 31, 2025 on April 26, 2024; May 21, 2024; July 31, 2024; October 25, 2024 and January 30, 2025.

The composition of the NRC and a summary of the attendance at meetings are given below:

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Dr. Pawan Goenka	Lead Independent Director	Chairman	5	5
2.	Mr. Gautam Doshi	Independent Director	Member	5	5
3.	Mr. Sudhir Valia	Non-Executive Director	Member	5	5
4.	Mr. Rolf Hoffmann	Independent Director	Member	5	4

Mr. Anoop Deshpande, Company Secretary and Compliance Officer of the Company is the Secretary of NRC.

Performance evaluation criteria for Independent Directors

Board Performance Evaluation is carried out under a comprehensive Performance Evaluation Programme every year. The NRC defines the performance evaluation criterion for Independent Directors, which includes parameters, such as knowledge, competency, fulfilment of functions, availability and attendance, initiative, integrity, contribution, independence and independent views and judgement.

The Board's Report, which forms part of this Annual Report, presents a comprehensive overview of the performance evaluation conducted for the financial year.

C. Stakeholders' Relationship Committee ("SRC")

The composition of the SRC and the terms of reference comply with the requirements under Section 178 of the Act and Regulation 20 of the Listing Regulations.

The terms of reference of SRC, inter alia, include, resolving the grievances of the security holders of the Company; reviewing measures taken for effective exercise of voting rights by shareholders; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent; reviewing 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, etc.

Meetings and Composition:

Four meetings of SRC were held during the financial year ended March 31, 2025 on May 21, 2024; July 31, 2024; October 25, 2024 and January 30, 2025.

The composition of the SRC and a summary of the attendance at meetings are given below:

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Gautam Doshi	Independent Director	Chairman	4	4
2.	Dr. Pawan Goenka	Lead Independent Director	Member	4	4
3.	Mr. Sudhir Valia	Non-Executive Director	Member	4	4
4.	Mr. Dilip Shanghi	Chairman and Managing Director	Member	4	4

Mr. Anoop Deshpande, Company Secretary and Compliance Officer of the Company is the Secretary of SRC.

Compliance Officer:

The Board has designated Mr. Anoop Deshpande as the Compliance Officer for the purposes of/under rules, regulations etc. issued by the SEBI, Stock Exchanges, and Companies Act, 2013. He is also the Nodal Officer for the purpose of IEPF.

Significant measures towards reducing unclaimed dividend:

In its endeavour to facilitate the shareholders, under the guidance of SRC, Sun Pharma has gone the extra mile and has voluntarily processed the dividends remaining unclaimed for previous years based on the analysis carried out for the shareholders whose updated bank details were available with the Company based on the latest dividend paid electronically. During the year under review, the Company has carried out exercises as a result of which, unclaimed dividend aggregating to ₹ 0.96 Million was paid to more than 2,000 shareholders. This resulted in a reduction in the amount of unpaid dividends.

Further, the Company has taken advantage of market presence of its field force employees for reaching out to more than 800 unconnected physical shareholders of the Company. The identified shareholders were then contacted for facilitating completion of their KYC details and claiming unpaid dividend.

Additionally the Company has identified more than 4,000 shareholders of the Company whose KYC was not updated in its records, and dividend payment (Interim & Final) was required to be withheld as per SEBI mandate. The identified shareholders were sent intimation letters to facilitate the completion of their KYC details and release unpaid dividends to those shareholders whose KYC is updated.

Investor Complaints:

Particulars	No. of Complaints
Pending at the beginning of the year i.e., April 1, 2024	0
Received during the year	40
Resolved during the year	38
Pending at the end of the year i.e., March 31, 2025	2

D. Corporate Social Responsibility Committee ("CSR Committee")

The composition of the CSR Committee and the terms of reference comply with the requirements under section 135 of the Act.

The terms of reference of the CSR Committee, inter alia, include formulation and recommendation of the CSR Policy and the Annual Action Plan for the financial year, and review and monitoring of the implementation of CSR projects, etc.

Meetings and Composition:

Three meetings of CSR Committee were held during the financial year ended March 31, 2025 on May 21, 2024; October 25, 2024 and January 30, 2025.

