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 31 March 2026 ("FY26"/ "Financial Year") and up to the date of the Board meeting held on 22 May 2026 to approve this report.

Financial Highlights

The Company's financial performance for the financial year ended 31 March 2026:

(₹ in Million)

	Standalone		Consolidated	
	Year ended 31 March 2026	*Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations	207,546.4	229,774.0	584,620.4	525,784.4
Profit before exceptional item and tax	43,404.6	49,762.1	164,263.6	144,299.8
Exceptional Item	5,463.4	-	13,074.8	6,778.5
Profit before tax but after exceptional item	37,941.2	49,762.1	151,188.8	137,521.3
Profit after tax	26,234.2	42,280.8	115,645.2	109,801.0
Opening balance in Retained Earnings	129,480.1	123,462.8	578,618.4	501,545.5
Closing balance in Retained Earnings	167,782.9	129,480.1	693,456.3	578,618.4

*The amounts have been restated pursuant to merger of its five wholly owned subsidiaries with the Company.

Performance Highlights (Consolidated)

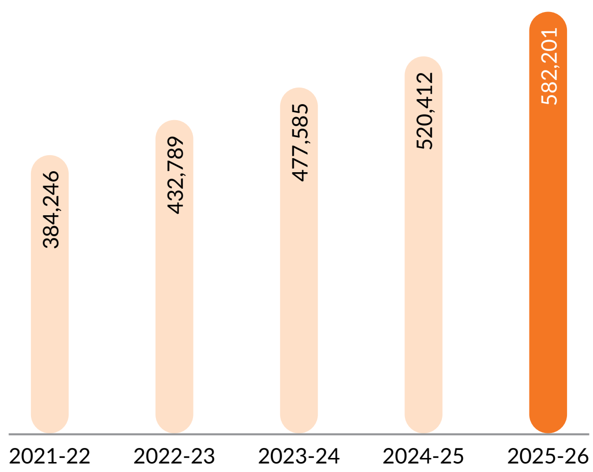
Revenue
₹ 584,620.4 Million

EBITDA
₹ 177,314.0 Million

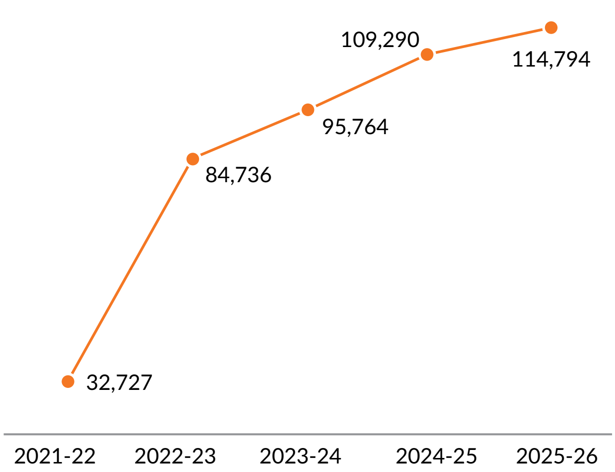
PAT
₹ 115,645.2 Million

EPS
₹ 47.8

Sales Trend – 5 Year View (₹ in Million)



Net Profit Trend – 5 Year View (₹ in Million)



- The Company's performance has been discussed in detail in the 'Management Discussion and Analysis Report'.
- The Company is engaged in pharmaceuticals business, and there has been no change in the nature of the business of the Company during the financial year ended 31 March 2026.

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

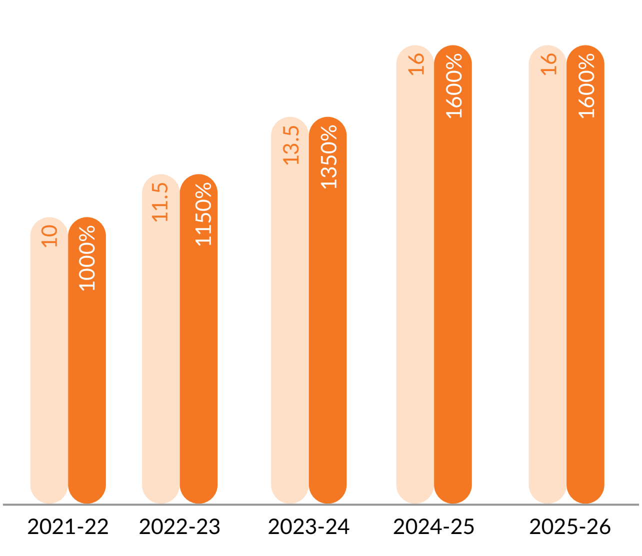
The consolidated financial statements for the year ended 31 March 2026, pursuant to Section 129(3) of the Act form part of this Annual Report.

Dividend

During the year under review, the Board has declared an interim dividend of ₹ 11.00 (Rupees Eleven only) per equity share of ₹ 1.00 (Rupee One only) each [previous year ₹ 10.50 (Rupees Ten and Paise Fifty only) per equity share of ₹ 1.00 (Rupee One only) each] for the year ended 31 March 2026.

In addition to the above, the Board has recommended a final dividend of ₹ 5.00 (Rupees Five only) per equity share of face value ₹ 1.00 (Rupee One only) each [previous year ₹ 5.50 (Rupees Five and Paise Fifty only) per equity share of face value ₹ 1.00 (Rupee One only) each] for the financial year ended 31 March 2026. The final dividend, if approved by the shareholders at the ensuing 34th Annual General Meeting ("AGM"), shall be paid after deduction of tax at source, as applicable, and would result in a cash outflow of approximately ₹ 11,996.67 million. Consequently, the total dividend payout for FY 2025-26 amounts to ₹ 16.00 (Rupees Sixteen only) per equity share of face value ₹ 1.00 (Rupee One only) each [previous year ₹ 16.00 (Rupees Sixteen only) per equity share of face value ₹ 1.00 (Rupee One only) each].

Dividend payout of 5 Year View



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

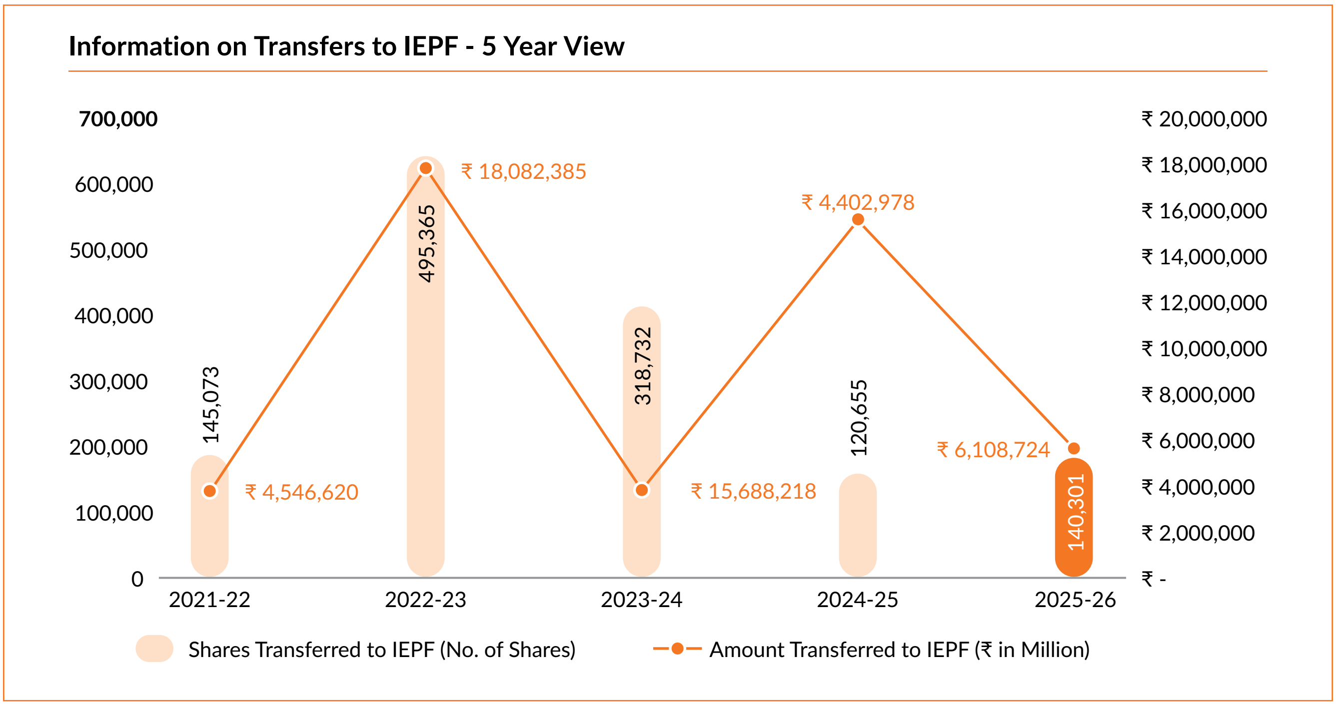
Investor Education and Protection Fund ("IEPF") / Unclaimed Dividends

Pursuant to Section 124 of the Act, dividends that are unpaid or unclaimed for a period of seven years shall be transferred to the IEPF, along with the underlying shares on which such dividends remain 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	₹ 6,108,724.00
Transfer of shares to IEPF	140,301 shares
Dividend paid to IEPF in respect of shares already transferred to IEPF	• ₹ 25,867,669.00 (Interim Dividend FY 2025-26) • ₹ 13,627,417.50 (Final Dividend FY 2024-25)



In its endeavour to facilitate and safeguard shareholders' interests, the Company has taken several proactive, voluntary initiatives. These include:

Facilitation of Unclaimed Dividend Payments

The Company processed dividends remaining unclaimed for earlier years based on analysis of shareholders whose updated bank account details were available with the Company, as evidenced by the most recent electronic dividend payouts. These efforts enabled eligible shareholders to receive their rightful dues.

Outreach to Physical Shareholders

The Company leveraged its pan-India field force network to reach shareholders holding shares in physical form who were not actively connected with the Company and assisted them in updating and regularising their records, thereby enabling them to claim unclaimed dividends. This initiative has facilitated improved realisation of shareholder entitlements and enhanced overall investor outreach.

SEBI Special Windows for Re-lodgement and Dematerialisation

During the year, the Securities and Exchange Board of India ("SEBI") introduced special windows to facilitate transfer and dematerialisation of physical securities purchased or sold prior to 1 April 2019.

- A re-lodgement facility was available from 7 July 2025 to 6 January 2026.
- A further special window commenced from 5 February 2026 and will remain open until 4 February 2027, covering eligible re-lodged and fresh cases where original share certificates are available.

Shares transferred pursuant to these windows are credited only in dematerialised form and are subject to a one-year lock-in period. The Company disseminated requisite information in compliance with SEBI requirements.

Support to IEPF "Saksham Niveshak" Campaign

The IEPF Authority, Ministry of Corporate Affairs, launched the 100 Days Campaign "Saksham Niveshak" from 28 July 2025 to 6 November 2025 to facilitate shareholders in claiming unclaimed dividends prior to transfer to the IEPF.

In support of the Campaign, the Company undertook proactive investor outreach through individual notices, emails, SMS and newspaper publications, encouraging shareholders to update their KYC, bank mandates and other requisite details to enable timely claims and reduce transfers to the IEPF.

Appeal to the Shareholders

The Board continues to encourage shareholders to periodically review and claim any unpaid dividends lying with the Company. Information relating to unpaid and unclaimed dividends outstanding up to the relevant financial years, the corresponding shares liable to be transferred (or already transferred) to the IEPF Authority, along with applicable due dates, is available on the Company's website.

Details of the procedure for claiming amounts or shares from the IEPF Authority can be accessed at www.sunpharma.com under Investors > Shareholders' Information > Investor Services.

Shareholder Satisfaction Survey

With a view to further strengthening shareholder services, the Company undertook a Shareholder Satisfaction Survey to obtain feedback on the services rendered by its Registrar and Transfer Agent, MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited).

The Survey was conducted from 17 March 2026 to 31 March 2026 and was open to shareholders who had availed RTA services during the period from 1 April 2025 to 31 December 2025. The Survey facilitated the collection of constructive feedback from shareholders, which has been duly shared with the RTA and is expected to contribute towards continuous improvement in service delivery and overall shareholder experience.

Memorandum of Association

During the year, the Board approved an alteration to the Objects Clause of the Company's Memorandum of Association to include an additional object for undertaking captive and renewable energy activities. The said alteration was approved by the shareholders through a special resolution passed by Postal Ballot on 17 April 2026.

Public Deposits

The Company has not accepted any deposits from the public during the financial year under review within the meaning of Chapter V of the Act and the rules made thereunder.

Credit Rating

There has been no change to the credit rating during the year, as disclosed in the Corporate Governance Report, which forms part of this Annual 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 Listing Regulations can be accessed at our website at https://www.sunpharma.com/policies.

Transfer to Reserves

The Board has not proposed any transfer of profits to reserves during the year. The Composite Scheme of Arrangement implemented during the year involved reclassification of general reserve to retained earnings and amalgamation of wholly-owned subsidiaries and did not result in any transfer to reserves. The Board considers it appropriate to retain resources to support the Company's operational and strategic requirements.

