Independent Auditor's Report

To the Members of **Sun Pharmaceutical Industries Limited**

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sun Pharmaceutical Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture comprising of the consolidated Balance sheet as at March 31 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group, associates, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Litigations (as described in Note 39 of the consolidated Ind AS financial statements)	
The Group is involved in various legal proceedings including product liability, contracts, employment claims, Department of Justice (DOJ) investigations, anti-trust, intellectual property and other regulatory matters relating to conduct of its business. The Group assesses the need to make provision or to disclose a contingent liability on a case-to-case basis considering the underlying facts of each litigation. The eventual outcome of the litigations is uncertain and estimation at balance sheet date involves extensive judgement of management including input from internal and external legal counsel due to complexity of each litigation. Adverse outcomes could significantly impact the Group's reported results and balance sheet position.	Our audit procedures and procedures performed by component auditors amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of litigations, the recording / re-assessment of the related liabilities, provisions and disclosures. • Obtained a list of litigations from the Group's in-house legal counsel; identified material litigations from the aforementioned list and performed inquiries with the said counsel; obtained and read the underlying documents to assess the assumptions used by management in arriving at the conclusions.

Key audit matters	How our audit addressed the key audit matter
Considering the judgement involved in determining the need to make a provision or disclose as contingent liability, the matter is considered a Key Audit Matter.	• Circulated, obtained and read legal confirmations from Group's external legal counsels in respect of material litigations and considered that in our assessment. • Verified the disclosures related to provisions and contingent liabilities in the consolidated Ind AS financial statements to assess consistency with underlying documents.
Rebates, discounts, chargebacks, returns and other allowances (as described in Note 53 of the consolidated Ind AS financial statements)	
The Group generates revenue across various geographies through commercial arrangements prevalent in those geographies. These commercial arrangements involve rebates, discounts, chargebacks, right to return and other allowances, which are deducted from the gross revenue to arrive at Revenue from Operations. These deductions involve significant judgement and estimation, in particular the accruals associated with the revenue transactions pertaining to business of United States of America and hence is considered as a Key Audit Matter.	Our audit procedures and procedures performed by component auditors amongst others included the following: • Evaluated the design and tested the operating effectiveness of the Group's controls over the completeness, recognition and measurement of accruals. • Obtained and evaluated management's computations for accruals under respective contractual arrangements. • Evaluated the key assumptions used by the Group by comparing it with prior years. • Analysed the historical pattern of chargebacks, inventory information and performed retrospective reviews in order to validate management's assumptions. • Compared the assumptions in respect of rebates, discounts, allowances and returns to current payment trends. • Evaluated adequacy of disclosures as required by Ind AS 115.
Goodwill and other intangible assets (as described in Note 3B and Note 47 of the consolidated Ind AS financial statements)	
The Group has significant intangible assets, comprising acquired trademarks, product intangibles and goodwill. The Group conducts an annual impairment testing of goodwill and intangible assets. Significant judgements are used to estimate the recoverable amount of these intangible assets and goodwill and is hence considered as a Key Audit Matter.	Our audit procedures and procedures performed by component auditors amongst others included the following: • Evaluated the design and tested the operating effectiveness of management's controls in assessing the carrying value of goodwill and intangible assets. • Obtained the Group's computation of recoverable amount and tested the mathematical accuracy and reasonableness of key assumptions. • Obtained and evaluated management's sensitivity analysis to ascertain the impact of changes in key assumptions. • Evaluated the disclosures in the consolidated Ind AS financial statements.
Tax litigations and recognition of deferred tax assets (as described in Note 39 and Note 50 of the consolidated Ind AS financial statements)	
The Group has significant tax litigations for which the Group assesses the outcome on a case-to-case basis considering the underlying facts of each tax litigation. Adverse outcomes could significantly impact the Group's reported results and balance sheet position. The assessment of outcome of litigations involves significant judgement which is dependent on the facts of each case, supporting judicial precedents and legal opinions of external and internal legal counsels and hence the matter has been considered as a Key Audit Matter. Recognition of deferred tax assets involves the assessment of its recoverability within the allowed time frame requiring significant estimate of the financial projections, availability of sufficient taxable income in the future and also involving significant judgements in the interpretation of tax regulations and tax positions adopted by the Group. Considering the judgement involved in determining the recovery of deferred tax assets, the matter is considered a Key Audit Matter.	Our audit procedures and procedures performed by component auditors amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of tax litigations/deferred tax and the recording and re-assessment of the related liabilities/assets and provisions and disclosures. • Obtained list of ongoing tax litigations from management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by management, correspondences with tax department etc. • Engaged tax experts, to evaluate management's assessment of the outcome of these litigations. Our experts considered legal precedence and other rulings in evaluating management's position on these tax litigations. • Tested management's assumptions including forecasts and sensitivity analysis in respect of recoverability of deferred taxes on unabsorbed depreciation/carry forward losses/Minimum Alternate Tax (MAT) credit. • Verified disclosures of the tax positions, tax loss carry forwards and tax litigations in the consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Identification and disclosures of related parties (as described in Note 57 of the consolidated Ind AS financial statements)	
The Group has related party transactions which include, amongst others, sale and purchase of goods/services to its associates, joint venture and other related parties and lending, investment and borrowing to its associates and joint venture. Identification and disclosure of related parties was a significant area of focus and hence is considered a Key Audit Matter.	Our audit procedures and procedures performed by component auditors amongst others included the following: • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. • Obtained a list of related parties from the Group's management and traced the related parties to declarations given by directors, where applicable, and to note 57 of the consolidated Ind AS financial statements. • Read minutes of the meetings of the Board of Directors and Audit Committee. • Read declarations of related party transactions given to the Board of Directors and Audit Committee. • Verified the disclosures in the consolidated Ind AS financial statements for compliance with Ind AS 24.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint venture of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 23 subsidiaries, whose financial statements, without giving effect to the elimination of intra-group transactions, include total assets of INR 6,54,478.2 Million as at March 31, 2026, and total revenues of INR 1,40,647.0 Million and net cash inflows of INR 3,783.5 Million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 21 subsidiaries, whose financial statements and other financial information, without giving effect to elimination of intra-group transactions, reflect total assets of INR 19,725.4 Million as at March 31, 2026, and total revenues of INR 13,499.5 Million and net cash inflows of INR 419.6 Million for the year ended on that date. These financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries for statutory purposes and have been audited by other auditors. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. In the opinion of management these are not material to the Group. We have not audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to amounts and disclosures included in respect of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by management of the Holding Company.

(c) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries, whose financial statements and other financial information, without giving effect to the elimination of intra-group transactions, reflect total assets of INR 21.1 Million as at March 31, 2026, and total revenues of INR Nil Million and net cash inflows of INR 12.9 Million for the year ended on that date. These unaudited financial statements have been furnished to us by management. Our opinion, in so far as it relates to amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group.

(d) The consolidated Ind AS financial statements also include the Group's share of net loss of INR 558.7 Million for the year ended March 31, 2026, as considered in the consolidated Ind AS financial statements, in respect of 12 associates and a joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by management. Our opinion, in so far as it relates to amounts and disclosures included in respect of these associates and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates and joint venture, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 39 to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 23 and Note 28 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India, except a sum of INR 1.8 Million, which is held in abeyance due to pending legal cases.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose Ind AS financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company and its subsidiaries incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company and its subsidiaries incorporated in India and until the date of the respective audit reports of such Holding Company and subsidiaries is in accordance with section 123 of the Act.