The composition of the CSR Committee and a summary of the attendance at meetings is given below:

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Ms. Rama Bijapurkar	Independent Director	Chairperson	3	3
2.	Dr. Pawan Goenka	Lead Independent Director	Member	3	3
3.	Mr. Dilip Shanghvi	Chairman and Managing Director	Member	3	3
4.	Mr. Sudhir Valia	Non-Executive Director	Member	3	3

Mr. Anoop Deshpande, Company Secretary and Compliance Officer of the Company is the Secretary of CSR Committee.

E. Risk Management Committee ("RMC")

The composition of RMC and the terms of reference comply with the requirements under Regulation 21 of the Listing Regulations.

The terms of reference of the RMC, inter alia, include, formulation of the risk management policy, and monitoring the implementation of the Policy, ensuring proper systems and processes are in place to monitor and evaluate the risks associated with the business of the Company, etc.

Meetings and Composition:

Four meetings of RMC were held during the financial year ended March 31, 2025 on May 21, 2024; July 31, 2024; October 25, 2024 and January 30, 2025.

The composition of the RMC and a summary of the attendance at the meetings is given below

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Dr. Pawan Goenka	Lead Independent Director	Chairman	4	4
2.	Mr. Gautam Doshi	Independent Director	Member	4	4
3.	Mr. Sudhir Valia	Non-Executive Director	Member	4	4
4.	Mr. Dilip Shanghvi	Chairman and Managing Director	Member	4	4
5.	Mr. C. S. Muralidharan	Chief Financial Officer	Member	4	4

Mr. Anoop Deshpande, Company Secretary and Compliance Officer of the Company is the Secretary of RMC.

F. Corporate Governance and ESG Committee ("CG&ESG Committee") [formerly Corporate Governance and Ethics Committee]

The Corporate Governance and Ethics Committee ("CGEC") was established to enhance the Company's corporate governance initiatives and to oversee its policies and practices regarding related party transactions.

As compliance with Environmental, Social, and Governance ("ESG") standards and international sustainability index ratings becomes increasingly important, the Board thought it necessary to have a committee at the Board level focused on reviewing and closely monitoring the Company's ESG and sustainability compliance. To address this, the Board expanded the scope of the CGEC to incorporate ESG and sustainability aspects into its processes. The terms of reference for the committee were amended to align its roles and responsibilities with the Company's enhanced focus on these

areas. As a result, the CGEC was renamed the Corporate Governance and ESG Committee effective from August 1, 2024. Additionally, the CG&ESG Committee continues to reports to the Audit Committee on matters concerning related party transactions.

The terms of reference of the CG&ESG Committee, inter alia, include, reviewing compliance with the Company's Global Code of Conduct and Legal Compliance Policy; reviewing and recommending the best corporate governance practices; formulating, reviewing and implementing Policy on Materiality and Dealing with Related Party Transactions; providing guidance, reviewing and monitoring ESG strategies, goals and initiatives; overseeing the identification of risks and opportunities relating to sustainability; monitoring compliances with various guidelines applicable to the Company etc.

Meetings and Composition:

Five meetings of the CG&ESG Committee were held during the financial year ended March 31, 2025 on May 21, 2024; July 31, 2024; October 25, 2024; January 30, 2025 and March 31, 2025.

The composition of the CG&ESG Committee and a summary of the attendance at the meetings is given below:

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Gautam Doshi	Independent Director	Chairman	5	5
2.	Dr. Pawan Goenka	Lead Independent Director	Member	5	5
3.	Mr. C. S. Muralidharan	Chief Financial Officer	Member	5	5
4.	Mr. Anoop Deshpande	Company Secretary and Compliance Officer	Member & Secretary	5	5

Recommendations of the Committees of the Board

During the year under review, the Board accepted the recommendations made by the Board Committees.

G. Senior Management

The NRC reviews the criteria in accordance with the definition of Senior Management Personnel as prescribed by the Listing Regulations, and the following individuals are identified as the Senior Management Personnel.