Loans, Guarantees and Investments

The Company continues to maintain a prudent approach in respect of loans, guarantees and investments, undertaken as part of its overall financial and strategic management. All such transactions during the year under review were carried out in compliance with the provisions of Section 186 of the Act. The details of loans given, guarantees provided, and investments made have been duly disclosed in the Financial Statements forming part of this Annual Report.

Changes in Capital Structure

During the financial year under review, there was no change in the issued, subscribed or paid-up share capital of the Company. Pursuant to the Composite Scheme of Arrangement implemented during the year, the authorised share capital of the Company increased to ₹ 6,179,700,000 on account of the amalgamation of the authorised share capital of the transferor wholly-owned subsidiaries with that of the Company.

The paid-up equity share capital of the Company as on 31 March 2026 remained at ₹ 2,399,334,970. The Company did not issue any shares or other convertible securities, including sweat equity shares or securities under stock option schemes, during the year.

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

22 May 2025
Appointment of Vidhi Shanghvi as WTD

01 July 2025
- Retirement of C S Muralidharan as CFO
- Appointment of Jayashree Satagopan as CFO

31 July 2025
Retirement of Sudhir Valia as NED

01 September 2025
- Dilip Shanghvi stepped down as MD
- Appointment of Kirti Ganorkar as MD

08 May 2026
Appointment of Satyavati Berera as ID

12 May 2026
Appointment of Andreas Busch as ID

21 May 2026
- Retirement of Rama Bijapurkar as ID
- Re-appointment of Pawan Goenka as ID

As on 31 March 2026, the Board of the Company comprised eight members. This included four Executive Directors, of whom three are associated with the Promoter, including one woman director; and four Non-Executive Independent Directors, one of whom is a Woman Independent Director. Details relating to the composition of the Board and its Committees, and other related information are provided in the Corporate Governance Report forming part of this Annual Report.

During the financial year under review and up to the date of this Report, the following were the changes in the composition of the Board and Key Managerial Personnel of the Company:

Change in Managing Director

1. Mr. Dilip Shanghvi (DIN: 00005588) stepped down as Managing Director effective from 01 September 2025 and continues to be the Chairman. His appointment as the Executive Chairman of the Company is for a term of five years commencing from 1 September 2025 to 31 August 2030, as approved by the shareholders at the 33rd AGM.
2. Mr. Kirti Ganorkar (DIN: 10620142) was appointed as the Managing Director of the Company for a term of five years commencing from 1 September 2025 to 31 August 2030, as approved by the shareholders at the 33rd AGM.

Change in Executive Director

3. Ms. Vidhi Shanghvi (DIN: 06497350) was appointed as a Whole-time Director of the Company for a term of five years with effect from 22 May 2025 to 21 May 2030, as approved by the shareholders at the 33rd AGM.

Change in Non-Executive Directors

4. Mr. Sudhir Valia (DIN: 00005561), Non-Executive Non-Independent Director, retired from the Board at the conclusion of the 33rd AGM on 31 July 2025.
5. Dr. Pawan Goenka (DIN: 00254502) was re-appointed as a Non-Executive Independent Director of the Company for a second term of five years commencing from 21 May 2026 to 20 May 2031, pursuant to the approval of the shareholders through Postal Ballot. He shall continue to hold office after attaining the age of seventy-five (75) years during the said term and shall not be liable to retire by rotation.
6. Ms. Rama Bijapurkar (DIN: 00001835), Non-Executive Independent Director, completed her first term of appointment and ceased to be a Director of the Company with effect from closure of business hours on 20 May 2026.
7. Ms. Satyavati Berera (DIN: 05002709) was appointed as a Non-Executive Independent Director of the Company for a term of five years commencing from 8 May 2026 to 07 May 2031, pursuant to the approval of the shareholders through Postal Ballot. She shall not be liable to retire by rotation.
8. Dr. Andreas Busch (DIN: 11699735) has been appointed as a Non-Executive Independent Director of the Company for a term of five years with effect from 12 May 2026 upto 11 May 2031, subject to the approval of the shareholders at the ensuing 34th AGM. He shall not be liable to retire by rotation.

Change in Chief Financial Officer

9. Ms. Jayashree Satagopan was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from 01 July 2025.

10. Mr. C. S. Muralidharan, Chief Financial Officer, retired from the services of the Company and ceased to be the Chief Financial Officer with effect from 01 July 2025.

The requisite disclosures as required under the Act, the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") are provided in the Notice convening the 34th AGM.

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 underscores the importance of Independent Directors in 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

The Board Performance Evaluation is conducted annually under a comprehensive Performance Evaluation Programme ("PEP"), which is an integral part of the Nomination and Remuneration Committee's ("NRC") roles and responsibilities. Each year, the NRC reviews the performance evaluation criteria for the Board as a whole, its Committees, and individual Directors, taking into account applicable SEBI Regulations and the Guidance Note on Board Evaluation issued by ICSI.

For the financial year 2025-26, the PEP was implemented through a structured, multi-pronged approach to ensure a robust, objective, and effective evaluation process. The approach comprised the following:

- **Questionnaire Approach:**

  Structured questionnaires covering the performance of the Board as a whole, Board Committees, and individual Directors were circulated to all Board members. The questionnaires sought inputs on various aspects of governance, strategy, oversight, Board dynamics, and individual contribution.

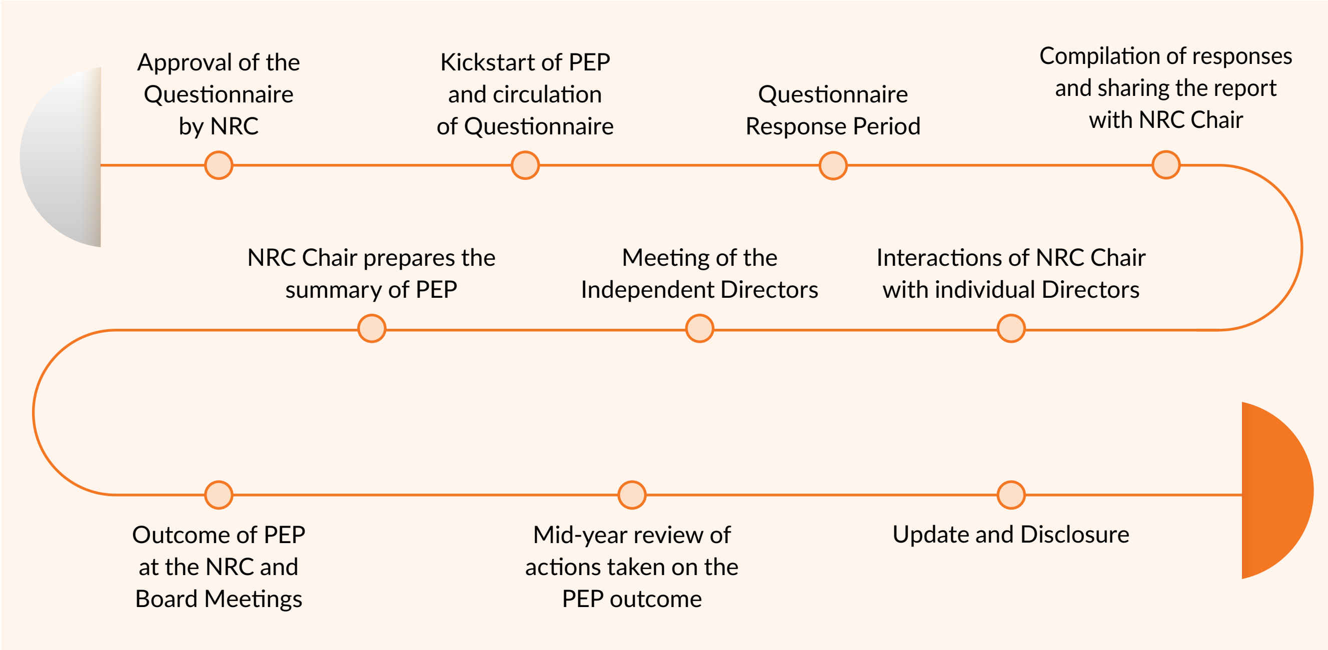
- **Interaction Approach:**

  In addition, the Lead Independent Director held one-on-one interactions with each Board member to solicit qualitative feedback, views, and suggestions on the effectiveness of the Board's functioning, decision-making processes, Committee operations, and overall governance framework.

- **Meeting of Independent Directors**

  The Independent Directors held their separate meeting, as required, to review the performance of the Board as a whole, the Chairperson, Non-Independent Directors and the Board Committees. The views and suggestions expressed at the said meeting were noted and have been appropriately considered in the performance evaluation process. Action points arising therefrom are being taken forward for implementation.

The Overview of PEP 2025-26 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 remuneration, retirement benefits, and commissions.

The Remuneration Policy, as approved by the Board, is available on the Company's website 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. 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

The 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.

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.

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 31 March 2026.

Board Meetings

The Board 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 31 March 2026, the Board has established six Committees: the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, the Risk Management Committee, the Corporate Social Responsibility Committee, and the Corporate Governance and ESG Committee.

The Corporate Governance Report, which is included in this Annual Report, provides details about the meetings and composition of the Board Committees.

Related Party Transactions

Given the Company's global reach, size, and operations, related party transactions are essential to its 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 by obtaining a certificate from an Independent consultant confirming whether they were conducted at arm's length and in the ordinary course of business. 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 Transactions

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.

Internal Controls and Internal Financial Controls

Internal Controls

The Company recognises that a strong internal control environment is fundamental to effective governance, sustainable value creation, and stakeholder confidence. Management is responsible for establishing, maintaining, and continuously strengthening internal controls that are commensurate with the scale, complexity, and geographic footprint of the Company's operations.

The internal control framework is designed to provide reasonable assurance regarding the achievement of business objectives across operations, reporting, and compliance. It encompasses clearly defined policies, standard operating procedures, segregation of duties, preventive and detective controls, and monitoring mechanisms. These controls support operational effectiveness, safeguard assets, enhance process discipline, and facilitate timely and reliable decision making.

The framework is dynamic and risk responsive, with periodic reassessment to address evolving business models, regulatory expectations, digital transformation initiatives, emerging risks, and changing external conditions. Control owners across business units are accountable for operating controls effectively, while independent assurance is provided through structured internal audit and monitoring activities.

Insights arising from audits, risk assessments, investigations, and data analytics are leveraged to drive continuous improvement, remediation of control gaps, and strengthening of governance practices across the organisation.

Internal Financial Controls

The Company has established an adequate and effective system of internal financial controls ("IFC") over financial reporting, forming an integral part of the overall internal control framework. These controls are designed to ensure the orderly and efficient conduct of business, reliability of financial reporting, and compliance with applicable laws and regulations.

The IFC framework is aligned with globally recognised standards and supports the preparation of Financial Statements that present a true and fair view in accordance with applicable accounting principles. It covers entity level controls, process level controls, and technology enabled controls across significant business processes and legal entities.

During the year, the Company continued its focus on:

- Strengthening control design and operating effectiveness,
- Transitioning from manual to automated controls, particularly in finance and IT-dependent processes, and
- Enhancing coordination with statutory auditors to ensure alignment on risk assessment, testing methodology, and remediation outcomes.

The effectiveness of internal financial controls is assessed through a combination of management self-assessments, independent testing, and audit committee oversight. Identified deficiencies, if any, are addressed through time-bound corrective actions, with progress monitored to ensure sustainable remediation.

Whistle-blower Policy / Vigil Mechanism

The Company is committed to maintaining the highest standards of ethical conduct, integrity, and transparency across all its operations. The Global Code of Conduct provides the foundation for ethical behaviour and serves as a guide for employees, directors, and other stakeholders in conducting business responsibly.

In line with this commitment, the Company has established a robust Global Whistle blower Policy / Vigil Mechanism, approved by the Board and administered with appropriate independence. The mechanism enables employees and other stakeholders to report concerns relating to unethical behaviour, fraud, violations of law or policy, and other misconduct, without fear of retaliation.

Key features of the vigil mechanism include:

- Multiple confidential reporting channels, including web based and direct reporting mechanisms,
- Protection of whistle blowers against retaliation,
- Independent investigation of reported concerns with appropriate oversight, and
- Time bound tracking, reporting, and closure of cases.

The Global Whistle-Blower Policy has been periodically enhanced to reflect evolving regulatory expectations, data privacy considerations, and best practices, and is accessible on the Company's website at https://sunpharma.com/policies.

The Audit Committee provides oversight of the vigil mechanism and reviews significant cases, trends, and remediation actions. Management leverages insights from whistle blower cases to strengthen controls, promote ethical culture, and reinforce accountability across the organisation.

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 ("GIA") function operates independently and reports functionally to the Audit Committee of the Board and administratively to senior management. The function is governed by an Audit Charter approved by the Audit Committee and operates in accordance with recognised professional standards.

GIA adopts a risk based and forward looking audit approach, providing independent assurance on the adequacy and effectiveness of governance, risk management, and internal controls. Audits cover financial, operational, compliance, information technology, and strategic risk areas and are conducted across business units and geographies on a rotational basis.