As stated in Note 45 to the consolidated Ind AS financial statements, the respective Board of Directors of the Holding Company and its subsidiaries, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi) Based on our examination which included test checks, the Holding Company and its subsidiaries incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of accounting software where audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the Holding Company and the above referred subsidiaries in accordance with statutory record retention requirements to the extent it was enabled and recorded in those respective years, except that for two applications where the audit trail relating to direct changes made using privileged/administrative access rights has not been preserved for the period May 24 to November 24, as stated in the note 71 to the consolidated Ind AS financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Amit Singh
Partner
Membership Number: 408869
UDIN: 26408869MFIKHX2370
Place of Signature: Mumbai
Date: May 22, 2026

Annexure 1 referred to in paragraph 1 of our report of even date under the heading "Report on Other Legal and Regulatory Requirements

Re: Sun Pharmaceutical Industries Limited (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

xxi. Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements are:

Name	CIN	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse
Sun Pharmaceutical Industries Limited	L24230GJ1993PLC019050	Holding Company	i(c), iii(c), iii(e), ix(a)
Sun Pharma Laboratories Limited	U25200GJ1997PLC133846	Subsidiary	i(c), iii(c), iii(e)

The audit report under Companies (Auditors Report) Order, 2020 of these companies has not been issued till the date of our auditor's report –

Name	CIN	Nature of Relationship
Remidio Innovative Solutions Private Limited	U73100KA2009PTC051546	Associate
Agatsa Software Private Limited	U72900UP2010PTC101436	Associate
Ezerx Health Tech Private Limited	U74999WB2018PTC226850	Associate
HaystackAnalytics Private Limited	U72900MH2018PTC313413	Associate
Indian Foundation for Quality Management	U94990KA2023NPL178280	Associate

For **S R B C & CO LLP**

Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Amit Singh
Partner
Membership Number: 408869
UDIN: 26408869MFIKHX2370
Place of Signature: Mumbai
Date: May 22, 2026

Annexure 2 to the Independent Auditor's Report of even date on the consolidated Ind AS financial statements of Sun Pharmaceutical Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Sun Pharmaceutical Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31,2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Amit Singh
Partner
Membership Number: 408869
UDIN: 26408869MFIKHX2370
Place of Signature: Mumbai
Date: May 22, 2026

Consolidated Balance Sheet

As at March 31, 2026

₹ in Million

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3A (I) & (II)	111,141.1	100,359.4
(b) Capital work-in-progress	3D	13,806.5	12,343.4
(c) Goodwill (Net)	47	98,330.8	89,394.2
(d) Other intangible assets	3B	118,750.8	36,109.2
(e) Intangible assets under development	3E	16,710.8	54,096.2
(f) Financial assets			
(i) Investments	4, 5 & 6	37,890.7	46,977.0
(ii) Loans	7	17.6	27.9
(iii) Other financial assets	8	666.1	1,770.4
(g) Deferred tax assets (Net)	50	40,464.6	44,075.5
(h) Income tax assets (Net)	9	6,451.3	4,206.7
(i) Other non-current assets	10	4,710.0	5,401.2
Total non-current assets		**448,940.3**	**394,761.1**
(2) Current assets			
(a) Inventories	11	**114,929.3**	102,433.3
(b) Financial assets			
(i) Investments	12	209,334.5	136,561.0
(ii) Trade receivables	13	155,096.7	130,461.1
(iii) Cash and cash equivalents	14	97,705.1	102,687.7
(iv) Bank balances other than (iii) above	15	18,325.7	10,628.5
(v) Loans	16	527.0	483.8
(vi) Other financial assets	17	14,036.9	17,406.6
(c) Other current assets	18	28,647.7	25,278.6
Total current assets		**638,602.9**	**525,940.6**
Assets classified as held for sale	3C	309.0	304.1
TOTAL ASSETS		**1,087,852.2**	**921,005.8**

Consolidated Balance Sheet

As at March 31, 2026

₹ in Million

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,399.3	2,399.3
(b) Other equity	20	833,301.6	719,780.9
Equity attributable to the equity shareholders of the parent company		**835,700.9**	**722,180.2**
Non-controlling interests		3,096.5	2,679.3
Total equity		**838,797.4**	**724,859.5**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	312.6	25.2
(ii) Lease liabilities	54	3,616.3	3,557.4
(iii) Other financial liabilities	22	6,307.9	106.8
(b) Provisions	23	5,121.8	4,650.4
(c) Deferred tax liabilities (Net)	50	3,780.2	1,924.4
(d) Other non-current liabilities	24	3,566.7	3,852.4
(e) Non-Current tax liabilities (Net)		128.9	87.6
Total non-current liabilities		**22,834.4**	**14,204.2**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	40,503.5	18,671.1
(ii) Lease liabilities	54	1,840.8	1,368.2
(iii) Trade payables	73	73,338.0	61,843.4
(iv) Other financial liabilities	26	25,721.8	19,478.4
(b) Other current liabilities	27	11,875.3	11,697.9
(c) Provisions	28	59,440.6	61,551.3
(d) Current tax liabilities (Net)	29	13,500.4	7,331.8
Total current liabilities		**226,220.4**	**181,942.1**
Total liabilities		**249,054.8**	**196,146.3**
TOTAL EQUITY AND LIABILITIES		**1,087,852.2**	**921,005.8**

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.:
324982E/E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2026

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
(I) Revenue from operations	30	584,620.4	525,784.4
(II) Other income	31	19,717.2	19,650.4
(III) Total income (I + II)		**604,337.6**	**545,434.8**
(IV) Expenses			
Cost of materials consumed	32	73,890.2	64,491.0
Purchases of stock-in-trade		38,115.3	41,479.5
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	3,431.3	1,503.1
Employee benefits expense	34	114,188.6	99,731.2
Finance costs	35	3,389.1	2,313.6
Depreciation and amortisation expense	3 (A & B)	29,378.5	25,753.9
Other expenses	36	190,082.8	167,718.0
Net (gain) / loss on foreign currency transactions		(12,401.8)	(1,855.3)
Total expenses (IV)		**440,074.0**	**401,135.0**
(V) Profit before exceptional items and tax (III - IV)		**164,263.6**	**144,299.8**
(VI) Exceptional items	61	13,074.8	6,778.5
(VII) Profit before tax (V - VI)		**151,188.8**	**137,521.3**
(VIII) Tax expense / (credit)			
Current tax		41,978.3	33,200.5
Deferred tax		(2,580.7)	(9,255.0)
Tax on exceptional items	61	(3,854.0)	3,774.8
Total tax expense (VIII)	49, 50 & 61	**35,543.6**	**27,720.3**
(IX) Profit for the year before share of profit/(loss) of associates and joint venture (VII-VIII)		**115,645.2**	**109,801.0**
(X) Share of profit/(loss) of associates (net of tax)		(435.3)	(252.2)
(XI) Share of profit/(loss) of joint venture (net of tax)		(123.4)	98.7
(XII) Profit for the year before non-controlling interests (IX+X+XI)		**115,086.5**	**109,647.5**
(XIII) Non-controlling interests		292.3	357.1
(XIV) Profit for the year attributable to owners of the parent company (XII-XIII)		**114,794.2**	**109,290.4**
(XV) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(a) Gain/ (loss) on remeasurement of the defined benefit plans		164.9	(394.3)
Income tax on above		(60.9)	137.7
		104.0	**(256.6)**
(b) Gain/ (loss) on equity instruments measured at fair value through other comprehensive income		2,864.5	(56.7)
Income tax on above		(1,067.1)	(22.1)
		1,797.4	**(78.8)**
Total (A)		**1,901.4**	**(335.4)**