Sl. No.	Name	Designation & Role	Category*
1.	Mr. Kirti Ganorkar	Head-India Business	CMT Member
2.	Mr. C. S. Muralidharan	Chief Financial Officer	KMP and CMT Member
3.	Mr. Sreenivasrao Nandigam	Head-Global Supply Chain	CMT Member
4.	Mr. S. Damodharan	CEO-API Business	CMT Member
5.	Mr. Suresh Kumar Rai	Chief Human Resources Officer	CMT Member
6.	Mr. Dheeraj Sinha	Chief Information Officer	CMT Member
7.	Mr. Rahul Awasthi	Sr. VP-SGO	CMT Member
8.	Mr. Anoop Deshpande	Company Secretary and Compliance Officer	KMP

*Core Management Team ("CMT") / Key Managerial Personnel ("KMP")

5. Remuneration of Directors

Non-Executive Directors

The Non-Executive Directors of the Company are entitled to sitting fees of ₹ 100,000/- for attending each meeting of the Board/Committee.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, determines the payment of commission to the Independent Directors from time to time, considering the attributing factors viz., period of directorship during the year, position as a Lead Independent Director, Chairmanship of the Audit Committee and Chairmanship of other Board Committees, time spent on Board processes, etc.

Executive Directors

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, approves the remuneration of the Chairman and Managing Director and the Whole-time Director(s) within the overall limit approved by the shareholders.

An agreement has been entered into with Mr. Dilip Shanghvi for his term of appointment and remuneration as a Managing Director for a period of 5 (five) years from April 1, 2023 to March 31, 2028. Either party can terminate the said agreement by giving notice of 30 (thirty) days.

Mr. Aalok Shanghvi, Whole-time Director, is in full-time employment of the Company, and his term of appointment and remuneration has been approved for a period of 5 (five) years from June 1, 2023 to May 31, 2028. Either party can terminate his directorship by giving notice of 30 (thirty) days.

Remuneration includes salary, bonus, variable pay (if any), perquisites, contribution to provident and superannuation fund and other benefits as per Company's policy, as applicable, from time to time. There is no provision for payment of severance fees.

Mr. Aalok Shanghvi is entitled to variable pay, to be determined on the basis of company performance bonus plan where the payout is determined basis a combination of individual performance rating and business performance.

The details of remuneration paid/payable to the Directors of the Company for the year ended March 31, 2025 are as follows:

(Amount ₹ in Million)

Name of Directors	Salary ¹	Variable Pay	Bonus	Perquisites/ Benefits ²	Sitting fees	Commission ³	Total
Mr. Dilip Shanghvi	49.0	-	9.8	6.0	-	-	64.8
Mr. Aalok Shanghvi	42.6	9.8	4.6	18.8	-	-	75.8
Dr. Pawan Goenka	-	-	-	-	3.6	7.2	10.8
Mr. Gautam Doshi	-	-	-	-	3.3	6.5	9.8
Ms. Rama Bijapurkar	-	-	-	-	1.2	5.6	6.8
Mr. Rolf Hoffmann	-	-	-	-	1.1	5.5	6.6
Mr. Sanjay Asher	-	-	-	-	1.3	5.5	6.8
Mr. Sudhir Valia	-	-	-	-	2.2	-	2.2

Notes:

- Salary includes Special Allowance.
- 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.
- The Board of Directors at its meeting held on May 22, 2025, has approved payment of commission to Independent Directors

6. Material Subsidiaries

The information on the Material Subsidiaries of the Company, identified as per the criteria prescribed under Regulation 16 and Regulation 24 of the Listing Regulations, for the year ended March 31, 2025 is given below:

Sl. No.	Name of the Material Unlisted Subsidiary Company	Date of Incorporation/ Acquisition	Place of Incorporation	Name and Date of Appointment / Re-appointment of the Statutory Auditors	Company's Independent Director on the Material Unlisted Subsidiary ¹
1.	Sun Pharma Laboratories Limited	March 9, 2012	India	Name: S R B C & CO LLP Date: August 24, 2022	Gautam Doshi
2.	Sun Pharma Distributors Limited	March 19, 2019	India	Name: S R B C & CO LLP Date: August 27, 2024	Rama Bijapurkar
3.	Sun Pharma Holdings, Mauritius	October 29, 2013	Mauritius	Name: Lancasters Chartered Accountants Date: June 3, 2024	Gautam Doshi
4.	Sun Pharmaceutical Industries, Inc.	November 20, 2002	USA	Name: S R B C & CO LLP Date: March 28, 2025	Gautam Doshi
5.	Taro Pharmaceuticals Inc.	September 20, 2010	Canada	Not Applicable ²	Not Applicable
6.	Sun Pharma (Netherlands) B.V.	March 24, 2015	Netherlands	Name: Kreston Lentink Audit B.V. Date: February 13, 2025	Not Applicable