In addition to assurance, GIA plays an advisory and value enabling role, supporting management through:

- Thematic and cross functional reviews,
- Early identification of emerging risks and control gaps,
- Data driven insights and analytics,
- Investigations and integrity reviews, and
- Recommendations focused on process simplification, standardisation, automation, and sustainable remediation.

The GIA team comprises professionals with diverse qualifications, including Chartered Accountants, Certified Internal Auditors, Certified Information Systems Auditors, Certified Fraud Examiners, MBAs, and Engineers.

During the year, the Company further strengthened audit governance and execution through enhanced use of technology. The Laser Audit Reporting System (LARS®), implemented effective 1 April 2024, enables end to end management of the audit lifecycle, real time tracking of audit progress, standardised documentation, and structured monitoring of action plan closure.

Audit findings, key themes, and status of corrective actions are regularly reviewed by the Audit Committee. Management is responsible for timely implementation of agreed actions, with closure monitored through structured follow up mechanisms.

Enterprise Risk Management

The Board of Directors, through the Risk Management Committee ("RMC"), oversees the Company's Enterprise Risk Management ("ERM") framework. The Committee reviews the Company's risk profile, risk appetite, and the effectiveness of risk mitigation strategies. Details of the Committee's composition and functioning are set out in the Corporate Governance Report forming part of this Annual Report.

The Company has implemented a comprehensive and integrated ERM framework that supports identification, assessment, prioritisation, and management of risks that may affect the achievement of strategic and operational objectives. The framework aligns risk considerations with strategy, capital allocation, and performance management.

Key elements of the ERM framework include:

- Identification of strategic, financial, operational, regulatory, sustainability, cyber, geopolitical, third party, and emerging risks,
- Clear ownership of risks and mitigation actions by designated risk owners,
- Assessment of risk likelihood, impact, and control effectiveness, and
- Periodic review and escalation of key risks to senior management and the Board.

Risks and mitigations are documented in a comprehensive enterprise risk register, which is updated at least semi annually in consultation with business, regional, and functional leaders. The register captures evolving risk trends, mitigation status, and emerging risk insights to support informed decision making.

The Company leverages digital enablement through the Laser Risk Management System (LERMS®), implemented effective 1 September 2024, which provides a centralised platform for risk identification, assessment, mitigation tracking, and reporting. The system facilitates consistency, transparency, and enterprise wide risk awareness.

ERM discussions are integrated into Board and management reviews, enabling proactive risk responses, minimisation of unexpected losses, and strengthening of organisational resilience.

In order to comply with the above requirements, the Board of Directors has established RMC to oversee the spectrum of organisational risks diligently. The Corporate Governance Report, an integral part of this Annual Report, 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

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 2025-26 has been issued with an unmodified opinion.

Secretarial Auditors

The Secretarial Audit verifies whether the Company complies with various laws and regulations, thereby strengthening its compliance efforts. The Board is responsible for responding to any issues raised in the audit report, demonstrating its commitment to making the necessary changes and maintaining high compliance standards.

Based on the recommendation of the Board, the shareholders of the Company had appointed KJB & CO LLP, Practising Company Secretaries, to undertake the Secretarial Audit of the Company for a term of five (5) consecutive years, to hold such office from the conclusion of 33rd AGM up to the conclusion of 38th AGM, at such remuneration as may be fixed by the Board, from time to time. 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, reservation or adverse remark.

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, Practicing 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 do not contain any qualification, reservation or adverse remark.

Cost Auditors

The Cost Auditors play a crucial role in examining the Company's cost accounting practices and verifying the accuracy of its cost records. Through detailed assessments, they ensure that the Company adheres to legal standards and effectively manages its costs.

The Board has appointed M/s. Narasimha Murthy & Co., Cost Accountants (Firm's Registration No. 000042), as Cost Auditor of the Company, to conduct the audit of cost records maintained by the Company for the financial year 2025-26.

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

Business Responsibility & Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the year ended 31 March 2026 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.

Further, the Company publishes a separate Sustainability Report, which inter alia includes details of CSR expenditure, initiatives, and broader Environmental, Social, and Governance (ESG) performance. The Sustainability Report is duly submitted to the stock exchanges and is also available on the website of the Company at www.sunpharma.com.

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 at https://sunpharma.com/policies.

Scan the QR code to view the CSR Policy

Considering the strategic importance of CSR to the Company, a comprehensive CSR Report is published in addition to the disclosures mandated under the Act. It provides detailed information on the Company's CSR initiatives, including areas of expenditure, key programs and interventions, and implementation mechanisms. It also encompasses impact assessment studies, stakeholder engagement, and survey-based evaluations undertaken to assess the effectiveness, reach, and sustainability of the CSR initiatives at a group level.

The Report underscores the Company's commitment to responsible corporate citizenship and transparent disclosure of its social impact. The same is available on the Company's website and can be accessed at: https://sunpharma.com/csr/

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

FY26 continued to be a year of meaningful progress for us. Our people remained at the core of our success, demonstrating unwavering commitment to ensuring uninterrupted access to medicines for patients across markets. Guided by the philosophy of Sunology and aligned to our Employee Value Proposition—Better Everyday, Take Charge, Thrive Together—the focus remained on building a safe, inclusive, and performance-driven workplace.

The Key HR priorities included enhancing the employer brand, strengthening our talent management practices, along with focus on high performance and effectiveness. Going forward, we will continue investments in leadership development, organizational effectiveness, and digital enablement helping us strengthen our people foundation for the future.

Your Board would like to take this opportunity to express their gratitude and appreciation for the dedication and contribution of all employees and looks forward to their continued partnership in Sun Pharma's growth journey.

Gender Composition / No. of Employees as on 31 March 2026

Male	Female	Transgender
19,404	2,110	0

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.

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.

Particulars of the Complaints are as follows:

9 Number of sexual harassment complaints received during the year under review	**9** Number of complaints disposed off during the year under review
Nil Number of cases pending for more than 90 days	**Nil** Number of complaints pending at the end of the year under review

Disclosure under the Maternity Benefit Act, 1961

Your Board affirms that it has complied with the applicable provisions of the Maternity Benefit Act, 1961, and the rules made thereunder. The Company has in place appropriate systems and policies to provide maternity benefits and related entitlements to eligible women employees, in accordance with the statutory requirements. The Company continues to endeavour to provide a supportive and inclusive work environment for women employees.

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 Compliance Team of the Company circulates fortnightly communications to employees to apprise them of the governance do's and don'ts under the Insider Trading Regulations, thereby reinforcing awareness and adherence to the Code. The Code under the Insider Trading Regulations is available on the Company's website at https://sunpharma.com/policies.

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

Cyber Security

In response to increasing cyber threats, we continuously review and strengthen our cybersecurity framework. The Company has real-time security monitoring and layered controls across user devices, networks, servers, applications, and data to safeguard systems and information. The company has a written down, defined Information Security Management System and has been recently certified as ISO 27001:2022 compliant.

Regulatory Orders

There are currently no material orders from regulatory authorities, courts, or tribunals that could impact the Company's ability to operate as a going concern. The Company remains committed to transparent and timely disclosures in accordance with Listing Regulations, should any significant regulatory developments arise.

Annual Return

The 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. Pursuant to the approval of the shareholders of the Company obtained on 21 January 2025, a petition was filed with the Hon'ble National Company Law Tribunal ("NCLT") in respect of the Composite Scheme of Arrangement. The NCLT admitted the petition and passed its approval order for the Scheme, which provided for (a) the amalgamation of the Company's wholly-owned subsidiary companies, namely Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited, with the Company, and (b) the reclassification of the General Reserve of the Company to Retained Earnings. The Composite Scheme of Arrangement became effective upon filing of the NCLT order dated 7 October 2025 with the Registrar of Companies on 22 November 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:

Compliance with Accounting Standard

In the preparation of the annual accounts for the financial year ended 31 March 2026, the applicable accounting standards have been followed and there are no material departures from the same;

Consistent Accounting Policies

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 31 March 2026 and of the profit of the Company for the year ended on that date;

Adequate Records and Safeguards

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;

Going Concern Basis

The Directors have prepared the annual accounts on a going concern basis;

Internal Financial Controls

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

Legal and Regulatory Compliance

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

Your Board also wishes to express its 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	**Kirti Ganorkar**
Place: Mumbai	Executive Chairman	Managing Director
Date: 22 May 2026	(DIN: 00005588)	(DIN: 10620142)

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 FY26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY26:

Name of Director and Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees[1]	Increase/ (Decrease) in Remuneration[1] in the FY26 (in percentage)
Directors[2]:			
Mr. Dilip Shanghvi	Executive Chairman	111.10	22.29%
Dr. Pawan Goenka	Lead Independent Director	14.74	0.93%
Mr. Gautam Doshi	Independent Director	12.98	(2.04)%
Ms. Rama Bijapurkar[3]	Independent Director	9.87	7.35%
Mr. Rolf Hoffmann	Independent Director	8.93	0.00%
Mr. Aalok Shanghvi	Whole-time Director and Chief Operating Officer	127.89	20.00%
Key Managerial Personnel[4]:			
Mr. Anoop Deshpande	Company Secretary and Compliance Officer	Not Applicable	19.59%

Notes:

1. Remuneration to Independent Directors consists of sitting fees and commission. The percentage increase/ (Decrease) in Remuneration in FY26 is calculated on the basis of the cost to the company for the Managing Director, Whole-time Directors and KMPs.
2. Directors who were on the Board of Directors for part of the year and received remuneration only for part of the year, are not included - Mr. Sudhir Valia, Non-Executive Director, retired on 31 July 2025; Ms. Vidhi Shanghvi was appointed as Whole-time Director effective from 22 May 2025; Mr. Kirti Ganorkar was appointed as Managing Director effective from 01 September 2025.
3. Ms. Rama Bijapurkar has retired from the Board of Directors after the close of business hours on 20 May 2026, upon completion of her first term.
4. Key Managerial Personnel (KMP) employed for part of the year and received remuneration only for part of the year, are not included - Mr. C.S. Muralidharan retired as Chief Financial Officer on 01 July 2025 and Ms. Jayashree Satagopan, was appointed as the Chief Financial Officer effective from 01 July 2025.

(ii) The percentage increase in the median remuneration of employees in the FY26 (Median 2026/Median 2025): 0.66 %

(iii) The number of permanent employees on the rolls of the Company as on 31 March 2026: 21514

(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 31 March 2026 was approximately 10.98 % and the average increase in the managerial personnel remuneration was 21.41 %.

Explanation for exceptional circumstances for increase in the managerial remuneration:

During the year under review, the increase in managerial remuneration, as compared to employee remuneration, is primarily attributable to the following factors:

- Introduction of variable pay to Mr. Dilip Shanghvi: A variable pay component amounting to 12.5% of total remuneration was introduced during the year in the remuneration of Mr. Dilip Shanghvi. This structural change in compensation contributed to the increase in managerial remuneration.
- Revision in remuneration of Mr. Aalok Shanghvi, Whole-time Director: The increase reflects a planned compensation increase due to his additional designation and taking on the role and responsibilities as a Chief Operating Officer (COO) in the previous year. The revision is aligned with his enhanced responsibilities and the Company's remuneration framework.

Overall, the changes are in line with the Company's philosophy of aligning managerial compensation with role, responsibilities, and performance, while maintaining competitiveness with industry benchmarks.

(v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE – B

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 Act, 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 31 March 2026 if any:
1.	Sun Pharma Laboratories Limited (Wholly-Owned Subsidiary) CIN - U25200GJ1997PLC133846	Purchase of Goods, Purchase and Sale of Property, Plant and Equipment, Receiving and Rendering of Services, Reimbursement of expenses – Paid and 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 FY26 was ₹ 294,921.1 Million	Not applicable	NIL
2.	Sun Pharmaceutical Industries INC (Wholly-Owned Subsidiary) Reg. no. - 7893212	Revenue From Contracts with Customers, Net of Returns, Reimbursement of Expenses – Paid and Received, Rendering of Service – Income Interest Income	On-going	The aggregate amount of transactions for FY26 was ₹ 40,290.4 Million	Not applicable	NIL
3.	Sun Pharma Distributors Limited (Wholly-Owned Subsidiary) CIN - U51909MH2019PLC322778	Revenue From Contracts with Customers, Net of Returns, Reimbursement of Expenses – Received and Paid, Rendering Of Service Income, Lease Rent Received	On-going	The aggregate amount of transactions for FY26 was ₹ 47,548.5 Million	Not applicable	NIL

For and on behalf of the Board of Directors

	Dilip Shanghvi	**Kirti Ganorkar**
Place: Mumbai	Executive Chairman	Managing Director
Date: 22 May 2026	(DIN: 00005588)	(DIN: 10620142)

ANNEXURE – C1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026.
[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 authorized 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 31st March 2026 ("Year"), 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 31st March 2026, 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;

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;

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.

We further report that:

1. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Woman Directors and Independent Directors. 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.
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.

We further report that during the audit period the company has:

- Completed acquisition of Checkpoint Therapeutics, Inc., through its subsidiary companies.
- Amalgamated wholly owned subsidiaries viz. Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited, Skisen Labs Private Limited with Sun Pharmaceutical Industries Limited.