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ in Million

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
(B) Items that may be reclassified to profit or loss			
(a) Gain/ (loss) on debt instruments measured at fair value through other comprehensive income		(6.7)	562.5
Income tax on above		1.5	(55.1)
		(5.2)	**507.4**
(b) Effective portion of gain/ (loss) on designated portion of hedging instruments in a cash flow hedge		(2,862.8)	(74.4)
Income tax on above		720.5	62.9
		(2,142.3)	**(11.5)**
(c) Exchange differences in translating the financial statements of foreign operations		37,840.5	9,731.2
Exchange differences on translation of net investment in foreign operations		673.0	(767.6)
		38,513.5	**8,963.6**
Total (B)		**36,366.0**	**9,459.5**
(XV) Total other comprehensive income (A + B)		**38,267.4**	**9,124.1**
(XVI)Total comprehensive income for the year (XII+XV)		**153,353.9**	**118,771.6**
Other comprehensive income for the year attributable to:			
- Owners of the parent company		38,016.9	9,098.6
- Non-controlling interests		250.5	25.5
Total comprehensive income for the year attributable to:			
- Owners of the parent company		152,811.1	118,389.0
- Non-controlling interests		542.8	382.6
Earnings per equity share (face value per equity share - ₹ 1)	51		
Basic (in ₹)		47.8	45.6
Diluted (in ₹)		47.8	45.6

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.:
324982E/E300003

per **AMIT SINGH**
Partner
Membership No.: 408869
Mumbai, May 22, 2026

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

₹ in Million

Particulars	Equity share capital**	Other equity											Attributable to owners of parent company	Non-controlling interests	TOTAL
		Reserve and surplus							Other comprehensive income (OCI)						
		Capital reserve	Securities premium	Amalgamation reserve	Capital redemption reserve	Legal reserve	General reserve	Retained earnings	Debt instrument through OCI	Equity instrument through OCI	Foreign currency translation reserve	Effective portion of cash flow hedges			
Balance as at March 31, 2024	2,399.3	3,681.7	11,874.1	43.8	7.5	285.5	35,621.0	501,545.5	(258.7)	10,503.5	70,935.3	29.0	636,667.5	34,591.9	671,259.4
Profit for the year	-	-	-	-	-	-	-	109,290.4	-	-	-	-	109,290.4	357.1	109,647.5
Exchange difference arising on translation of foreign operations/ net investment in foreign operations, net of tax	-	-	-	-	-	-	-	-	-	-	8,943.6	-	8,943.6	20.0	8,963.6
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-	* (256.7)	504.1	(78.8)	-	(13.6)	155.0	5.5	160.5
Total comprehensive income for the year	-	-	-	-	-	-	-	109,033.7	504.1	(78.8)	8,943.6	(13.6)	118,389.0	382.6	118,771.6
Payment of dividend	-	-	-	-	-	-	-	(36,139.7)	-	-	-	-	(36,139.7)	(33.3)	(36,173.0)
Buy-back/ purchase of equity shares (Refer note 56)	-	-	-	-	-	-	-	3,263.4	-	-	-	-	3,263.4	(32,261.9)	(28,998.5)
Transfer on sale of equity instrument	-	-	-	-	-	-	-	915.5	-	(915.5)	-	-	-	-	-
Balance as at March 31, 2025	2,399.3	3,681.7	11,874.1	43.8	7.5	285.5	35,621.0	578,618.4	245.4	9,509.2	79,878.9	15.4	722,180.2	2,679.3	724,859.5
Profit for the year	-	-	-	-	-	-	-	114,794.2	-	-	-	-	114,794.2	292.3	115,086.5
Exchange difference arising on translation of foreign operations/ net investment in foreign operations, net of tax	-	-	-	-	-	-	-	-	-	-	38,263.9	-	38,263.9	249.6	38,513.5
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-	* 103.1	(5.2)	1,797.4	-	(2,142.3)	(247.0)	0.9	(246.1)
Total comprehensive income for the year	-	-	-	-	-	-	-	114,897.3	(5.2)	1,797.4	38,263.9	(2,142.3)	152,811.1	542.8	153,353.9
Payment of dividend	-	-	-	-	-	-	-	(39,339.0)	-	-	-	-	(39,339.0)	(39.0)	(39,378.0)
Buy-back/ purchase of equity shares	-	-	-	-	-	-	-	48.6	-	-	-	-	48.6	(86.6)	(38.0)
Transfer on sale of equity instrument	-	-	-	-	-	-	-	4,544.7	-	(4,544.7)	-	-	-	-	-
Transfer from General reserve	-	-	-	-	-	-	(34,779.3)	34,779.3	-	-	-	-	-	-	-
Transfer to Legal reserve	-	-	-	-	-	3.0	-	(3.0)	-	-	-	-	-	-	-
Balance as at March 31, 2026	2,399.3	3,681.7	11,874.1	43.8	7.5	288.5	841.7	693,546.3	240.2	6,761.9	118,142.8	(2,126.9)	835,700.9	3,096.5	838,797.4

* Represents remeasurement of the defined benefit plans

** Refer Note 41 for movement of number of shares outstanding.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **AMIT SINGH**
Partner
Membership No.: 408869
Mumbai, May 22, 2026

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

₹ in Million

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Profit/ (loss) before tax	151,188.8	137,521.3
Adjustments for:		
Depreciation and amortisation expense	29,378.5	25,753.9
Net (gain) / loss on sale / write off / impairment of property, plant and equipment, other intangible assets, intangible assets under development	1,772.8	17.8
Impairment of investment	125.0	2,953.0
Loss on disposal of Subsidiary	-	217.5
Finance costs	3,389.1	2,313.6
Interest income	(9,150.0)	(12,301.3)
Dividend income on investments	(594.0)	(669.0)
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	(929.1)	(1,337.8)
Net gain on sale of financial assets measured at fair value through profit or loss	(7,799.4)	(3,958.1)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	(32.5)	(171.4)
Provision / impairment / write off /(reversal) for doubtful trade receivables / advances / loans	634.1	1,808.3
Sundry balances written back, net	(3.2)	(56.2)
Effect of exchange rate changes	(7,971.0)	(3,366.7)
Operating profit before working capital changes	**160,009.1**	**148,724.9**
Movements in working capital:		
(Increase) / Decrease in inventories	(523.0)	(1,839.7)
(Increase) / Decrease in trade receivables	(20,087.6)	(16,020.5)
(Increase) / Decrease in other assets	(2,095.6)	(593.2)
Increase / (Decrease) in trade payables	10,573.8	5,279.7
Increase / (Decrease) in other liabilities	1,754.1	1,820.3
Increase / (Decrease) in provisions	(2,299.6)	8,117.8
Cash generated from operations	**147,331.2**	**145,489.3**
Net Income tax (paid) / refund received (including interest on refunds)	(23,139.4)	(4,768.4)
Net cash generated from / (used in) operating activities (A)	**124,191.8**	**140,720.9**
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets and intangible assets under development)	(36,093.7)	(21,285.8)
Proceeds from disposal of property, plant and equipment and other intangible assets	961.2	610.1
Loans / inter corporate deposits given / placed	-	(33.8)
Loans / inter corporate deposits received back / matured	-	320.0
Purchase of investments		
Associates	(1,719.0)	(455.0)
Others	(306,321.6)	(322,632.0)
Proceeds from sale of investments (others)	261,674.1	294,175.4
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	(40,828.7)	(22,065.1)
Fixed deposits / margin money matured	35,297.9	12,335.2
Acquisition of subsidiary	(34,051.3)	(2,728.3)
Disposal of subsidiary (March 2025: ₹0.6)	-	0.0
Interest received	7,046.6	8,037.5
Dividend received	594.0	660.2
Net cash flow from / (used in) investing activities (B)	**(113,440.5)**	**(53,061.6)**