Notes:

- Independent Directors are appointed pursuant to the obligation under Regulation 24 of Listing Regulations, wherever applicable.
- Appointment of Statutory Auditors is not applicable pursuant to the local laws.

The Policy for determining material subsidiaries of the Company is available on the website of the Company at <https://www.sunpharma.com/policies>.

Scan the QR code to view the Policy for Determining Material Subsidiary



7. Related Party Transactions

All contracts/arrangements/transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis. The transactions entered into pursuant to the omnibus and specific approvals, are reviewed periodically by the Audit Committee. 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. The Policy on Materiality of and Dealing with Related Party Transactions as approved by the Board is available on the website of the Company at <https://www.sunpharma.com/policies>.

Scan the QR code to view the Policy on Materiality of and Dealing with Related Party



8. Prevention of Insider Trading

The Company has a Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 to regulate, monitor and report trading by the Designated Person(s)/and other connected person(s). The structured digital database of unpublished price sensitive information is maintained with adequate internal controls.

The Company's Code of practices and procedures for fair disclosure of unpublished price sensitive information is available on the website of the Company at <https://sunpharma.com/policies>.

Scan the QR code to view the Code of practices and procedures for fair disclosure



9. Other Disclosures

- 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(s) 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 Company has a Global 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 or external stakeholders blows the whistle for any wrong-doing in the Company. The policy is available on the website of the Company at <https://sunpharma.com/policies>. No personnel have been denied access to the Audit Committee.

Scan the QR code to view the Global Whistle-blower Policy



- During the year, there were pecuniary transactions with the Companies in which Non-Executive Directors are interested as follows: a) Transaction with entity in which Mr. Rolf Hoffmann is interested - NavBio AG - ₹9.5 Million for Receiving of services expenses and Reimbursement of expenses – paid; b) Transactions with entities in which Mr. Sudhir Valia is interested, except for the subsidiaries of the Company wherein it is deemed that he does not

have any personal/pecuniary interest - Sun Petrochemicals Private Limited - ₹ 0.2 Million for Reimbursement of expenses – received; Sun Pharma Advanced Research Company Limited – ₹ 821.8 Million for Revenue from contracts with customers – net of returns, Receiving of service expenses, Reimbursement of expenses - paid, Rendering of service income, Reimbursement of expenses - received, Lease rent received, Royalty expenses, Sale and purchase of property, plant and equipment and purchase of intangible assets; Alfa Infraprop Private Limited – ₹ 35.9 Million for Other operative income/other income, Reimbursement of expenses paid; and Shantilal Shanghvi Foundation - ₹ 200.0 Million for Corporate Social Responsibility contribution; c) Transaction with entity in which Mr. Gautam Doshi is interested - Anshul Speciality Molecules Private Limited – ₹ 3.0 Million for Purchase of goods/services; d) Transaction with entity in which Mr. Sanjay Asher is interested – Crawford Bayley & Co. - ₹ 2.4 Million for Receiving of service expenses and Reimbursement of expenses – paid.

All the transactions with entities in which the Non-Executive Directors are/were interested constitute a negligible percent of the Company's revenue.

No loans and/or advances in the nature of loans are given to the firms/companies in which directors are interested.