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: F012908H000442546
Date: Jyeshtha 01, 1948 |May 22, 2026
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 Secretaries
Firm Unique Identification No. – L2020MH006601
Peer Review Certificate No. – 2797/2022

Alpeshkumar Panchal
Partner
FCS No.: 12908
C P No.: 20120
UDIN: F012908H000442546
Date: Jyeshtha 01, 1948 |May 22, 2026
Place: Vadodara

ANNEXURE – C2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026
[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 Laboratories 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 Laboratories 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 authorized 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 31st March 2026 ("Year" / "Period"), 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 31st March 2026, 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, to the extent applicable;

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:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors to the extent applicable during the period under review. There was no change in the composition of the Board of Directors took place during the period under review. Further, the Board of Directors of the Company consists 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.

Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in a case where meeting was called at shorter notice. 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.

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 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;
- 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: F012908H000428345
Date: Vaishakh 31, 1948 | May 21, 2026
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 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 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: F012908H000428345
Date: Vaishakh 31, 1948 | May 21, 2026
Place: Vadodara

ANNEXURE – C3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026
[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 authorized 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 31st March 2026 ("Year" / "Period"), 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 31st March 2026, 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:

The Board of Directors of the Company is duly constituted with a proper balance of Non-Executive Director, Woman Director and Independent Director to the extent applicable during the period under review. No changes in the composition of the Board of Directors took place during the period under review.

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.

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 with 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: F012908H000428422
Date: Vaishakh 31, 1948 | May 21, 2026
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: F012908H000428422
Date: Vaishakh 31, 1948 | May 21, 2026
Place: Vadodara.

ANNEXURE – D

Annual Report on Corporate Social Responsibility (CSR) Activities for FY26

1. Brief Outline on CSR Policy of the Company:

The Company's CSR Policy embodies its commitment to creating sustainable and measurable social impact. It establishes a clear framework for identifying, implementing, and monitoring initiatives that address critical social and developmental needs of communities. Through its CSR programs, the Company seeks to drive long term positive change by strategically deploying its financial resources, employee engagement, institutional partnerships, and sectoral expertise. The Company's CSR interventions are designed to deliver meaningful outcomes and are aligned with the priority areas prescribed under Schedule VII of the Companies Act, 2013, ensuring responsible growth and inclusive development.

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[1]	Chairperson	Non-Executive Independent Director	3	3
2.	Mr. Dilip Shanghvi	Member	Executive Chairman	3	3
3.	Ms. Vidhi Shanghvi[2]	Member	Whole-time Director	2	2
4.	Dr. Pawan Goenka	Member	Non-Executive Independent Director	3	3
5.	Mr. Sudhir Valia[3]	Member	Non-Executive Non-Independent Director	1	1

Notes:

1. Ms. Rama Bijapurkar, retired from the Board of Directors after the close of business hours on 20 May 2026, upon completion of her first term. The Chairman of the Committee has not been appointed as on the date of this report.
2. Ms. Vidhi Shanghvi was appointed as a member effective from 31 July 2025.
3. Mr. Sudhir Valia ceased to be a member due to his retirement from the Board effective from 31 July 2025.

3. Website Disclosures:

Sl. No.	Particulars	Web-link
1.	Composition of CSR committee	https://sunpharma.com/committees-of-the-board/
2.	CSR Policy	https://sunpharma.com/policies/
3.	CSR projects approved by the Board	https://sunpharma.com/csr/

4. Executive Summary of Impact Assessment of CSR Projects

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

Sl. No.	Name of the Project	Duration	Total Amount Spent (₹ in Million)	Name of Implementing Agency	Web-link of the Impact Assessment Report
1.	Support towards setting-up of Cancer Sanatorium Institute	2021-2024	450.0	Shantilal Shanghvi Foundation	https://sunpharma.com/csr/
2.	Anganwadi Development Programme	2021-2024	17.4	Anwesha 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)	47,586.0
b.	Two percent of average net profit of the company as per section 135(5)	951.7
c.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	0.1
d.	Amount required to be set off for the financial year, if any	Nil
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	951.8

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)	957.0
b.	Amount spent in Administrative Overheads	23.2
c.	Amount spent on Impact Assessment, if applicable	0.6
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]	980.8

e. CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		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
₹ 980.8 Million	Not Applicable		Not Applicable		

f. Excess amount for set off, if any

Sl. No.	Particulars	Amount in ₹ Million
a.	Two percent of average net profit of the company as per section 135(5)	951.7
b.	Total amount spent for the Financial Year	980.8
c.	Excess amount spent for the financial year [(b)-(a)]	29.1
d.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.1
e.	Amount available for set off in succeeding financial years [(c)-(d)]	29.0

7. Details of Unspent CSR Amount for the Preceding Three Financial Years:

Amount ₹ in Million

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.	2022-23	Not Applicable						
2.	2023-24							
3.	2024-25	72.4	72.6[1]	51.2	0	-	21.4	-

Note:

1. Includes surplus earned

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: 1,143

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

9. Reason(s), If the Company has Failed to Spend two Percent of the Average Net Profit as Per Section 135(5)

Not Applicable

For and on behalf of the Board of Directors

Dilip Shanghvi	Kirti Ganorkar
Executive Chairman	Managing Director
(DIN: 00005588)	(DIN: 10620142)

Date: 22 May 2026

ANNEXURE - D1

Executive Summary of Impact Assessment

Support Towards Setting up of Cancer Sanatorium Institute

ABOUT SUN PHARMA

Sun Pharmaceutical Industries Ltd. is one of the world's leading pharmaceutical companies, committed to delivering high-quality, affordable medicines to patients in over 100 countries. Alongside its core business, Sun Pharma places a strong emphasis on social responsibility, integrating community development into its broader vision. Guided by its mission to leverage its people, expertise, and networks to serve societal needs, the company strives to catalyse inclusive and sustainable development by balancing economic, environmental, and social goals. Its CSR efforts are focused on supporting underserved and underprivileged communities, with priority areas including healthcare, education, safe drinking water, and sanitation.

RESEARCH METHODOLOGY

Sun Pharmaceutical Industries Ltd. commissioned SoulAce to assess the impact of its Support towards Cancer Sanatorium Program. The study evaluates the reach, effectiveness, and alignment of these initiatives with Sun Pharmaceutical Industries Ltd.'s goals of inclusive growth and community development. It also offers actionable insights to enhance program outcomes and strengthen Sun Pharmaceutical Industries Ltd.'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 blending quantitative and strategy, 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 analyzed 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 centralized 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 prioritized 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
Support towards Setting-up of Cancer Sanatorium Institute	Wadala, Mumbai	100 Patients

KEY STAKEHOLDERS

- Hospital Administrators
- Healthcare Workers & Specialists
- Patients
- Panchayat Members
- Community Members

PROJECT BACKGROUND

Recognizing the challenges faced by outstation cancer patients in accessing treatment and accommodation in Mumbai, Sun Pharmaceutical Industries Ltd. supported the Shantilal Sanghavi Foundation in establishing the "Cancer Sanatorium Institute" in Wadala, Mumbai, operational since March 1, 2025. Located in close proximity to Tata Memorial Hospital, the facility has supported 964 patients from 28 states by providing access to chemotherapy and radiotherapy services (49 beds), along with 128 fully occupied accommodation rooms equipped with essential amenities and transport support. By addressing accommodation and access-related challenges, the initiative has enabled outstation patients to stay closer to the treatment centre and better navigate their treatment journey.

PROJECT DETAILS

1) Implementing Year - FY 2021-24
2) Implementing Partner - Shantilal Sanghavi Foundation
3) Assessment year - FY 2025-2026
4) Project location - Wadala, Mumbai
5) Alignment with SDGs:
   a) SDG 3: Good Health and Well-Being
   b) SDG 10: Reduced Inequalities

   The program also reflected strong coherence with national initiatives:

   i) Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PM-JAY)
   ii) National Health Authority (Official PM-JAY site)

PROJECT ACTIVITIES

- INFRASTRUCTURE SETUP: Established a cancer care and accommodation facility with treatment units and residential spaces to support outstation patients.
- TREATMENT SERVICES: Provided chemotherapy and radiotherapy services at the centre, while facilitating surgical treatment through Tata Memorial Hospital
- PATIENT REFERRAL AND ADMISSION: Implemented a referral-based admission system in coordination with Tata Memorial Hospital to ensure timely allocation of rooms for eligible patients.
- ACCOMMODATION SUPPORT: Residential facilities offered for patients and caregivers during active treatment phases, ensuring proximity to the treatment centre.
- ESSENTIAL SERVICES PROVISION: Ensured availability of basic amenities such as water, sanitation, cooking facilities, and common spaces for patients.
- TRANSPORT SUPPORT: Provided free transport services to and from Tata Memorial Hospital to facilitate regular treatment visits.
- EMERGENCY SUPPORT: Facilitated emergency response services, including ambulance support for critical situations.
- PATIENT COORDINATION AND MANAGEMENT: Managed patient records, admissions, discharges, and occupancy through digital systems and structured processes.
- STAFF TRAINING AND CAPACITY BUILDING: Ensured that medical and operational staff were trained by Tata Memorial Hospital to deliver treatment services and manage patient care effectively.
- COUNSELLING AND PSYCHOSOCIAL SUPPORT: Delivered counselling and emotional support to patients and caregivers to help them cope with treatment-related stress.
- COMMUNITY ENGAGEMENT ACTIVITIES: Conducted activities such as yoga, games, and group interactions to improve patients' mental well-being.
- SKILL DEVELOPMENT INITIATIVES: Organised skill-building sessions (e.g., handicrafts, cooking, small-scale production activities) to support livelihood opportunities post-treatment.
- FACILITY MANAGEMENT AND MAINTENANCE: Maintained cleanliness, hygiene, and discipline within the facility through structured systems and staff support.

KEY FINDINGS

1. 100% of the respondents are from outside Mumbai.
2. 100% of the respondents are undergoing active treatment (chemotherapy/radiotherapy).
3. 91.2% of the respondents incur daily accommodation costs above ₹ 200.
4. 96.5% of the respondents reach the hospital within 30 minutes.
5. 93.0% of the respondents reported reduction in travel burden (80.7% significant, 12.3% slight).

6. 84.2% of the respondents would have either incurred high costs (50.9%) or faced difficulty continuing treatment (33.3%) without the facility.
7. 94.7% of the respondents reported that the facility significantly supported treatment continuity.
8. 100% of the respondents reported availability of basic facilities.
9. 100% of the respondents reported satisfaction with facility conditions.
10. 100% of the respondents found the facility very useful.

KEY IMPACTS

- The facility reached 100% outstation patients, demonstrating alignment with its intended target group.
- The facility supported 100% patients during active treatment phases, enabling continuity of care.
- The facility provided affordable stay options, resulting in 82.5% reporting a significant reduction in accommodation costs.
- Improved accessibility contributed to 100% attendance of scheduled treatment visits.
- Reduced travel-related stress and improved ease of accessing treatment for 93% of beneficiaries.
- The facility reduced financial strain and supported treatment continuation for 84.2% of respondents.
- Demonstrates strong impact in ensuring uninterrupted treatment for 94.7% of beneficiaries.
- Ensured access to essential services for 100% of beneficiaries during their stay.
- The facility has contributed to improved patient experience during treatment, as reflected in high levels of reported comfort and service adequacy.
- Indicates high relevance and usefulness of the intervention for 100% of beneficiaries.

THE WAY FORWARD

- EXPANSION OF ACCOMMODATION CAPACITY: The facility could explore phased expansion of economy category rooms to address waiting periods and high demand.
- STRENGTHENING ON-SITE MEDICAL SUPPORT: Additional medical staff (e.g., nurses/RMO) could be deployed to provide basic care services such as dressing and routine medical assistance.
- ENHANCED PATIENT SUPPORT SERVICES: Counselling and psychosocial support services could be further strengthened to address anxiety among outstation patients.
- FINANCIAL SUPPORT LINKAGES: The facility could facilitate linkages with financial aid mechanisms to support treatment related recurring expenses (e.g., consumables).
- HUMAN RESOURCE AUGMENTATION: Additional operational staff could be engaged to manage increasing patient load and maintain service quality.
- STRENGTHENING COORDINATION SYSTEMS: Coordination mechanisms with Tata Memorial Hospital could be further streamlined to improve scheduling and reduce delays.

OECD-DAC RATING

OECD-DAC Criteria	Rating (Out of 5)
Relevance	★★★★★ (5/5)
Coherence	★★★★★ (5/5)
Effectiveness	★★★★☆ (4.5/5)
Efficiency	★★★★★ (5/5)
Impact	★★★★★ (5/5)
Sustainability	★★★★☆ (4.5/5)

Index:

5 ★ – Very High | 4 ★ – High | 3 ★ – Moderate |
2 ★ – Low | 1 ★ – Very Low

ANNEXURE - D2

Executive Summary of Impact Assessment

Anganwadi Development Programme

ABOUT SUN PHARMA

Sun Pharmaceutical Industries Ltd. is one of the world's leading pharmaceutical companies, committed to delivering high-quality, affordable medicines to patients in over 100 countries. Alongside its core business, Sun Pharmaceutical places a strong emphasis on social responsibility, integrating community development into its broader vision. Guided by its mission to leverage its people, expertise, and networks to serve societal needs, the company strives to catalyse inclusive and sustainable development by balancing economic, environmental, and social goals. Its CSR efforts are focused on supporting underserved and underprivileged communities, with priority areas including healthcare, education, safe drinking water, and sanitation.