Consolidated Statement of Cash Flow

For The Year Ended March 31, 2026

₹ in Million

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flow from financing activities		
Proceeds of borrowings	52,021.5	33,617.0
Repayment of borrowings	(34,101.9)	(43,438.4)
Repayment of principal portion of lease liabilities	(1,513.7)	(1,345.1)
Payment for buy-back of equity shares held by non-controlling interests of subsidiaries	(38.0)	(28,998.5)
Net increase / (decrease) in working capital demand loans	1,199.2	(482.0)
Finance costs (including interest on lease liabilities) paid	(3,314.6)	(2,238.2)
Dividend payment to non-controlling interests	(39.0)	(33.3)
Dividend paid	(39,339.0)	(36,139.7)
Net cash flow from / (used in) financing activities (C)	**(25,125.5)**	**(79,058.2)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(14,374.2)**	**8,601.1**
Cash and cash equivalents at the beginning of the year	102,687.7	92,856.5
Cash and cash equivalents transferred on sale of subsidiary / taken over on acquisition of subsidiary	1,627.3	(0.3)
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	7,764.3	1,230.4
Cash and cash equivalents at the end of the year	**97,705.1**	**102,687.7**

Notes:

₹ in Million

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	54,572.8	32,245.4
In deposit accounts with original maturity less than 3 months	42,694.8	69,718.2
Cheques, drafts on hand	419.8	708.2
Cash on hand	17.7	15.9
Cash and cash equivalents (Refer note 14)	**97,705.1**	**102,687.7**

Consolidated Statement of Cash Flow

For The Year Ended March 31, 2026

Change in financial liability/ asset arising from financing activities

₹ in Million

Particulars	Year ended March 31, 2026	
	Borrowings	Derivatives, net [(liabilties)/ asset]
Opening balance	**18,696.3**	-
Changes from financing cash flows	19,118.8	-
The effect of changes in foreign exchange rates	3,001.0	-
Closing balance	**40,816.1**	-

₹ in Million

Particulars	Year ended March 31, 2025	
	Borrowings	Derivatives, net [(liabilties)/ asset]
Opening balance	**28,456.9**	-
Changes from financing cash flows	(10,303.4)	-
The effect of changes in foreign exchange rates	542.8	-
Closing balance	**18,696.3**	-

For movement of lease liabilities, Refer note 54.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2026

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

1. General information

Sun Pharmaceutical Industries Limited (SPIL or the "parent company") (CIN L24230GJ1993PLC019050), is a public limited company incorporated and domiciled in India, having its registered office at SPARC, Tandalja, Vadodara, Gujarat 390012, India. SPIL is listed on the BSE Limited and National Stock Exchange of India Limited. The parent company is incorporated under the provisions of Companies Act, as applicable in India. The parent company and its subsidiaries (hereinafter referred to as the "Company " or the "Group") are engaged in the business of manufacturing, developing and marketing a wide range of branded and generic formulation and Active Pharmaceutical ingredients (APIs). The Group has various manufacturing locations spread across the world with trading and other incidental and related activities extending to the global market.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 22, 2026.

2. Material accounting policies

2.1 Statement of compliance

The Group has prepared its consolidated financial statements for the year ended March 31, 2026 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2025 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; (ii) Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell; (iii) investment in joint ventures and associates are accounted for using the equity method (iv) derivative financial instruments and (v) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Million (₹000,000) upto one decimal, except when otherwise indicated.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

a. Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent Company and its subsidiaries as disclosed in Note 38. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the

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entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances, transactions including unrealised gain / loss from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation. The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are also eliminated. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in retained earnings and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in the statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed off the related assets or liabilities of the subsidiary (i.e. reclassified to the statement of profit and loss or transferred to another category of equity as specified/ permitted by applicable Ind AS).

Investment in Associates and Joint Ventures

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses of an associate or a joint venture exceeds its interest in that associate or joint venture, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has obligations or has made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture and discontinues from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed off the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting

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from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in the associate or joint venture that are not related to the Group.

b. Current vs. Non-current

Based on the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

c. Business combinations

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The Group uses the acquisition method of accounting to account for business combinations that occurred on or after April 01, 2015. The acquisition date is generally the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), less the net recognised amount of the identifiable assets acquired and liabilities assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised immediately in the OCI and accumulated in equity as Capital reserve where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase else the gain is directly recognised in equity as Capital reserve.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the statement of profit and loss. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as finder’s fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the statement of profit and loss, as appropriate.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that

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existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

d. Foreign currency

Foreign currency transactions

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate on that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 2.2.j below for hedging accounting policies).
- exchange differences relating to the translation of the results and the net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to profit or loss account on the disposal of the foreign operation.

Non-monetary items that are measured in terms of historical cost in foreign currency are measured using the exchange rates at the date of initial transaction.

Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of Group's foreign operations, are translated to the Indian Rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognised in other comprehensive income and presented within equity as part of Foreign Currency Translation Reserve (and attributed to non-controlling interests as appropriate). When a foreign operation is disposed off, the relevant amount in the Foreign Currency Translation Reserve is reclassified profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the statement of profit and loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

e. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments.

f. Property, plant and equipment

Items of property, plant and equipment are stated in consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

Assets in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

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Depreciation is recognised on the cost of assets (other than freehold land and Capital work-in-progress) less their residual values on straight-line method over their useful lives. Leasehold improvements are depreciated over period of the lease agreement or the useful life, whichever is shorter. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The Company depreciates building, plant and equipment, furniture and fixtures, etc. over estimated useful lives based on technical assessment made by technical expert and management estimate.

The estimated useful lives are as follows:

Asset Category	No. of years
Buildings including factory buildings*	4-125
Plant and equipment	2-30
Vehicles	3-15
Office equipment	2-17
Furniture and fixtures	3-15

* Includes assets given under operating lease

Software for internal use, which is primarily acquired from third-party vendors and which is an integral part of a property, plant and equipment, including consultancy charges for implementing the software, is capitalised as part of the related property, plant and equipment. Subsequent costs associated with maintaining such software are recognised as expense as incurred. The capitalised costs are amortised over the lower of the estimated useful life of the software and the remaining useful life of the property, plant and equipment.

g. Goodwill and Other Intangible assets

Goodwill

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Group's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a cash-generating unit to which goodwill is allocated, the goodwill associated with the disposed cash-generating unit is included in the carrying amount of the cash-generating unit when determining the gain or loss on disposal.

Other Intangible assets

Other Intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Research and development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the Group intends to and has sufficient resources/ ability to complete development and to use or sell the asset.

Development expenditure is capitalised when the criteria for recognising an asset are met, usually when a regulatory filing has been made in a major market and approval is considered highly probable.

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Acquired research and development intangible assets which are under development, are recognised as In-Process Research and Development assets ("IPR&D"). IPR&D assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may

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not be recoverable. Any impairment charge on such IPR&D assets is recognised in the statement of profit and loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable.

The consideration for acquisition of intangible asset which is based on reaching specific milestone that are dependent on the Group's future activity is recognised only when the activity requiring the payment is performed.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, are recognised in the statement of profit and loss as incurred.

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets that are not available for use are amortised from the date they are available for use.

The estimated useful lives for Product related intangibles and Other intangibles range from 3 to 15 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in the statement of profit and loss, and is measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

h. Impairment of non-financial assets other than goodwill

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit (as defined below) is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

In respect of assets other than goodwill, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of

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whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed off is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale.

Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with Ind AS 109 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

j. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the date the Company commits to purchase or sell the financial assets.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all the changes recognised in the statement of profit and loss.

Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In respect of other financial assets (e.g. debt securities, deposits, bank balances etc.), the Group generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment,

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lifetime ECL is used for recognising impairment loss on such assets.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the parent company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the parent company's own equity instruments.

Compound financial instruments

The component of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and lease liabilities, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For instruments not held-for-trading financial liabilities designated as at FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. These gains/ losses are not subsequently transferred to profit or loss. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the statement of profit and loss.

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

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The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, full currency swap, principal only swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective

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portion is recognised immediately in profit or loss. The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(iii) Net Investment Hedge

The Group designates certain foreign currency liability as hedge against certain net investment in foreign subsidiaries. Hedges of net investments in foreign operations are accounted similar to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR')- a component of equity. The ineffective portion of the gain or loss on these hedges is immediately recognised in profit or loss. The amounts accumulated in equity are included in profit or loss when the foreign operation is disposed or partially disposed.

k. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l. Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade, stores and spares and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials, stock-in-trade, stores and spares includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition. Cost of work-in-progress and finished goods comprises direct material, direct labour , amortisation and depreciation of intangible / property, plant and equipment and an appropriate proportion of other variable and fixed overhead expenditure.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

m. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the

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amount of obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Restructuring

A provision for restructuring is recognised when the Group has a detailed formal restructuring plan and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received from the contract.

Contingent liabilities and contingent assets

Contingent liability is disclosed for,

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the consolidated financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

n. Revenue

Sale of goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks. Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts.

In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). The Group estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Profit Sharing Revenues

The Company from time to time enters into arrangements for the sale of its products in certain markets. Under such arrangements, the Company sells its products to the business partners at a base purchase price agreed upon in the arrangement and is also entitled to a profit share which is over and above the base purchase price. The profit share is typically dependent on the ultimate net sale proceeds or net profits, subject to any reductions or adjustments that are required by the terms of the arrangement.

Revenue in an amount equal to the base purchase price is recognised in these transactions upon delivery of products to the business partners. An additional amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

Out-licensing arrangements

Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Non-refundable up-front license fees received in connection with product out-licensing agreements are deferred and recognised

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over the period in which the Company has continuing performance obligations. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period the Company has continuing performance obligations, if the milestones are not considered substantive.

Sales returns

The Group accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Group's estimate of expected sales returns. With respect to established products, the Group considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. With respect to new products introduced by the Group, such products have historically been either extensions of an existing line of product where the Group has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Rendering of services

Revenue from services rendered is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Group and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

o. Dividend and interest income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

p. Government grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the Company deducts such grant amount from the carrying amount of the asset.

q. Employee benefits

Defined benefit plans

The Company operates a defined benefit gratuity plan which requires contribution to be made to a separately administered fund.

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting

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the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the statement of profit and loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in the statement of profit and loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

Termination benefits

Termination benefits are recognised as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term and Other long-term employee benefits

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Group's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

Defined contribution plans

The Group's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions. The Group does not have any obligation other than the contribution made.

r. Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is not recognised for the temporary differences that arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits and taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

The Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available

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against which the temporary difference can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the consolidated statement of changes in equity as part of the associated dividend payment.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

s. Exceptional items

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

t. Recent Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has issued following amendments:

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026, retrospectively, as outlined below:

Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of consolidated financial statements to not demand payment as a consequence of breach.

Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

Disclose information about the timing of settlement to understand the impact of the liability on the consolidated financial statements.

The Group does not expect this amendment to have an impact on its operations or consolidated financial statements.

Notes to the Consolidated Financial Statements

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NOTE: 3A (I) PROPERTY, PLANT AND EQUIPMENT

₹ in Million

	Freehold land	Buildings including given on lease *	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
At cost or deemed cost							
As at March 31, 2024	8,173.2	63,609.9	137,057.8	4,533.7	1,241.9	3,432.0	218,048.5
Foreign currency translation difference	106.4	1,103.3	1,439.0	53.6	(35.6)	26.0	2,692.7
Taken over on acquisition	-	-	130.6	-	-	3.1	133.7
Additions	5.2	1,314.0	7,365.3	314.6	350.1	344.8	9,694.0
Disposals	(429.3)	(183.5)	(3,134.7)	(74.7)	(131.7)	(160.0)	(4,113.9)
Reclassified to Assets held for Sale	-	(176.0)	(711.8)	(16.7)	(0.1)	(2.0)	(906.6)
As at March 31, 2025	**7,855.5**	**65,667.7**	**142,146.2**	**4,810.5**	**1,424.6**	**3,643.9**	**225,548.4**
Foreign currency translation difference	384.9	4,716.8	7,067.9	338.9	110.2	127.7	12,746.4
Additions	40.4	4,591.8	11,784.7	700.7	337.9	480.5	17,936.0
Disposals	(14.7)	(102.5)	(2,175.6)	(1,013.9)	(120.2)	(108.8)	(3,535.7)
As at March 31, 2026	**8,266.1**	**74,873.8**	**158,823.2**	**4,836.2**	**1,752.5**	**4,143.3**	**252,695.1**
Accumulated depreciation and impairment							
As at March 31, 2024	**-**	**25,962.3**	**88,570.6**	**3,613.1**	**647.3**	**2,483.0**	**121,276.3**
Foreign currency translation difference	-	579.7	1,145.5	45.4	(12.1)	20.4	1,778.9
Depreciation expense	-	2,133.3	9,026.1	251.6	196.8	394.7	12,002.5
Disposals	-	(162.2)	(3,035.3)	(68.1)	(106.7)	(142.5)	(3,514.8)
Reclassified to Assets held for Sale	-	(57.8)	(532.5)	(14.8)	(0.1)	(1.9)	(607.1)
As at March 31, 2025	**-**	**28,455.3**	**95,174.4**	**3,827.2**	**725.2**	**2,753.7**	**130,935.8**
Foreign currency translation difference	-	2,459.3	5,578.0	275.4	60.4	106.3	8,479.4
Depreciation expense	-	2,209.7	8,932.2	249.8	238.9	408.3	12,038.9
Disposals	-	(66.5)	(1,823.3)	(563.0)	(102.6)	(103.5)	(2,658.9)
As at March 31, 2026	**-**	**33,057.8**	**107,861.3**	**3,789.4**	**921.9**	**3,164.8**	**148,795.2**
Carrying amount							
As at March 31, 2025	**7,855.5**	**37,212.4**	**46,971.8**	**983.3**	**699.4**	**890.2**	**94,612.6**
As at March 31, 2026	**8,266.1**	**41,816.0**	**50,961.9**	**1,046.8**	**830.6**	**978.5**	**103,899.9**

Footnotes

* Includes certain premises given under operating lease or leave and license agreements having gross carrying value of ₹ 458.9 Million (March 31, 2025: ₹ 342.9 Million), accumulated depreciation of ₹ 100.0 Million (March 31, 2025: ₹ 80.8 Million) and net carrying value of ₹ 278.6 Million (March 31, 2025 ₹ 262.1 Million). The depreciation charge for the year in relation to them is ₹ 9.7 Million (March 31, 2025: ₹ 9.3 Million).