- Total fees for all services paid by the Company 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 ₹ 249.0 Million for the year under review.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are provided in the Board's Report. The number of complaints during the financial year is given below:

Particulars	Information
Number of complaints filed during the financial year	7
Number of complaints disposed of during the financial year	5
Number of complaints pending as on the end of the financial year	2

- The Company follows financial year from April to March.
- Details of compliance and Adoption of non-mandatory requirements for the year ended March 31, 2025:
 - The Company sends quarterly financial results along with a summary of significant events to the shareholders whose e-mail addresses are available with the Company/RTA.
 - The Statutory Auditor has issued an unmodified opinion on the financial statements of the Company.
 - The findings of the Internal Audit are reported to the Audit Committee periodically.
- Disclosure of commodity price risk or foreign exchange risk and commodity hedging activities

The Company is exposed to foreign exchange risks emanating from the 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 exposure on commodities directly. Accordingly, the disclosure pursuant to SEBI Master Circular dated November 11, 2024 is not applicable.

- During the year under review, the Company has complied with all the mandatory requirements including the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of Listing Regulations, as applicable.
- Disclosure of certain types of agreements binding the Company

The Articles of Association of the Company, under Clause 108, confers specific rights to the promoter with respect to the management or control of the Company. This information has been disclosed under Clause 5A of Para A of Part A of Schedule III to the Stock Exchanges

- In compliance with Clause E of Schedule V, the Company has obtained Compliance Certificate from S R B C & CO LLP, the statutory auditors of the Company regarding the compliance of conditions of corporate governance, which forms part of this Annual Report, and is annexed to this Report as 'Annexure C'.

10. General Shareholder Information

1. General Meetings

A. Annual General Meeting:

Day, Date and Time	Thursday, July 31, 2025 at 4:00 P.M. IST
Venue	Through Video Conferencing/Other Audio-Visual means

B. Location and time of the last three Annual General Meetings and the special resolutions passed, if any:

Year	Meeting	Location	Date and Time	Details of Special Resolution Passed
2021-22	Thirtieth AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012. (Registered Office of the Company)	August 29, 2022 at 3:00 p.m.	<ol style="list-style-type: none"> Payment of commission of ₹ 40,00,000/- (Rupees Forty Lakhs only) each to Dr. Pawan Goenka, Mr. Gautam Doshi and Ms. Rama Bijapurkar, Independent Directors of the Company, for the financial year ending on March 31, 2022. Re-appointment of Mr. Gautam Doshi (DIN: 00004612) as an Independent Director of the Company for a second term of 5 (five) years commencing from May 25, 2023 to May 24, 2028. Re-appointment of Mr. Dilip Shanghvi (DIN: 00005588) as Managing Director of the Company for a further period of 5 (five) years effective from April 1, 2023 to March 31, 2028 and approve his remuneration for the aforesaid period, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period.
2022-23	Thirty-first AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012. (Registered Office of the Company)	August 28, 2023 at 3:00 p.m.	<ol style="list-style-type: none"> Appointment of Mr. Rolf Hoffmann (DIN: 10200311) as an Independent Director of the Company for term of 5 (five) years commencing from June 15, 2023 to June 14, 2028. Appointment of Mr. Aalok Shanghvi (DIN: 01951829) as the Whole-time Director of the Company for a period of 5 (five) years effective from June 1, 2023 to May 31, 2028 and approve his remuneration for the aforesaid period, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period.
2023-24	Thirty-second AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012. (Registered Office of the Company)	August 5, 2024 at 3:00 p.m.	None

C. Resolution Passed Through Postal Ballot:

During the year, four resolutions were passed through Postal Ballot, a summary of which is given below. However, no such resolutions were passed as special resolutions.

Sl. No.	Particulars of Ordinary Resolutions passed through Postal Ballot	Date of Approval	Scrutiniser
1.	Material Related Party Transactions to be entered into between Alkaloida Chemical Company ZRT and Libra Merger Limited, subsidiaries of the Company, for an amount not exceeding USD 348 Million (equivalent to ₹ 2,894.2 Crore approx.) during the financial year 2024-25.	May 10, 2024	Mr. Chintan J. Goswami, Partner, M/s. KJB & Co. LLP
2.	Material Related Party Transactions between Taro Pharmaceuticals Inc., Canada and Sun Pharmaceutical Industries Inc., USA, subsidiaries of the Company, for an aggregate amount not exceeding USD 890 Million (equivalent to ₹ 76,763 Million approx.) for the financial year 2025-26.	March 25, 2025	
3.	Material Related Party Transactions between Taro Pharmaceutical Industries Ltd., Israel and Sun Pharmaceutical Industries Inc., USA, subsidiaries of the Company, for an aggregate amount not exceeding USD 180 Million (equivalent to ₹ 15,525 Million approx.) for the financial year 2025-26.	March 25, 2025	
4.	Material Related Party Transactions between Taro Pharmaceuticals U.S.A., Inc., USA and Sun Pharmaceutical Industries Inc., USA, subsidiaries of the Company, for an aggregate amount not exceeding USD 225 Million (equivalent to ₹ 19,407 Million approx.) for the financial year 2025-26.	March 25, 2025	

Further, no special resolution is proposed to be passed through Postal Ballot, as on the date of this Report.