RESEARCH METHODOLOGY

Sun Pharmaceutical Industries Ltd. commissioned SoulAce to assess the impact of its Anganwadi Development Program. The study evaluates the reach, effectiveness, and alignment of these initiatives with Sun Pharmaceutical's goals of inclusive growth and community development. It also offers actionable insights to enhance program outcomes and strengthen Sun Pharmaceutical'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 blending quantitative and strategy, 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 analyzed 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 centralized 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 prioritized 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
Anganwadi Development Programme	Halol, Vadodara, Panoli, and Ankleshwar in Gujarat	400 students

KEY STAKEHOLDERS

- Students
- Sun Pharma team
- School teachers
- Principal
- Parents

PROJECT BACKGROUND

Sun Pharmaceutical Industries Ltd. implemented the Anganwadi Infrastructure Development initiative across Vadodara, Halol, Panoli, and Ankleshwar in Gujarat, covering 77 Anganwadi Centres (AWCs) to strengthen early childhood development services for children, pregnant women, and lactating mothers. The initiative focused on addressing critical infrastructure gaps such as unsafe buildings, inadequate sanitation, poor kitchen facilities, and limited child-friendly learning environments, which continue to affect service delivery in many AWCs.

The project supported renovation and upgradation of centres, improving sanitation, nutrition infrastructure, ventilation, lighting, and learning spaces. Around 93.8% of centres were renovated, resulting in universal availability of core infrastructure facilities and improved access to learning materials. The intervention contributed to improved service delivery and utilisation of Anganwadi services, with respondents reporting better centre functioning, increased enrolment and attendance, and enhanced community trust. Overall, the programme helped create safer, more accessible, and child-friendly spaces supporting better health, nutrition, and early learning outcomes.

PROJECT DETAILS

1) Implementing Year - FY 2021-24
2) Implementing Partner - Anwesha Foundation
3) Assessment year - FY 2025-2026
4) Project location - Halol, Vadodara, Panoli, and Ankleshwar
5) Alignment with SDGs:
   a) SDG 2: Zero Hunger
   b) SDG 3: Good Health and Well-Being
   c) SDG 4: Quality Education
   d) SDG 5: Gender Equality
   e) SDG 10: Reduced Inequalities

   Alignment with National Policies

   i) POSHAN Abhiyaan
   ii) Saksham Anganwadi and POSHAN 2.0
   iii) National Education Policy 2020
   iv) National Health Mission

PROJECT ACTIVITIES

- Upgraded Anganwadi buildings through construction and renovation, including structural repairs, improved ventilation, lighting, flooring, and roofing to create safe and child-friendly spaces.
- Developed sanitation and hygiene facilities by constructing and renovating toilets, installing handwashing stations, and providing water storage systems.
- Provided safe drinking water facilities through installation of water purification systems, drinking water stations, and ensuring regular monitoring of water quality.
- Established and improved kitchen and meal preparation areas, including provision of LPG connections and storage units for safe and efficient nutrition delivery
- Supplied age-appropriate toys, learning kits, and teaching aids to support early childhood education and cognitive development.

KEY FINDINGS

1. 100% of the availability of safe buildings, toilets, and handwashing stations; sanitation access improved from 77.5% broken toilets/15.0% no facilities (pre) to 100.0% functional facilities (post).
2. 53.4% of the centres serve more than 60 children; 43.8% serve 41–60 children; 57.5% households have at least one child enrolled and 47.5% children attend for 1–3 years.
3. 93.8% of the centres have separate kitchens; 87.5% use LPG; 77.5% parents report hygienic cooking conditions.
4. 100% of the availability of learning materials; 93.8% daily usage; 92.5% parents confirm adequacy of materials.
5. 100% of the Anganwadi workers very satisfied; 77.5% parents very satisfied and 22.5% satisfied.
6. 75.0% of the workers and 77.5% parents report consistent access; ~22–25% still face issues.

KEY IMPACTS

- 94.2% of the children now practice handwashing at critical times, and 100.0% parents report access to sanitation facilities, indicating long-term improvements in hygiene practices and reduced health risks.
- Continued attendance (47.5% for 1–3 years) and universal increase in enrolment (100.0%) indicate sustained reliance on Anganwadi services for child development.
- High availability of kitchens and clean fuel usage ensure consistent and safer meal preparation, supporting long-term nutritional outcomes for enrolled children (reflected in continued high enrolment of >60 children in 53.4% centres).
- 75.0% of the respondents parents reported significant improvement in children's learning and social skills, while 25.0% observed some improvement, indicating measurable developmental gains.
- Indicates long-term acceptance, increasing the likelihood of sustained utilisation and programme continuity.
- 22.5% of the respondents dissatisfaction with water quality highlights a persistent gap that may affect long-term health outcomes if not addressed.

THE WAY FORWARD

- It is suggested to ensure consistent availability of safe drinking water across all Anganwadi centres through timely installation, repair, and maintenance of facilities as 25% of respondents reported that safe drinking water is not available at all time.
- It is recommended to further strengthen outdoor play areas to promote physical development and create a more holistic learning environment for children as indicated by qualitative feedback from parents.
- It is suggested to enhance kitchen and storage facilities to improve hygiene, safety, and efficiency in meal preparation and distribution as highlighted in qualitative inputs from Anganwadi Workers (AWWs).
- It is suggested to augment learning resources by introducing additional toys, teaching aids, and age-appropriate digital learning tools, as enrolment levels have increased, to ensure adequate availability and effective utilisation of resources for all children.
- It is recommended to establish a regular maintenance mechanism for infrastructure, including sanitation, electrical fittings, and water systems, to ensure long-term sustainability.

OECD-DAC RATING

OECD-DAC Criteria	Rating (Out of 5)
Relevance	★★★★★ (5/5)
Coherence	★★★★★ (5/5)
Effectiveness	★★★★☆ (4.5/5)
Efficiency	★★★★☆ (4.5/5)
Impact	★★★★★ (5/5)
Sustainability	★★★★☆ (4.5/5)

Index:

5 ★ – Very High | 4 ★ – High | 3 ★ – Moderate |
2 ★ – Low | 1 ★ – 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 is committed to continuously improving energy performance and promoting energy conservation across all its operations. A dedicated energy management team actively drives initiatives aimed at maximizing the efficient use of energy resources throughout the organization.

Energy consumption is systematically tracked at both equipment and plant levels, supported by periodic benchmarking and structured energy performance assessments. Insights from these evaluations are used to identify and implement focused energy conservation projects. These initiatives have played a meaningful role in reducing carbon emissions and advancing the organization's broader decarbonization objectives.

To further reinforce robust energy management practices, Sun Pharma has implemented the ISO 50001:2018 Energy Management System across its manufacturing facilities at Halol, Baska Mohali, Dadra, Dewas, and Paonta Sahib. This framework provides a disciplined and consistent approach to achieving sustainable energy efficiency and continual performance improvement.

1. Steps taken or impact on Conservation of Energy

Various initiates taken for energy conservation are:

As part of its commitment to sustainable operations and responsible resource management, the Company has implemented several energy efficiency and conservation initiatives aimed at reducing environmental impact and enhancing overall energy performance:

- Heat pump systems have been deployed for hot water generation to reduce reliance on steam, resulting in improved energy efficiency and lower carbon intensity.
- Legacy electric motors have been upgraded to IE3 energy efficient motors, supporting enhanced electrical efficiency, reduced energy losses, and improved equipment reliability.
- Energy efficient blowers have been installed in HVAC systems to optimize system performance and reduce electricity consumption.
- Energy efficient dryers have been adopted to lower power consumption and improve operational sustainability in drying processes.
- Inefficient chillers have been replaced with high efficiency chiller systems, complemented by the implementation of advanced chiller controls and automatic tube cleaning systems, enabling improved performance, optimized energy use, and reduced emissions.
- System automation has been enhanced across key processes to improve control, reduce energy wastage, and support consistent operational efficiency.
- Energy efficient lighting systems integrated with motion sensors have been installed to minimize avoidable electricity consumption.
- Condensate recovery systems have been strengthened across multiple sites, contributing to fuel savings, water conservation, and reduced resource consumption.
- Inefficient pumps have been replaced with energy efficient alternatives to optimize energy usage across utility systems.
- Variable frequency drives (VFDs) have been installed on motors operating under part load conditions to align energy consumption with actual demand.
- Steam systems have been optimized through loss reduction measures, resulting in an improved steam to fuel ratio and lower overall energy consumption.

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

The Company continues to implement a range of initiatives to reduce carbon emissions through the adoption of alternative and renewable energy sources:

- A captive hybrid power plant (wind + solar) is operational in Gujarat to partially meet the electricity requirements of the Company's manufacturing facilities. In addition, an additional hybrid (wind + solar) plant is currently under installation within the same state to further strengthen renewable energy capacity.
- A captive solar power plant is operational in Madhya Pradesh, and an additional solar power plant has been commissioned in Maharashtra, contributing to partial fulfilment of power requirements.

- Captive windmills are utilized in Tamil Nadu to support a portion of the Company's energy requirements. Additionally, a group captive arrangement has been established to further enhance the sourcing of renewable energy within the state.
- Rooftop solar installations are being leveraged across multiple sites to meet part of the electricity demand. Rooftop solar systems have been installed at Halol, Baska, Tandalja, Dadra, Gurgaon, Toansa, Mohali, Baddi, and Basma locations.
- As part of the Company's fuel substitution strategy, conventional boiler fuels such as furnace oil, high-speed diesel (HSD), and natural gas (NG) have been replaced with renewable biomass briquettes for steam generation, thereby reducing environmental impact.

3. Capital investment on energy conservation equipments

Capital investment of ₹ 490.3 Million has been made on energy conservation equipment.

(B) Technology Absorption

(A) Research and Development

Expenditure on R&D

(₹ in Million)

	Year ended 31 March 2026	Year ended 31 March 2025
Capital	605.0	726.4
Revenue	20,817.6	18,231.7
Total	**21,422.6**	**18,958.1**
Total R&D expenditure as % of Total Turnover	**10.32%**	**8.25%**

(B) Technology Absorption, Adaptation and Innovation

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

The Company continues to invest in research and development (R&D), both through revenue expenditure and capital investments. This spending is directed towards the development of complex products, specialty products, generic formulations, and active pharmaceutical ingredient (API) technologies. Certain products require dedicated manufacturing blocks to support their development.

Significant investments have been made in hiring scientifically skilled and experienced personnel, deploying advanced and state-of-the-art equipment, sponsoring research collaborations, and engaging world-class consultants. These initiatives are aimed at continuously enhancing the scientific capabilities of the team across relevant technologies and therapeutic areas.

The Company has placed strong emphasis on the development of novel technologies. Green reagents are increasingly being adopted for chemical transformations in API synthesis. Advanced technologies such as Process Analytical Technology (PAT) tools, reaction calorimetry, automated lab reactors (ALRs), and parallel synthesizers are being utilized to improve process safety understanding and address scale-up challenges during process development.

In addition, advanced solid-state modification technologies are being implemented to achieve desired particle sizes and physical characteristics for formulations. A dedicated technology development group is actively evaluating both new and commercial products for conversion from batch manufacturing to continuous manufacturing processes using advanced flow reactors, along with other process engineering tools.

As part of API development, focused initiatives have been undertaken to eliminate hazardous solvents (e.g., dichloromethane, which has been re-designated as a Class 1 solvent from Class 2 under ICH guidelines). These efforts aim to enhance environmental sustainability, improve process safety, and ensure regulatory compliance through product design, process redesign, and the adoption of safer alternative solvents in new development & lifecycle management projects.

Product lifecycle management initiatives have been implemented for key products. Backward integration remains a key strategic priority, with several products benefiting from such integration.

Process optimization, based on Quality by Design (QbD) principles and Design of Experiments (DoE) methodologies, along with robustness evaluation using Six Sigma techniques, has been implemented across a wide range of products. These initiatives are aimed at reducing costs, improving efficiency, and enhancing in-process capability.

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 FY26, 86 filed from our R&D locations for the Indian and regulated markets and 152 dossiers were submitted for filing in various emerging markets. The Company has also filed 53 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 31 March 2026	Year ended 31 March 2025
Earnings	148,415.7	168,406.8
Outgo	70,649.8	75,679.5

Corporate Governance at a Glance

01. Corporate Governance & ESG Committee

Voluntary constitution of a dedicated Corporate Governance and ESG Committee to uphold the highest standards of governance and integrate sustainability considerations into Board deliberations.

02. Lead Independent Director

Designation of a Lead Independent Director to reinforce Board independence, provide a clear point of contact for independent oversight, and strengthen accountability mechanisms.