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 3A (II) RIGHT-OF-USE ASSETS

₹ in Million

	Leasehold land	Buildings	Furniture and fixtures	Vehicles	Office equipment	Total
At cost						
As at March 31, 2024	**2,293.0**	**4,416.7**	**2.5**	**2,901.5**	**21.4**	**9,635.1**
Foreign currency translation difference	24.3	98.3	0.1	94.7	0.5	217.9
Additions	0.7	741.3	-	1,300.9	14.6	2,057.5
Deletions	-	(408.8)	-	(941.0)	(1.1)	(1,350.9)
Reclassified to Assets held for Sale	(0.8)	-	-	-	-	(0.8)
As at March 31, 2025	**2,317.2**	**4,847.5**	**2.6**	**3,356.1**	**35.4**	**10,558.8**
Foreign currency translation difference	181.1	513.1	0.2	412.9	0.9	1,108.2
Additions	1,149.7	649.9	-	1,075.8	2.4	2,877.8
Deletions	(14.7)	(141.0)	-	(789.1)	(1.3)	(946.1)
As at March 31, 2026	**3,633.3**	**5,869.5**	**2.8**	**4,055.7**	**37.4**	**13,598.7**
Accumulated depreciation						
As at March 31, 2024	**559.5**	**2,491.4**	**2.1**	**1,413.4**	**17.7**	**4,484.1**
Foreign currency translation difference	5.5	45.2	0.1	38.4	0.7	89.9
Depreciation expense	42.3	582.8	0.4	820.3	2.3	1,448.1
Deletions	-	(307.6)	-	(902.3)	-	(1,209.9)
Reclassified to Assets held for Sale	(0.2)	-	-	-	-	(0.2)
As at March 31, 2025	**607.1**	**2,811.8**	**2.6**	**1,369.8**	**20.7**	**4,812.0**
Foreign currency translation difference	24.7	289.1	0.1	185.4	-	499.3
Depreciation expense	42.4	695.4	0.1	934.6	0.6	1,673.1
Deletions	(10.9)	(11.8)	-	(604.2)	-	(626.9)
As at March 31, 2026	**663.3**	**3,784.5**	**2.8**	**1,885.6**	**21.3**	**6,357.5**
Carrying amount						
As at March 31, 2025	**1,710.1**	**2,035.7**	**-**	**1,986.3**	**14.7**	**5,746.8**
As at March 31, 2026	**2,970.0**	**2,085.0**	**-**	**2,170.1**	**16.1**	**7,241.2**

(i) For details of Ind AS 116 disclosure refer Note 54.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 3B OTHER INTANGIBLE ASSETS OTHER THAN INTERNALLY GENERATED

₹ in Million

	Computer Software	Product related intangibles	Total
At cost or deemed cost			
As at March 31, 2024	5,569.0	124,262.3	129,831.3
Foreign currency translation difference	17.9	898.6	916.5
Taken over on acquisition	-	952.4	952.4
Additions	286.1	2,032.6	2,318.7
Disposals	(1.1)	(17.2)	(18.3)
Reclassified to Assets held for Sale	(5.9)	-	(5.9)
As at March 31, 2025	**5,866.0**	**128,128.7**	**133,994.7**
Foreign currency translation difference	94.1	12,288.0	12,382.1
Additions	832.6	91,518.6	92,351.2
Disposals	(4.5)	(134.0)	(138.5)
As at March 31, 2026	**6,788.2**	**231,801.3**	**238,589.5**
Accumulated amortisation and impairment			
As at March 31, 2024	**3,344.4**	**81,618.5**	**84,962.9**
Foreign currency translation difference	12.0	611.1	623.1
Amortisation expense	681.2	11,622.1	12,303.3
Disposals	(0.8)	(1.1)	(1.9)
Reclassified to Asset held for sale	(1.9)	-	(1.9)
As at March 31, 2025	**4,034.9**	**93,850.6**	**97,885.5**
Foreign currency translation difference	74.2	6,339.7	6,413.9
Amortisation expense	686.5	14,980.0	15,666.5
Disposals	(3.0)	(124.2)	(127.2)
As at March 31, 2026	**4,792.6**	**115,046.1**	**119,838.7**
Carrying amount			
As at March 31, 2025	**1,831.1**	**34,278.1**	**36,109.2**
As at March 31, 2026	**1,995.6**	**116,755.2**	**118,750.8**

Footnotes to 3A and 3B:

(a) Buildings include ₹ 8,620 (March 31, 2025: ₹ 8,620) towards cost of shares in a co-operative housing society and also include ₹ 4.5 Million (March 31, 2025 : ₹ 4.5 Million) towards cost of flats not registered in the name of the parent company but is entitled to right of use and occupancy.

(b) Product related intangibles consisting of trademarks, brands acquired, research and development, designs, technical know-how, licences, non-compete fees and other intangible assets are available to the Group in perpetuity. The amortisable amount of intangible assets is arrived at, based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Group.

(c) The aggregate amortisation has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

(d) During the year, the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangibles or both.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 3C ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Buildings	118.2	118.2
Computer Software	4.0	4.0
Furniture and fixtures	1.9	1.9
Leasehold land	6.5	0.6
Office equipment	0.1	0.1
Plant and equipment	178.3	179.3
	309.0	**304.1**

Net of accumulated depreciation and amortisation

The Company as a part of its ongoing initiative of network strategy and optimization of manufacturing facilities had identified divestment of its Ankleshwar facility. The plan involves transferring above assets and liabilities to a prospective buyer. The transfer is expected to be completed during the year 2026-27 and hence, these have been classified as held for sale. These assets and liabilities have been carried at cost as the same is lower than the fair value expected out of sale.

NOTE: 3D CAPITAL WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	**12,343.4**	**11,077.3**
Additions	15,907.6	9,025.1
Capitalised	(14,705.3)	(7,672.3)
Write offs	(36.0)	(41.2)
Foreign currency translation difference	296.8	(45.5)
Closing balance	**13,806.5**	**12,343.4**

NOTE: 3E INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	**54,096.2**	**42,461.5**
Additions	3,259.2	11,428.7
Capitalised	(42,049.6)	(859.0)
Impairment (Refer note 61 A and 36)	(1,701.0)	(71.3)
Foreign currency translation difference	3,106.0	1,136.3
Closing balance	**16,710.8**	**54,096.2**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

4. INVESTMENT IN ASSOCIATES (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
(Carrying amount determined using equity method of accounting)				
Unquoted, fully paid				
Equity instruments				
Medinstill LLC	2,176	284.5	1,999	501.6
Tarsier Pharma Ltd	476,284	343.4	476,284	390.5
Intact Solutions LLC	153	-	153	-
WRS Bioproducts Pty Ltd	428,571	209.7	740,071	193.2
Remidio Innovative Solutions Private Limited	1,077	-	1,077	-
Ezerx Health Tech Private Limited	6,315	307.3	6,315	295.4
Agatsa Software Private Limited	8,538	225.0	8,538	225.0
Less: Impairment in value of investment	-	(225.0)	-	(225.0)
Indian Foundation for Quality Management	25,000,000	250.0	12,500,000	125.0
Less: Impairment in value of investment	-	(250.0)	-	(125.0)
Haystack Analytics Private Limited	1	-	1	-
Preference shares				
Remidio Innovative Solutions Private Limited	474,511	1,407.3	474,511	1,415.1
Surgimatix Inc	627,184	205.1	627,184	229.4
Haystack Analytics Private Limited	20,184	334.9	18,319	312.1
Pharmazz Inc.	5,256,776	2,354.3	-	-
Limited liability partnership				
Trumpcard Advisors and Finvest LLP		665.3		677.1
Generic Solar Power LLP* [₹ Nil (March 31, 2025: ₹ Nil)]		-		-
		6,111.8		**4,014.4**
Aggregate carrying value of unquoted investments		6,111.8		4,014.4
Aggregate amount of impairment in value of investments		475.0		350.0

* Generic Solar Power LLP has been struck off during current year.