11. Final Dividend for FY 2024-25

- A. Record Date for payment of Dividend to Equity Shareholders: July 7, 2025
- B. Dividend Payment Date: On or before August 8, 2025

12. 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 FY 2024-25 and Annual Reports 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 quarterly results are regularly posted by the Company on its website and 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.
- Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Board's Report, the Management Discussion and Analysis Report, Auditor's Report, and other important information is available on the website of the Company.

The Annual Report is sent electronically to all shareholders whose e-mail addresses are registered. Hard copies of the Annual Report shall be sent to those shareholders who request them.

- Investors Presentation:** The presentations made at the analyst/institutional investors' meetings are filed with the stock exchanges and hosted on the Company's website at <https://sunpharma.com/investors-investor-presentations>

Scan the QR code to view the Investor Presentation



13. Shares Related Information

A. Listing Details

Particulars	Details
(a) BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	Trading Symbol - 524715
(b) National Stock Exchange of India Limited ("NSE"), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	Trading Symbol - SUNPHARMA
(c) Demat ISIN	INE044A01036

The Company has duly paid the Listing fees to BSE and NSE.

B. Share Transfer System

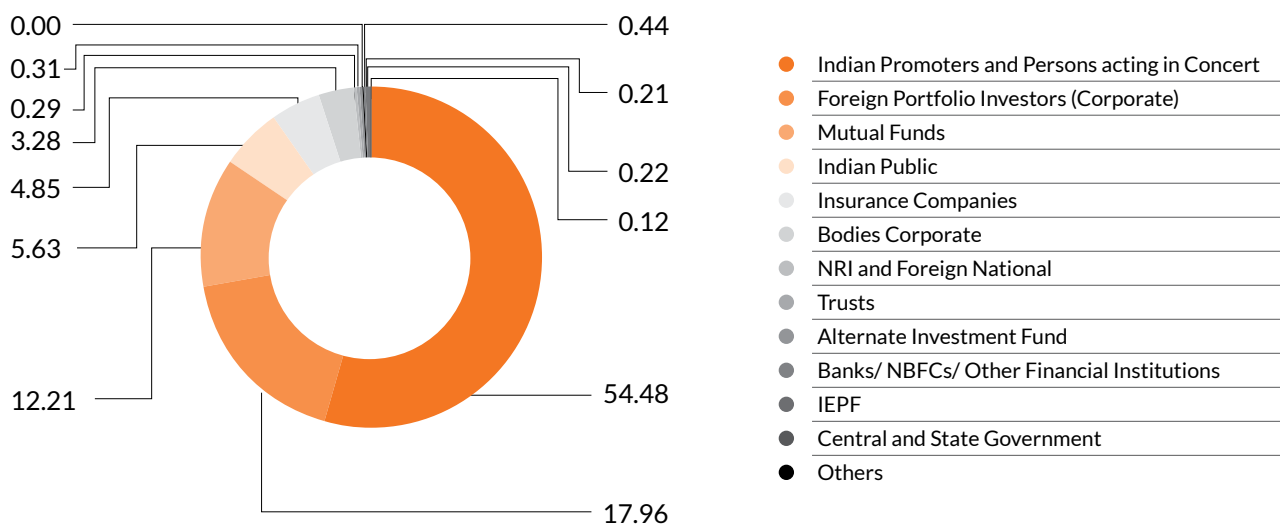
Effective April 1, 2019, SEBI mandated that shares can be transferred only in Demat. Hence, shareholders cannot lodge a transfer of shares in physical form.