03. Separation of Chairman & MD Roles

Deliberate separation of the roles of the Chairman and the Managing Director, ensuring a balanced governance structure with distinct leadership responsibilities and effective checks and balances.

04. Comprehensive Board Skill Matrix

A well-defined and comprehensive Board skill mix ensuring representation of diverse expertise to guide informed decision-making.

05. Independent Director Identification via External Agencies

Engagement of reputed independent external agencies for the identification, evaluation, and recommendation of Independent Directors, ensuring objectivity and independence in Board composition.

06. Enhanced Whistle-Blower Framework

Strengthened Whistle-Blower Policy with robust confidentiality protections, clearly defined reporting channels, fostering a culture of transparency and ethical conduct.

07. Dedicated Shareholder Facilitation Measures

Specific and proactive efforts to facilitate shareholder participation in corporate processes, including ease of access to information, seamless voting mechanisms, and timely communication.

08. Policy Framework on Retirement Ages / Succession Planning

A Board-approved policy framework governing retirement age parameters for various categories of employees and Directors, bringing clarity, consistency, and long-term succession planning to human capital management.

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

At Sun Pharma, effective governance is driven by the collective commitment of our people, with every individual upholding shared value and ethical principles, regardless of role, rank or geography. Recognising the importance of organisation-wide ownership of governance, the Company continues to foster a culture of awareness, knowledge sharing, and collaboration across its global workforce.

Building on this commitment, the Company expanded its earlier "Governance Week" initiative and, during the year, organised "Ethics & Governance Week 2026" across its operations in India and international locations, reflecting an enhanced focus on ethical conduct alongside governance practices. The programme engaged employees through a series of structured activities aimed at strengthening awareness of internal governance frameworks and ethical standards. It witnessed strong participation and reinforced a unified approach to governance excellence, further embedding best practices across the organisation.

2. Code of Conduct

The Board of Directors has laid down a Global Code of Conduct ("Code") for all Board members, the senior management and all employees of the Company, including employees of its subsidiary companies. This Code serves as a guide for daily business interactions reflecting our standard for appropriate behavior 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 organization. The Code 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 Code as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director is annexed as '**Annexure A**' to this Report.

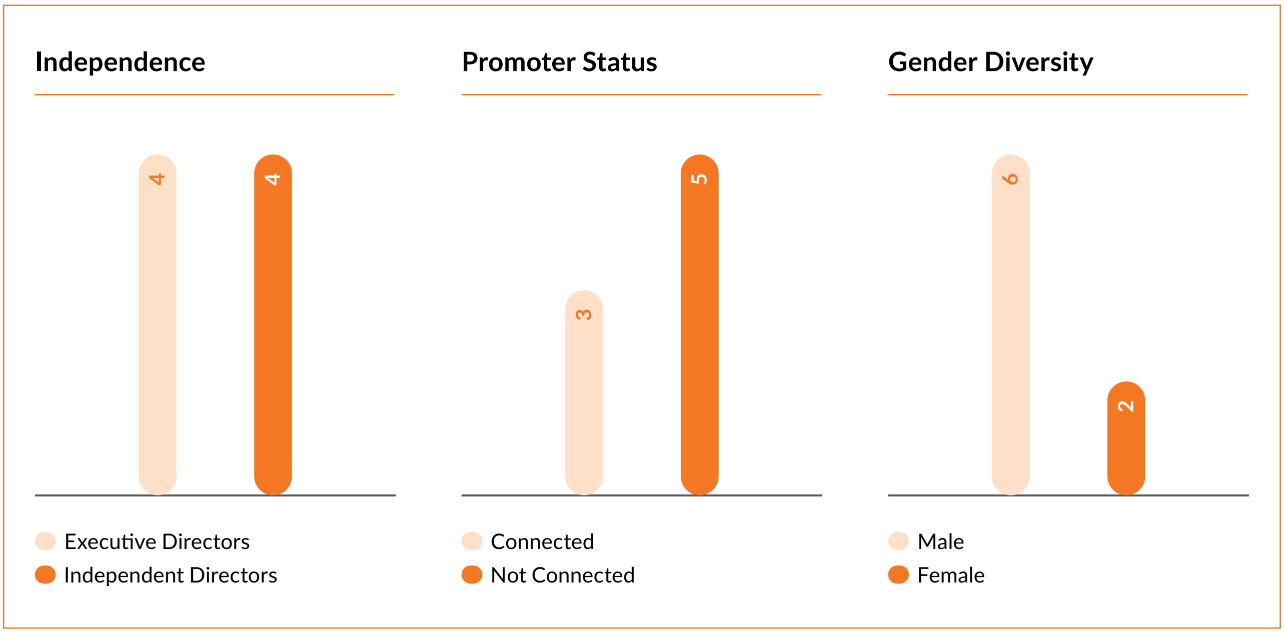
3. Board of Directors

3.1 Board Composition

Sun Pharma Board is a strong, diverse Board that emphasises independence and diversity, ensuring a constructive balance between internal expertise and external perspectives and thereby strengthening the Company's overall governance framework.

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.

As on 31 March 2026, the Board comprises eight Directors, with diverse skills, experience, and domain expertise, collectively contributing to informed decision-making and long-term value creation.



Institution of a Lead Independent Director

Dr. Pawan Goenka is appointed as the Lead Independent Director. The institution of a Lead Independent Director marks a substantive advancement in the Company's governance framework, driving enhanced independent oversight, structured functioning of independent directors through executive interactions, improved Board agenda formulation and deliberations, and a strengthened counterbalance in Board–management dynamics. These measures are further reinforced by independent chairing of key committees and a dedicated Corporate Governance & ESG Committee.

Confirmation of Non Disqualification of Directors

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 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 ("SEBI Listing Regulations") and are independent of the management.

Overview of the Board of Directors

Category of Directors	Sl. No.	Name of the Directors	Inter-se Relationship between Directors
Promoter/Promoter Group Executive Director	1.	Mr. Dilip Shanghvi Executive Chairman[1] (DIN: 00005588)	Father of Mr. Aalok Shanghvi & Ms. Vidhi Shanghvi
	2.	Mr. Aalok Shanghvi Whole-time Director & Chief Operating Officer (DIN: 01951829)	Son of Mr. Dilip Shanghvi Brother of Ms. Vidhi Shanghvi
	3.	Ms. Vidhi Shanghvi[2] Whole-time Director (DIN: 06497350)	Daughter of Mr. Dilip Shanghvi Sister of Mr. Aalok Shanghvi
Non-Promoter/Promoter Group Executive Director	4.	Mr. Kirti Ganorkar[3] Managing Director (DIN: 10620142)	-
Independent Directors (Non – executive Director)	5.	Dr. Pawan Goenka Lead Independent Director (DIN: 00254502)	-
	6.	Mr. Gautam Doshi (DIN: 00004612)	-
	7.	Ms. Rama Bijapurkar[4] (DIN: 00001835)	-
	8.	Mr. Rolf Hoffmann (DIN: 10200311)	-

Notes:

1. Stepped down as Managing Director effective from 01 September 2025 and continues to be the Chairman.
2. Appointed to the Board of Directors effective from 22 May 2025.
3. Appointed to the Board of Directors effective from 01 September 2025.
4. Ms. Rama Bijapurkar retired from the Board of Directors after the close of business hours on 20 May 2026, upon completion of her first term.

Other Directorships of the Board members

Name of the Director	No. of other Directorships and Committee Memberships/ Chairmanships as on 31 March 2026		
	Other Directorships[1]	Committee Memberships[2]	Committee Chairmanships[2]
Mr. Dilip Shanghvi	1	0	0
Mr. Kirti Ganorkar	2	0	0
Dr. Pawan Goenka	1	1	0
Mr. Gautam Doshi	3	3	1
Ms. Rama Bijapurkar	4	3	1
Mr. Rolf Hoffmann	0	0	0
Mr. Aalok Shanghvi	0	0	0
Ms. Vidhi Shanghvi	2	2	0

Notes:

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

Name of the Director	Other Indian Equity Listed entities in which they hold Directorship as on 31 March 2026.	Category of Directorships
Mr. Dilip Shanghvi	Sun Pharma Advanced Research Company Limited	Non-executive Non-independent Chairman
Mr. Kirti Ganorkar	-	-
Dr. Pawan Goenka	Bosch Limited	Non-executive Independent Director
Mr. Gautam Doshi	Suzlon Energy Limited	Non-executive Independent Director
Ms. Rama Bijapurkar	VST Industries Limited Apollo Hospitals Enterprise Limited Gokaldas Exports Limited	Non-executive Independent Director
Mr. Rolf Hoffmann	-	-
Mr. Aalok Shanghvi	-	-
Ms. Vidhi Shanghvi	Sun Pharma Advanced Research Company Limited	Non-executive Non-independent Director

3.2 Board Skill Matrix

In an increasingly dynamic business environment, effective governance is underpinned by a well-balanced and strategically capable Board. The Board Skill Matrix serves as a critical tool for evaluating the collective expertise, experience, and competencies of Directors, ensuring alignment with the Company's strategic objectives and long-term vision. A strong and capable Board is central to driving strategic direction and organizational resilience, with domain expertise forming the foundation of effective oversight.

The Board Diversity Policy outlines key characteristics and factors that contribute to a well-rounded, diverse Board composition. 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.

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

Core/ Deep Expertise   Working Knowledge   Not a Primary Skill

Expertise	Finance and Accounts	Legal	Governance	Domain Knowledge (Pharma Industry)	Risk Management	Global Exposure	Technology and Cyber Security	Talent and Performance Management	ESG	Research & Development	General Management
Mr. Dilip Shanghvi	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Working Knowledge	Core/ Deep Expertise
Mr. Kirti Ganorkar	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Working Knowledge	Core/ Deep Expertise
Dr. Pawan Goenka	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Working Knowledge	Not a Primary Skill	Core/ Deep Expertise
Mr. Gautam Doshi	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Working Knowledge	Not a Primary Skill	Core/ Deep Expertise
Ms. Rama Bijapurkar	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Not a Primary Skill	Not a Primary Skill	Not a Primary Skill	Not a Primary Skill	Core/ Deep Expertise
Mr. Rolf Hoffmann	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Not a Primary Skill	Core/ Deep Expertise
Mr. Aalok Shanghvi	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Core/ Deep Expertise	Not a Primary Skill	Not a Primary Skill	Working Knowledge	Working Knowledge	Core/ Deep Expertise
Ms. Vidhi Shanghvi	Core/ Deep Expertise	Not a Primary Skill	Working Knowledge	Core/ Deep Expertise	Not a Primary Skill	Core/ Deep Expertise	Not a Primary Skill	Not a Primary Skill	Not a Primary Skill	Not a Primary Skill	Core/ Deep Expertise

The Nomination and Remuneration Committee reviews its collective skill composition and, based on the current assessment, has identified opportunities to enhance expertise in digital, cyber-security and product innovation and R&D, which will be / has been considered as part of the Company's ongoing Board refreshment and succession planning process.

3.3 Meetings and attendance

The Company prioritises effective governance by planning meetings well in advance and aligning schedules with regulatory requirements. Meeting dates are predetermined to maximize director availability and ensure broad participation. Board attendance is a key indicator of director engagement, and as a good governance practice, directors are required to maintain a minimum attendance of 75% during the financial year as per the board adopted mandate.

Seven Board meetings were held during the financial year ended 31 March 2026. A summary of the attendance of the Board members is given below:

☑ Attended   ☒ Not Attended

Attendance of Directors	06 May 2025	22 May 2025	12 June 2025	31 July 2025	05 November 2025	31 January 2026	27 March 2026	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Dilip Shanghvi	✓	✓	✓	✓	✓	✓	✓	7	7
Mr. Kirti Ganorkar	-	-	-	-	✓	✓	✓	3	3
Dr. Pawan Goenka	✓	✓	✓	✓	✓	✓	✓	7	7
Mr. Gautam Doshi	✓	✓	×	✓	✓	✓	✓	7	6
Ms. Rama Bijapurkar	✓	✓	✓	✓	✓	✓	✓	7	7
Mr. Rolf Hoffmann	✓	✓	×	✓	✓	✓	✓	7	6
Mr. Aalok Shanghvi	✓	✓	✓	×	✓	✓	✓	7	6
Ms. Vidhi Shanghvi	-	-	✓	✓	✓	✓	✓	5	5
Mr. Sudhir Valia	✓	✓	✓	✓	-	-	-	4	4

During the year, one (1) meeting of the Independent Directors was held on 30 July 2025 with all Independent Directors in attendance and one (1) meeting of the Special Purpose Sub-committee of the Board of Directors was held on 13 June 2025.

The 33rd Annual General Meeting ("AGM") was held on 31 July 2025 and was attended by all Directors of the Company.

3.4 Familiarization Programme

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

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 Familiarization Programme

3.5 Shareholding of Non-Executive Directors

Name of the Director	No. of Equity Shares (as on 31 March 2026)
Dr. Pawan Goenka	Nil
Mr. Gautam Doshi	8,000
Ms. Rama Bijapurkar	Nil
Mr. Rolf Hoffmann	Nil

4. Board Committees

Pursuant to the provisions of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations, the Board has constituted various Committees to support the effective discharge of its responsibilities and strengthen the governance framework. The Committees shall operate under Board-approved Charter and oversee specific areas of delegated responsibilities, comprising directors with appropriate skills, experience and independence, and functioning within the authority delegated by the Board to enable informed decision-making, enhanced accountability and independent oversight. The Board Committees' Charter is available on the website of the Company at https://sunpharma.com/committees-of-the-board/.