5. INVESTMENT IN JOINT VENTURE (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
(Carrying amount determined using equity method of accounting)				
Unquoted, fully paid				
Equity instruments				
Artes Biotechnology GmbH	15,853	400.4	15,853	472.9
		400.4		**472.9**
Aggregate carrying value of unquoted investments		400.4		472.9

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

6. INVESTMENTS (NON-CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments - Quoted - At fair value through other comprehensive income				
Krebs Biochemicals and Industries Limited	1,036,943	41.5	1,036,943	69.3
Shares of ₹ 10 each fully paid				
Krystal Biotech, Inc.	500,000	12,186.9	817,483	12,598.3
Shares of USD 0.00001 each fully paid				
scPharmaceuticals Inc.	-	-	1,702,679	382.8
Shares of USD 0.0001 each fully paid				
Organon & Co.	12,500,000	7,064.8	-	-
Shares of USD 0.01 each fully paid				
Others (equity instruments received as part of distribution)		138.0		89.5
Equity instruments - Quoted - At fair value through Profit or Loss		596.6		646.6
Equity instruments - Unquoted - At fair value through Profit or Loss				
Shimal Research Laboratories Limited	9,340,000	934.0	9,340,000	934.0
Shares of ₹ 10 each fully paid				
Less: Impairment in value of investment		(934.0)		(934.0)
Biotech Consortium India Limited	50,000	0.5	50,000	0.5
Shares of ₹ 10 each fully paid				
Less: Impairment in value of investment		(0.5)		(0.5)
Reanal Finomvegyszergyar Zrt.	38,894	228.7	38,894	220.1
Less: Impairment in value of investment		(228.7)		(220.1)
Lyndra Therapeutics Inc	78,661,289	2,830.7	78,661,289	2,564.3
Shares of USD 0.001 each fully paid				
Less: Impairment in value of investment		(2,830.7)		(2,564.3)
Cosmose Inc		556.7		247.9
Triveni Bio, Inc	4,969,560	377.4	4,969,560	341.9
Shares of USD 0.00001 each fully paid				
Others		6.8		7.5
Limited liability partnership - Unquoted - At fair value through other comprehensive income				
ABCD Technologies LLP		519.0		404.1
Debentures/bonds - Quoted - At fair value through other comprehensive income				
Bonds (various small denomination)*		3,813.9		19,490.4
Adani Ports and Special Economic Zone Ltd 4.00% maturing July 30, 2027	15,000,000	1,391.1	11,000,000	888.4
Vedanta Resources Finance II Plc 10.25% maturing June 03, 2028	12,000,000	1,153.6	12,000,000	1,087.1
Adani Transmission Step-One Ltd 4.00% maturing August 03, 2026	-	-	10,000,000	826.1
ONGC Videsh Vankorneft Pte Ltd 3.75% maturing July 27, 2026	-	-	7,700,000	654.0
Goldman Sachs Bank USA 5.283% maturing March 18, 2027	-	-	5,080,000	437.8
Venture funds - Unquoted - At fair value through Profit or Loss		**3,181.7**		**3,010.5**
Others - Quoted - At fair value through other comprehensive income (small denomination U.S. Treasuries, certificate of deposits, commercial papers, etc.)		350.5		1,307.5
		31,378.5		**42,489.7**
Aggregate book value (carrying value) of quoted investments		26,736.9		38,477.8
Aggregate amount of quoted investments at market value		26,736.9		38,477.8
Aggregate amount of unquoted investments before impairment		8,635.5		7,730.8
Aggregate amount of impairment in value of investments		3,993.9		3,718.9

*Various small denomination bonds individually below USD 5 Million comprised of sovereign bonds, corporate bonds, perpetual bonds, etc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 7 LOANS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to employees		
Unsecured, considered good	17.6	27.9
	17.6	**27.9**

NOTE: 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Security deposits - unsecured, considered good	638.7	524.8
Share application money pending allotment and money paid towards equity based agreements*	-	641.1
Others	27.4	604.5
	666.1	**1,770.4**

* March 2025: Pharmazz Inc.

NOTE: 9 INCOME TAX ASSET (NET) [NON-CURRENT]

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Advance income tax (net of provisions)*	6,451.3	4,206.7
	6,451.3	**4,206.7**

* Includes amount paid under protest

NOTE: 10 OTHER ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Capital advances	1,425.6	2,164.7
Prepaid expenses	489.9	636.8
Balances with government authorities*	2,794.5	2,599.7
	4,710.0	**5,401.2**

* Include amount paid under protest

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 11 INVENTORIES

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Lower of cost and net realisable value		
Raw materials and packing materials	41,277.4	33,870.3
Goods-in-transit	513.4	492.9
	41,790.8	**34,363.2**
Work-in-progress	19,125.5	20,192.3
Finished goods	41,335.0	37,094.2
Stock-in-trade	10,489.9	8,550.0
Goods-in-transit	100.9	94.4
	10,590.8	**8,644.4**
Stores and spares	2,087.2	2,139.2
	114,929.3	**102,433.3**

(i) Inventory write downs are accounted considering the nature of inventory, estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products as well as the provisioning policy. Write downs of inventories amounted to ₹ 24,397.0 Million (March 31, 2025: ₹ 25,357.9 Million). The impact of write downs are recognised in the consolidated statement of profit and loss. During the year the Group reassessed its estimation for non moving inventory provisioning leading to a reduction of inventory provision by ₹ 1,686.1 Million.

(ii) The cost of inventories recognised as an expense is disclosed in notes 32, 33 and 36 and as purchases of stock-in-trade in the consolidated statement of profit and loss.

NOTE: 12 INVESTMENTS (CURRENT)

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments - Quoted - At fair value through Profit or Loss		**261.6**		**175.8**
Bonds/debentures - Quoted - At fair value through other comprehensive income				
Bonds (various small denomination investments)#		14,686.5		19,942.0
NTPC Ltd 4.25% maturing February 26, 2026	-	-	24,243,000	2,072.3
Bharat Petroleum Corporation Ltd 4.00% maturing May 08, 2025	-	-	10,140,000	879.7
AT&T Inc 1.70% maturing March 25, 2026	-	-	5,821,000	484.1
Adani Transmission Step-One Ltd 4.00% maturing August 03, 2026	5,000,000	474.3	-	-
Mutual funds * - Unquoted - At fair value through Profit or Loss				
Aditya Birla Sun Life liquid Fund Growth Direct Plan	31,551,926	14,042.2	17,495,203	7,325.7
Axis Liquid Fund - Direct Growth	3,895,495	11,938.2	2,527,042	7,287.0
Bandhan Liquid Fund -Direct Plan - Growth	2,537,826	8,442.8	1,238,746	3,880.4
DSP Liquidity Fund - Direct Plan - Growth	2,511,470	9,897.2	1,424,412	5,282.1
Bajaj Finserv Liquid Fund - Direct Plan - Growth	2,482,368	2,985.0	1,472,033	1,666.4
Franklin India Liquid Fund-Super Institutional Plan - Direct Plan - Growth	392,727	1,626.3	81,622	318.1
Mirae Asset Liquid Fund (formerly Mirae Asset Cash Management Fund) Direct Plan Growth	2,218,600	6,456.8	1,420,608	3,891.8
HDFC Liquid Fund - Direct Plan - Growth Option	2,272,828	12,295.7	1,423,275	7,249.4
ICICI Prudential Liquid plan - Direct Plan - Growth	33,469,039	13,644.8	19,280,885	7,401.8
Invesco India Liquid Fund - Direct Plan - Growth	2,002,094	7,569.4	1,054,299	3,753.2
Kotak Liquid Fund- Direct Plan - Growth	2,486,695	13,839.6	1,418,056	7,429.7
Baroda BNP Paribas Liquid Fund - Direct Growth	2,022,272	6,422.8	1,412,187	4,223.4