C. Distribution of Shareholding as on March 31, 2025

Range of shareholding	No. of folios		Shares of face value ₹ 1/- each	
	Numbers	% to Total Folios	Numbers	% to Total Shares
1-500	694,654	95.29	33,787,899	1.41
501 - 1000	14,517	1.99	10,721,781	0.45
1001 - 2000	8,269	1.13	11,922,902	0.50
2001 - 3000	3,384	0.46	8,350,742	0.35
3001 - 4000	1,430	0.20	5,114,522	0.21
4001 - 5000	936	0.13	4,278,139	0.18
5001 - 10,000	2,309	0.32	16,437,295	0.69
10,001 and above	3,520	0.48	2,308,721,690	96.21
Total	729,019	100.00	2,399,334,970	100.00

D. Category-wise Shareholding of Equity Shares as on March 31, 2025

Sl. No.	Particulars	No. of Shares	Percentage
1.	Indian Promoters and Persons acting in Concert	1,307,134,535	54.48
2.	Foreign Portfolio Investor (Corporate)	430,854,406	17.96
3.	Mutual Funds	293,051,620	12.21
4.	Indian Public	135,055,794	5.63
5.	Insurance Companies	116,427,160	4.85
6.	Bodies Corporate	78,584,471	3.28
7.	NRI and Foreign National	6,979,730	0.29
8.	Trusts	7,466,214	0.31
9.	Alternate Investment Fund	5,340,144	0.22
10.	Banks/NBFCs/Other Financial Institutions	5,113,838	0.21
11.	IEPF	28,10,341	0.12
12.	Central and State Government	28,019	0.00
13.	Others	10,488,698	0.44
	Total	2,399,334,970	100.00

Shareholding Pattern as on March 31, 2025:**E. Dematerialisation of Shares and Liquidity**

About 99.8% of the outstanding equity shares have been dematerialised up to March 31, 2025. Trading in Shares of the Company is permitted only in dematerialised form. The Company's equity shares are fairly liquid and are actively traded on BSE and NSE.

F. 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, 2025.

G. 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 ₹ 1/- each
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on April 1, 2024.	2	140
Shareholders who approached the Company for transfer of shares from the said Unclaimed Suspense Account during the period from April 1, 2024 up to March 31, 2025.	0	0
Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the said period from April 1, 2024 up to March 31, 2025.	0	0
Transferred to IEPF during the said period from April 1, 2024 up to March 31, 2025.	0	0
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2025.	2	140

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

14. Investor Correspondence:

Registrars & Transfer Agent	MUFG Intime India Private Limited (Previously known as Link Intime India Private Limited) Unit: Sun Pharmaceutical Industries Limited, C 101, Embassy 247, L.B.S. Marg, Vikhroli West, Mumbai, India - 400083 Tel. No.: +91 810 811 6767/+91 22 4918 6270 Email: rnt.helpdesk@in.mpms.mufg.com Portal: https://swayam.in.mpms.mufg.com/
Individual Investors	Sun Pharmaceutical Industries Limited Sun House, Plot No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Telephone: (+91 22) 4324 4324 Email: secretarial@sunpharma.com
Institutional Investors	Dr. Abhishek Sharma Sun Pharmaceutical Industries Limited Telephone: (+91 22) 4324 4324 Email: investor.relations@sunpharma.com
IEPF Nodal Officer	Mr. Anoop Deshpande Sun Pharmaceutical Industries Limited Telephone: (+91 22) 4324 4324 Email: secretarial@sunpharma.com

15. Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
ICRA Limited	Long-Term/Short-Term, Fund-based/Non-fund Based Limits	AAA (Stable)/A1+	No revisions in credit rating during the financial year
	Commercial Paper	A1+	
CRISIL Limited	Bank Facility (Short-Term)	A1+	No revisions in credit rating during the financial year
	Bank Facility (Long-Term)	AAA/Stable	
	Commercial Paper	A1+	