Scan the QR code to view the Board Committees' Charter

4.1 Audit Committee

The composition of the Audit Committee and the terms of reference comply with the requirements under Section 177 of the Act and Regulation 18 of SEBI Listing Regulations.

The terms of reference of the Audit Committee, inter alia, include oversight of the Company's financial reporting process; review of the annual financial statements and the auditors' report thereon; review and monitoring of the auditors' independence, performance, and the effectiveness of the audit process; recommendation of appointment and remuneration of the auditors of the Company; review of the adequacy of the internal audit function, discussion with internal auditors on significant audit findings and follow-up thereon; evaluation of internal financial controls and risk management systems; and review of related party transactions, among others.

Meetings and Composition:

Six meetings of the Audit Committee were held during the financial year ended 31 March 2026 on 06 May 2025; 21 May 2025; 30 July 2025; 05 November 2025; 30 January 2026 and 23 March 2026. In order to minimize the gap between the approval and publication of financial results, the meetings held on 21 May 2025; 30 July 2025; and 30 January 2026 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.	Ms. Rama Bijapurkar	Independent Director	Member	6	5

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

4.2 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 SEBI 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 the senior management and directors, etc.

Meetings and Composition:

Six meetings of the NRC were held during the financial year ended 31 March 2026 on 22 April 2025, 21 May 2025, 12 June 2025, 30 July 2025, 04 November 2025 and 31 January 2026.

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	6	6
2.	Mr. Gautam Doshi	Independent Director	Member	6	5
3.	Mr. Rolf Hoffmann	Independent Director	Member	6	4
4.	Mr. Dilip Shanghvi[1]	Executive Chairman	Member	2	2
5.	Mr. Sudhir Valia[2]	Non-executive Director	Member	4	4

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

Notes:

1. Mr. Dilip Shanghvi was appointed as a member effective from 31 July 2025.
2. Mr. Sudhir Valia ceased to be a member due to his retirement from the Board effective from 31 July 2025.

Performance Evaluation Criteria for Independent Directors

Board Performance Evaluation is conducted under a comprehensive Performance Evaluation Programme each 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.

4.3 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 SEBI Listing Regulations.

The terms of reference of the SRC, inter alia, include, reviewing the resolution of 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 the SRC were held during the financial year ended 31 March 2026 on 21 May 2025, 30 July 2025, 04 November 2025 and 30 January 2026.

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. Kirti Ganorkar[1]	Managing Director	Member	2	2
4.	Mr. Aalok Shanghvi[2]	Whole-time Director	Member	2	2
5.	Mr. Dilip Shanghvi[3]	Executive Chairman	Member	2	2
6.	Mr. Sudhir Valia[4]	Non-Executive Director	Member	2	2

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

1. Mr. Kirti Ganorkar was appointed as a member effective from 01 September 2025.
2. Mr. Aalok Shanghvi was appointed as a member effective from 31 July 2025.
3. Mr. Dilip Shanghvi ceased to be a member effective from 01 September 2025.
4. Mr. Sudhir Valia ceased to be a member due to his retirement from the Board effective from 31 July 2025.

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 the Act. He is also the Nodal Officer for the purpose of Investor Education and Protection Fund ("IEPF").

Key Initiatives to Reduce Unclaimed Dividends and Enhance Shareholder Facilitation:

The Company continues to undertake focused initiatives to enhance shareholder services and minimise the accumulation of unclaimed dividends, under the oversight of the SRC. These measures are aimed at facilitating timely receipt of dividends, improving shareholder record accuracy (including KYC and bank mandates), and reducing potential transfers to the IEPF.

Investor Complaints:

Particulars	No. of Complaints
Pending at the beginning of the year i.e., 01 April 2025	2
Received during the year	51
Resolved during the year	51
Pending at the end of the year i.e., 31 March 2026	2

All complaints are solved to the satisfaction of shareholders.

During the year, the Company undertook several targeted outreach and process-driven actions, including proactive credit of unclaimed dividends, participation in SEBI-led investor initiatives, and enhanced engagement with shareholders. A summary of the key initiatives undertaken during the year is provided below.

Initiative	Key Actions	Outcome/Impact
Proactive Dividend Credit (Historical Years)	Credited past unclaimed dividends based on updated bank details available from recent electronic pay-outs.	₹ 3.81 million paid to ~7,000 shareholders; reduction in unclaimed dividend balances.
SEBI–Depository–Registrar and Share Transfer Agent ("RTA") Initiative	Focused exercise for demat folios nearing IEPF transfer timelines (FY 2017–18 & FY 2018–19 dividends).	₹ 0.54 million paid to >2,000 shareholders, mitigating transfers to IEPF.
Targeted Outreach to Physical Shareholders	Field force engagement with 134 unresponsive shareholders to facilitate KYC completion and claims.	Enabled completion of KYC and release of pending dividends.
KYC Rectification Drive	Identification and follow-up with >9,000 shareholders with incomplete KYC through letters and direct outreach.	Facilitation of KYC updates and release of withheld dividends.
IEPF Campaign – "Saksham Niveshak" (28 July 2025 – 06 November 2025)	Multi-channel communication (notices, emails, SMS, newspaper publications) to shareholders with unpaid/unclaimed dividends.	Enhanced awareness and facilitation of KYC updation, bank mandates, nomination and dividend claims, reducing potential IEPF transfers.
Special Window for Transfer of Physical Shares	Awareness initiatives on SEBI's special window (latest: 05 February 2026 – 04 February 2027) for transfer of pre-01 April 2019 physical share transactions.	Improved investor participation in regularising legacy share transfers; facilitation through RTA that is, MUFG Intime India Private Limited

4.4 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 the CSR Committee were held during the financial year ended 31 March 2026 on 21 May 2025; 04 November 2025 and 30 January 2026.

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	Executive Chairman	Member	3	3
4.	Ms. Vidhi Shanghvi[1]	Whole-time Director	Member	2	2
5.	Mr. Sudhir Valia[2]	Non-Executive Director	Member	1	1

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

Notes:

1. Ms. Vidhi Shanghvi was appointed as a member effective from 31 July 2025.
2. Mr. Sudhir Valia ceased to be a member due to his retirement from the Board effective from 31 July 2025.

4.5 Risk Management Committee ("RMC")

The composition of the RMC and the terms of reference comply with the requirements under Regulation 21 of the SEBI 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 the RMC were held during the financial year ended 31 March 2026 on 21 May 2025; 30 July 2025; 04 November 2025 and 30 January 2026.

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. Dilip Shanghvi	Executive Chairman	Member	4	4
4.	Mr. Aalok Shanghvi[1]	Whole-time Director	Member	2	2
5.	Ms. Jayashree Satagopan[2]	Chief Financial Officer	Member	3	3
6.	Mr. Sudhir Valia[3]	Non-Executive Director	Member	2	2
7.	Mr. C. S. Muralidharan[4]	Chief Financial Officer	Member	1	1

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

Notes:

1. Mr. Aalok Shanghvi was appointed as a member effective from 31 July 2025.
2. Ms. Jayashree Satagopan was appointed as a member effective from 22 May 2025.
3. Mr. Sudhir Valia ceased to be a member due to his retirement from the Board effective from 31 July 2025.
4. Mr. C. S. Muralidharan superannuated effective from 01 July 2025.

4.6 Corporate Governance and ESG Committee ("CGESGC")

The CGESGC is established to enhance the Company's corporate governance initiatives, oversee its policies and practices regarding related party transactions and monitor the Company's ESG and sustainability compliance. The CGESGC reports to the Audit Committee on matters concerning related party transactions.

The terms of reference of the CGESGC, 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 CGESGC were held during the financial year ended 31 March 2026 on 21 May 2025, 30 July 2025, 04 November 2025, 30 January 2026 and 23 March 2026.

The composition of the CGESGC 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. Kirti Ganorkar[1]	Managing Director	Member	3	3
4.	Mr. Anoop Deshpande	Company Secretary and Compliance Officer	Member	5	5
5.	Ms. Jayashree Satagopan[2]	Chief Financial Officer	Member	4	4
6.	Mr. C. S. Muralidharan[3]	Chief Financial Officer	Member	1	1

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

Notes:

1. Mr. Kirti Ganorkar was appointed as a member effective from 01 September 2025.
2. Ms. Jayashree Satagopan was appointed as a member effective from 22 May 2025.
3. Mr. C. S. Muralidharan superannuated effective from 01 July 2025.

4.7 Recommendations of the Committees of the Board

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

5. Senior Management Personnel

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

Sl. No.	Name	Designation	Category
1.	Mr. S. Damodharan	CEO-API Business & Head – R&D Gx	CMT Member
2.	Mr. Rahul Awasthi	Sr. VP-SGO	CMT Member
3.	Ms. Jayashree Satagopan	Chief Financial Officer	KMP and CMT Member
4.	Mr. Dheeraj Sinha	Chief Information Officer	CMT Member
5.	Mr. Suresh Kumar Rai	Chief Human Resources Officer	CMT Member
6.	Mr. Sreenivasrao Nandigam	Head-Global Supply Chain	CMT Member
7.	Mr. Anoop Deshpande	Company Secretary and Compliance Officer	KMP

CMT = Core Management Team; KMP = Key Managerial Personnel

Note:

Mr. C. S. Muralidharan ceased to be Chief Financial Officer and Senior Management Personnel effective from 01 July 2025.

6. 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 annual 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 Executive Directors within the overall limit approved by the shareholders.

The remuneration includes salary, bonus and perquisites (including House Rent Allowance, if any, Leave Travel Assistance, Medical Reimbursement, contribution to Provident Fund and other such perquisites payable as per Company Policy), as applicable, from time to time.

It also includes the 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. There is no provision for payment of severance fees. These appointments are for fixed terms, and in each case, either the Company or the concerned director may end the appointment by giving 30 days' prior notice.

The details of remuneration of the Directors of the Company for the year ended 31 March 2026 are as follows:

(Amounts in ₹ Million)

Name of Directors	Salary	Variable Pay	Bonus	Perquisites/ Benefits	Sitting fees	Commission	Total
Mr. Dilip Shanghvi	53.3	-	10.7	6.6	-	-	70.6
Mr. Kirti Ganorkar	51.9	-	4.2	2.6	-	-	58.7
Mr. Aalok Shanghvi	67.2	17.4	5.3	3.3	-	-	93.2
Ms. Vidhi Shanghvi	15.8	2.1	1.2	0.9	-	-	20.0
Dr. Pawan Goenka	-	-	-	-	3.7	7.2	10.9
Mr. Gautam Doshi	-	-	-	-	3.1	6.5	9.6
Ms. Rama Bijapurkar	-	-	-	-	1.7	5.6	7.3
Mr. Rolf Hoffmann	-	-	-	-	1.1	5.5	6.6
Mr. Sudhir Valia	-	-	-	-	1.3	-	1.3

7. 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 SEBI Listing Regulations, for the year ended 31 March 2026 is given below:

Sl. No.	Name of the Material Unlisted Subsidiary Company	Date of Incorporation/ Acquisition	Place of Incorporation	Name and Date of appointment of the Statutory Auditors	Company's Independent Director on the Material Unlisted Subsidiary[1]
1.	Sun Pharma Laboratories Limited	09 March 2012	India	Name: S R B C & CO LLP Date: 24 August 2022	Gautam Doshi
2.	Sun Pharma Distributors Limited	19 March 2019	India	Name: S R B C & CO LLP Date: 27 August 2024	Rama Bijapurkar
3.	Sun Pharma Holdings, Mauritius	29 October 2013	Mauritius	Name: Lancasters Chartered Accountants Date: 03 June 2025	Gautam Doshi
4.	Sun Pharmaceutical Industries, Inc.	20 November 2002	USA	Name: S R B C & CO LLP Date: 05 January 2026	Not Applicable
5.	Taro Pharmaceuticals Inc.	20 September 2010	Canada	Not Applicable[2]	Not Applicable

Notes:

1. Independent Directors are appointed pursuant to the obligation under Regulation 24 of SEBI Listing Regulations, wherever applicable.
2. 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://sunpharma.com/policies.

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

8. Related Party Transactions

All contracts, arrangements, and transactions entered into by the Company during the year under review with related parties were undertaken in the ordinary course of business and on an arm's length basis. Transactions entered into pursuant to omnibus and specific approvals are periodically reviewed by the Audit Committee. During the year, the Company did not enter into any materially significant related party transaction that could 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://sunpharma.com/policies

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

9. Prohibition of Insider Trading

The Company has a Code of Conduct for Prohibition 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

10. Other Disclosures

10.1 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.

10.2 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.

10.3 The Company has a Global Whistle Blower Policy / Vigil Mechanism in place to monitor actions taken on complaints received under the Policy. The Policy provides a secure and confidential mechanism for employees, directors, business partners, and other stakeholders to report, in good faith, any suspected wrongdoing, including breaches of the Global Code of Conduct and applicable laws. It also outlines the reporting procedure and investigation mechanism, including escalation to the Audit Committee where required. No personnel have been denied access to the Audit Committee. The Policy is available on the website of the Company at https://sunpharma.com/policies.

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

10.4 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) Transaction with entity in which Mr. Gautam Doshi is interested - Anshul Speciality Molecules Private Limited – ₹ 2.7 Million for Purchase of goods/ services; c) 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 Pharma Advanced Research Company Limited – ₹ 427.3 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; Alfa Infraprop Private Limited – ₹ 28.0 Million for Other operative income / other income, Reimbursement of expenses-paid; and Shantilal Shanghvi Foundation - ₹ 400.0 Million for Corporate Social Responsibility contribution;

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.

10.5 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 ₹ 216.3 Million for the year under review.

10.6 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are provided in the Board's Report which forms part of this Annual Report.

10.7 The Company follows financial year from April to March.

10.8 Details of compliance and adoption of non-mandatory requirements for the year ended 31 March 2026:

- Separation of roles / posts of Chairman and Managing Director; where the Managing Director is not related to Chairman or any other Executive director.
- 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.

10.9 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 issued on 11 July 2023, and last updated on 30 January 2026, is not required.

10.10 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 SEBI Listing Regulations, as applicable.

10.11 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.

10.12 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 is annexed as '**Annexure C**' to this Report.

11. General Shareholder Information

11.1 General Meetings

Annual General Meeting:

Day, Date and Time:	Friday, 31 July 2026 at 4:00 p.m. IST
Venue:	Through Video Conferencing/ Other Audio-Visual means

Last three AGMs

Year:	2022-23	2023-24	2024-25
Meeting:	Thirty-first AGM	Thirty-second AGM	Thirty-third AGM
Location:	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012.		
Date and Time:	28 August 2023 at 3:00 p.m.	05 August 2024 at 3:00 p.m.	31 July 2025 at 04:00 p.m.
Special Resolutions Passed:	1. Appointment of Mr. Rolf Hoffmann as an Independent Director. 2. Appointment and remuneration of Mr. Aalok Shanghvi as a Whole-time Director.	None	1. Appointment and Remuneration of Ms. Vidhi Shanghvi as a Whole-time Director. 2. Appointment and Remuneration of Mr. Dilip Shanghvi as an Executive Director. 3. Appointment and Remuneration of Mr. Kirti Ganorkar as the Managing Director.

11.2 Resolutions Passed through Postal Ballot:

During the previous financial year, no special resolution was passed via postal ballot. During the financial year under review, following resolutions were proposed as special resolutions via postal ballot, and subsequently passed on 17 April 2026:

1.Alteration of Main Objects clause III (A) of the Memorandum of Association of the Company.

2.Re-appointment of Dr. Pawan Goenka (DIN:00254502) as an Independent Director for second term of five years.

The detailed voting results are available on the website of the Company at https://sunpharma.com/investors-statutory-communications/. Mr. Chintan J. Goswami, Partner, M/s. KJB & Co. LLP was the Scrutiniser and the Company has followed the due process for conducting the postal ballot as prescribed under Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, including the applicable provisions relating to electronic voting.

Further, no other Special Resolution(s) are proposed to be conducted through postal ballot as of the date of signing of this Report.

12. Final Dividend

Record Date for payment of Dividend to Equity Shareholders:	07 July 2026
Dividend Payment Date:	On or before 07 August 2026

13. Means of Communication

13.1 Website: The Company's website www.sunpharma.com contains a separate dedicated section 'INVESTORS' where shareholders' information is available. The Annual Report for FY 2025-26 and the Annual Reports for past years are also available at https://sunpharma.com/investors-annual-reports-presentations/ in a user-friendly, downloadable format. 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.

13.2 Financial Results: The quarterly results are regularly posted by the Company on its website www.sunpharma.com and are also submitted to the Stock Exchanges on which the securities of the Company are listed in accordance with the requirements of the SEBI Listing Regulations. Pursuant to Regulation 47 of the SEBI Listing Regulations, the QR code is published in the English and Gujarati editions of Financial Express, as well as in Lok Satta in Ahmedabad.

13.3 **Annual Report:** The Annual Report, containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Board's Report, the Management Discussion and Analysis Report, and Auditor's 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.

13.4 **Investors Presentations:** The presentations made at the analyst / institutional investors' meetings are filed with the stock exchanges and are available on the website of the Company at https://sunpharma.com/investors/investor-presentations

Scan the QR code to view the Investor Presentations

14. Shares Related Information

14.1 Listing Details

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

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

14.2 Share Transfer System

The Company has engaged MUFG Intime India Private Limited as its Registrar and Share Transfer Agent. Shareholders holding physical shares can lodge transfer of shares with the RTA directly. Those holding shares in the demat form may get in touch with the Depository Participant.

SEBI has now restricted the transfer of equity shares of listed entities in physical form. However, SEBI has provided a special window up to 04 February 2027 to facilitate transfer-cum-dematerialisation of physical shares sold or purchased prior to 01 April 2019. This facility covers fresh lodgement of transfer deeds executed before 01 April 2019, as well as transfer requests that were earlier rejected, returned, or not processed due to procedural or documentation-related deficiencies, subject to compliance with the applicable SEBI guidelines.

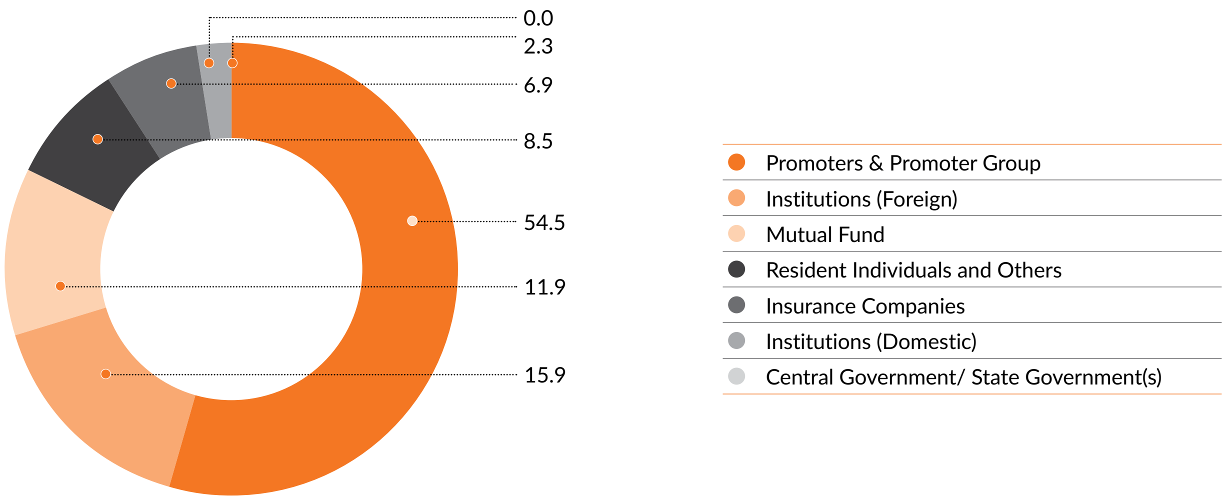
14.3 Distribution of Shareholding as on 31 March 2026

Range of shareholding	No. of shareholders		Shares of face value ₹ 1/- each	
	Numbers	% to Total	Numbers	% to Total
1-500	679,848	95.5	31,323,224	1.3
501 – 1000	13,461	1.9	9,980,100	0.4
1001 – 2000	7,615	1.1	10,981,402	0.5
2001 – 3000	3,207	0.5	7,910,414	0.3
3001 – 4000	1,333	0.2	4,770,630	0.2
4001 – 5000	898	0.1	4,107,349	0.2
5001 – 10,000	2,168	0.3	15,498,728	0.6
10001 and above	3,300	0.4	2,314,763,123	96.5
Total	**7,11,830**	**100.0**	**2,399,334,970**	**100.0**

14.4 Category-wise Shareholding of Equity Shares as on 31 March 2026

Sl. No.	Category	No. of Shares held	Percentage (%)
1.	Promoters & Promoter Group	1,307,119,535	54.5
2.	Mutual Fund	286,934,377	11.9
3.	Insurance Companies	163,763,533	6.9
4.	Institutions (Domestic)	55,699,527	2.3
5.	Institutions (Foreign)	382,329,873	15.9
6.	Central Government/ State Government(s)	26,681	0.0
7.	Resident Individuals and Others	203,461,444	8.5
	Total	**2,399,334,970**	**100.00**

Shareholding Pattern



14.5 Dematerialisation of Shares and Liquidity

About 99.9% of the outstanding equity shares have been dematerialized up to 31 March 2026. Trading is permitted only in dematerialized form. The Company's equity shares are fairly liquid and are actively traded on BSE and NSE.

14.6 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 31 March 2026.

14.7 Outstanding Unclaimed Shares

The status of outstanding unclaimed shares in the Unclaimed Share Suspense Account of the Company is as follows.

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 01 April 2025.	2	140
Shareholders who approached the Company for transfer of shares from the said Unclaimed Suspense Account during the period from 01 April 2025 up to 31 March 2026.	0	0
Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the said period from 01 April 2025 up to 31 March 2026.	0	0
Transferred to IEPF during the said period from 01 April 2025 up to 31 March 2026.	0	0
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 31 March 2026.	2	140
Note: The voting rights in respect of these shares shall remain frozen till the claim of the rightful shareholders is approved by the Company.		

15. Investor Correspondence:

Registrars & Transfer Agent	**MUFG Intime India Private Limited** Unit: Sun Pharmaceutical Industries Limited, C 101, Embassy 247, L.B.S. Marg, Vikhroli West, Mumbai, India – 400083 **Telephone:** +91 810 811 6767 / (+91 22) 4918 6270 **Email:** investor.helpdesk@in.mpms.mugf.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

16. 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 31 March 2026

Sl. No.	Location	Address
1.	Ahmednagar	A-7 & A-8, MIDC Ind. Area, Ahmednagar, Maharashtra – 414 111
2.	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
3.	Bengaluru	Sy No: 16, Ekarajapura, 8km, Stone Siddlagatta Road, Hasigala Post, Hosakote, Bengaluru – 562114
4.	Baska	Survey No. 22 & 24, Village: Ujeti, Post: Baska, Taluka Halol, District Panchmahal, Gujarat - 389350
5.	Dadra	Survey No. 1012, Dadra – 396 193 (U.T. of D & N.H & Daman & Diu)
6.	Dahej	Plot No. Z/15, SEZ-1, Po. Dahej, Taluko Vagra, Dist. Bharuch, Gujarat – 392 130
7.	Dewas	Industrial Area 3, A. B. Road, Dewas, Madhya Pradesh – 455 001
8.	Halol	Halol-Baroda Highway, Halol, Dist. Panchmahal, Gujarat – 389 350
9.	Maduranthagam	Sathammai Village, Karunkuzhi Post, Maduranthagam TK, Kanchipuram District, Tamil Nadu – 603 303
10.	Malanpur	K-5, 6,7,10 Ghirongi Malanpur, Dist. Bhind, Madhya Pradesh – 477 116
11.	Mohali	DTA Unit Mohali, Building No. A-41, Industrial Area, Phase-VIIIA, Sector - 75, S.A.S Nagar, Mohali, Punjab – 160 071
12.	Panoli	Plot No. 24/2 & 25, GIDC, Phase-IV, Panoli, Dist. Bharuch, Gujarat – 394 116
13.	Paonta Sahib	Village & P.O. Ganguwala, Tehsil. Paonta Sahib, Dist. Sirmour, Himachal Pradesh – 173 025
14.	Toansa	Village Toansa P.O. Railmajra Distt. Nawansahar, Punjab – 144 533

For and on behalf of the Board of Directors

Dilip Shanghvi
Executive Chairman
(DIN: 00005588)

Kirti Ganorkar
Managing Director
(DIN: 10620142)

Date: 22 May 2026

ANNEXURE A

Declaration of Compliance with Code of Conduct for the year ended 31 March 2026

I, Kirti Ganorkar, 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**

Kirti Ganorkar
Managing Director
(DIN: 10620142)

Date: 22 May 2026

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 – 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 (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 31 March 2026 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	01 March 1993
2.	Aalok Shanghvi	01951829	01 June 2023
3.	Pawan Goenka	00254502	21 May 2021
4.	Gautam Doshi	00004612	25 May 2018
5	Rama Bijapurkar	00001835	21 May 2021
6.	Rolf Hoffmann	10200311	15 June 2023
7.	Vidhi Shanghvi	06497350	22 May 2025
8.	Kirti Ganorkar	10620142	01 September 2025

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: F012908H000442579
Date: Jyestha 01, 1948 | 22 May 2026
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, 2026 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, 2026 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2025 to March 31, 2026:
     - (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, 2026, 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 S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Amit Singh
Partner
Membership Number: 408869
UDIN: 26408869BMKZAH6210
Place of Signature: Mumbai
Date: 22nd May, 2026