17. Plant Locations as on March 31, 2025

Sl. No.	Location	Address
1.	Ahmednagar	A-7 & A-8, MIDC Ind. Area, Ahmednagar, Maharashtra – 414 111
2.	Ankleshwar	Plot No. 4708, GIDC Ankleshwar, Gujarat – 393 002
3.	Baddi	Khasra No.- 1335-1340, Near EPIP Phase-1, Hill Top Industrial Area, Village-Bhatolikalan, P.O. Barotiwala, Tehsil Nalagarh, Distt-Solan, BADDI, Himachal Pradesh – 174 103
4.	Dadra	Survey No. 1012, Dadra – 396 193 (U.T. of D & N.H & Daman & Diu)
5.	Dahej	Plot No. Z/15, SEZ-1, Po. Dahej, Taluko Vagra, Dist. Bharuch, Gujarat – 392 130
6.	Dewas	Industrial Area 3, A. B. Road, Dewas, Madhya Pradesh – 455 001
7.	Halol	Halol-Baroda Highway, Halol, Dist. Panchmahal, Gujarat – 389 350
8.	Maduranthakam	Sathammai Village, Karunkuzhi Post, Maduranthakam TK, Kanchipuram District, Tamil Nadu – 603 303
9.	Malanpur	K-5, 6,7,10 Ghirongi Malanpur, Dist. Bhind, Madhya Pradesh – 477 116
10.	Mohali	SEZ Unit-I, Plot A-41, Industrial Area, Phase-VIIIA, S.A.S Nagar, Mohali, Punjab – 160 071
11.	Panoli	Plot No. 24/2 & 25, GIDC, Phase-IV, Panoli, Dist. Bharuch, Gujarat – 394 116
12.	Paonta Sahib	Village & P.O. Ganguwala, Tehsil. Paonta Sahib, Dist. Sirmour, Himachal Pradesh – 173 025
13.	Toansa	Village Toansa P.O. Railmajra Distt. Nawansahar, Punjab – 144 533
14.	Bengaluru	Sy No: 16, Ekarajapura, 8km, Stone Siddlagatta Road, Hasigala Post, Hosakote, Bengaluru – 562114

For and on behalf of the Board of Directors

Dilip Shanghvi

Chairman and Managing Director

(DIN: 00005588)

Aalok ShanghviWhole-time Director and
Chief Operating Officer

(DIN: 01951829)

Date: May 22, 2025

ANNEXURE A**Declaration of Compliance with Code of Conduct for the year ended March 31, 2025**

I, Dilip Shanghvi, Chairman and 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 Global Code of Conduct laid down by the Board of Directors of the Company.

For Sun Pharmaceutical Industries Limited

Dilip ShanghviChairman and Managing Director
(DIN: 00005588)

Date: May 22, 2025

ANNEXURE B

CERTIFICATE

Pursuant to Regulation 34(3) and Schedule V para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulation, 2015.

To,
The Members of
Sun Pharmaceutical Industries Limited
CIN: L24230GJ1993PLC019050
Registered Office: 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 – 390012, Gujarat (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 Obligations 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 March 31, 2025 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.	Dilip Shanghvi	00005588	March 1, 1993
2.	Aalok Shanghvi	01951829	June 1, 2023
3	Pawan Goenka	00254502	May 21, 2021
4.	Gautam Doshi	00004612	May 25, 2018
5.	Rama Bijapurkar	00001835	May 21, 2021
6.	Rolf Hoffmann	10200311	June 15, 2023
7.	Sanjay Asher*	00008221	November 1, 2022
8.	Sudhir Valia	00005561	January 31, 1994

* Retired from the Board of Directors of the Company after the close of business hours on March 31, 2025, upon completion of his term

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**,
Practicing Company Secretary
Firm Unique Identification No. – L2020MH006601
Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal
Partner
FCS No.: 12908
C P No.: 20120
UDIN: F012908G000410019
Date: 1 Jyeshtha 1947 | 22 May 2025
Place: Vadodara

ANNEXURE C

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) and (t) 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, 2025 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 ICAI.

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, 2025 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 from April 01, 2024 to March 31, 2025:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee;
 - (g) Corporate Social Responsibility Committee;
 - (h) Corporate Governance and ESG Committee.

- 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.
8. 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

9. 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, 2025, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. 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.
11. 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 **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Amit Singh**

Partner

Membership Number: 408869

UDIN: 25408869BMNXGW8177

Place of Signature: Mumbai

Date: May 22, 2025