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

	As at March 31, 2026		As at March 31, 2025	
	Quantity	₹ in Million	Quantity	₹ in Million
Edelweiss Liquid Fund - Direct Plan - Growth	1,483,152	5,281.3	658,590	2,207.0
LIC Mutual Fund Liquid Fund - Direct Plan - Growth	1,357,819	6,791.1	774,127	3,645.5
SBI Liquid Fund Direct Growth	2,633,590	11,340.5	1,765,499	7,160.8
Nippon India Liquid Fund Direct Plan- Growth	1,762,332	11,885.3	1,143,489	7,257.6
HSBC Liquid Fund - Direct Growth (Formerly known as HSBC Cash Fund Growth Direct Plan)	3,261,754	8,953.4	2,420,077	6,254.3
UTI Liquid Fund - Direct Plan - Growth	2,168,586	9,795.4	1,703,228	7,240.8
Canara Robeco Liquid - Direct Growth	1,089,690	3,598.9	488,453	1,518.1
JM High Liquid Fund (Direct) - Growth Option	16,578,226	1,246.4	12,351,398	874.8
Sundaram Liquid Fund Direct Plan Growth	1,245,337	3,031.3	1,065,047	2,440.8
Tata Liquid Fund-Direct Plan - Growth	2,478,518	10,780.8	1,789,746	7,323.8
Union Liquid Fund Growth - Direct Plan	1,497,470	3,980.1	705,515	1,764.9
TRUSTMF Liquid Fund (LF - DG)	300,659	401.0	-	-
Mahindra Manulife Liquid Fund Direct Growth	279,379	501.4	-	-
Parag Parikh Liquid Fund Direct - Growth	1,154,356	1,758.6	-	-
JioBlackRock Liquid Fund - Direct - Growth	4,177,011	4,362.7	-	-
Others - Quoted - At fair value through other comprehensive income (small denomination U.S Treasuries, certificate of deposits, commercial papers, etc.)		**1,043.1**		**5,609.7**
		209,334.5		**136,561.0**
Aggregate book value (carrying value) of quoted investments		16,465.5		29,163.6
Aggregate amount of quoted investments at market value		16,465.5		29,163.6
Aggregate amount of unquoted investments before impairment		192,869.0		107,397.4
Aggregate amount of impairment in value of investments		-		-

*Investments in mutual funds have been fair valued at closing net asset value (NAV).

#Various small denomination bonds individually below USD 5 Million comprised of sovereign bonds, corporate bonds, perpetual bonds, etc .

NOTE: 13 TRADE RECEIVABLES

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	155,096.7	130,461.1
Credit impaired	2,924.1	3,262.0
	158,020.8	**133,723.1**
Less : Allowance for credit impaired	(2,924.1)	(3,262.0)
	155,096.7	**130,461.1**

NOTE: 14 CASH AND CASH EQUIVALENTS

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Balance with banks		
In current accounts	54,572.8	32,245.4
In deposit accounts with original maturity less than 3 months	42,694.8	69,718.2
Cheques, drafts on hand	419.8	708.2
Cash on hand	17.7	15.9
	97,705.1	**102,687.7**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 15 BANK BALANCES OTHER THAN DISCLOSED IN NOTE 14 ABOVE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deposit accounts (with original maturity more than 3 months but less than 12 months)	18,106.2	10,428.5
Earmarked balances with banks		
Unpaid dividend accounts	179.0	148.3
Balances held as margin money or security against guarantees and other commitments	40.5	51.7
	18,325.7	**10,628.5**

NOTE: 16 LOANS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans to related parties		
Unsecured, considered good (Refer note 68)	282.9	256.3
Unsecured, credit impaired (Refer note 68)	1,548.9	1,403.1
Less : Allowance for credit impaired	(1,548.9)	(1,403.1)
	282.9	**256.3**
Loans to employees/others*		
Secured, considered good	0.4	0.6
Unsecured, considered good	243.7	226.9
Unsecured, credit impaired	125.4	115.1
Less : Allowance for credit impaired	(125.4)	(115.1)
	244.1	**227.5**
	527.0	**483.8**

* Others: Loans given to various parties at prevailing market interest rate.

NOTE: 17 OTHER FINANCIAL ASSETS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued on investments/ balances with banks	525.2	615.4
Security deposits (unsecured, considered good)	260.5	227.0
Derivatives designated as hedges	-	0.1
Derivatives not designated as hedges	176.9	652.4
Refund due from government authorities	1,945.5	3,803.9
Unbilled Revenue (Refer note 53)	-	148.6
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	10,020.0	11,550.0
Other receivables (unsecured)	2,648.8	1,949.2
Less : Allowance for doubtful receivables*	(1,540.0)	(1,540.0)
	14,036.9	**17,406.6**

* The Group is carrying an allowance of ₹ 1,540.0 Million (March 31, 2025 : ₹ 1,540.0 Million) based on assessment regarding its future recoverability.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 18 OTHER ASSETS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Export incentives receivable	84.5	84.9
Prepaid expenses	4,589.1	3,749.9
Advances for supply of goods and services		
Considered good	5,655.8	5,160.0
Considered doubtful	833.0	855.1
Less : Allowance for doubtful	(833.0)	(855.1)
Balances with government authorities*	17,651.3	15,550.3
Others	667.0	733.5
	28,647.7	**25,278.6**

* Include balances of goods and services tax.

NOTE: 19 EQUITY SHARE CAPITAL

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Authorised				
Equity shares of ₹ 1 each (Refer note 41)	6,169,700,000	6,169.7	5,990,000,000	5,990.0
Cumulative preference shares of ₹ 100 each	100,000	10.0	100,000	10.0
		6,179.7		**6,000.0**
Issued, subscribed and fully paid up				
Equity Shares of ₹ 1 each (Refer note 41)	2,399,334,970	2,399.3	2,399,334,970	2,399.3
	2,399,334,970	**2,399.3**	**2,399,334,970**	**2,399.3**

NOTE: 20 OTHER EQUITY

₹ in Million

	As at March 31, 2026	As at March 31, 2025
A) Reserve and surplus		
Capital reserve	3,681.7	3,681.7
Securities premium	11,874.1	11,874.1
Amalgamation reserve	43.8	43.8
Capital redemption reserve	7.5	7.5
Legal reserve	288.5	285.5
General reserve	841.7	35,621.0
Retained earnings	693,546.3	578,618.4
B) Items of other comprehensive income (OCI)		
Debt instrument through other comprehensive income	240.2	245.4
Equity instrument through other comprehensive income	6,761.9	9,509.2
Foreign currency translation reserve	118,142.8	79,878.9
Effective portion of cash flow hedges	(2,126.9)	15.4
	833,301.6	**719,780.9**

Refer consolidated statement of changes in equity for detailed movement in above balances.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Nature and purpose of each reserve

Capital reserve - During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Securities premium - The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

Amalgamation reserve - The reserve was created pursuant to scheme of amalgamation in earlier years.

Capital redemption reserve - The Group has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

Legal reserve - The reserve has been created by an overseas subsidiaries in compliance with requirements of local laws.

General reserve - The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings - The reserve is the profit/ (loss) that the Company has earned/ incurred till date, less/ add any transfers to/ from general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/ (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Debt instrument through OCI - This represents the cumulative gain and loss arising on fair valuation of debt instruments measured through other comprehensive income. This amount will be reclassified to statement of profit and loss account on derecognition of debt instrument.

Equity instrument through OCI - The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

Foreign currency translation reserve - Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to consolidated profit or loss on the disposal of the foreign operation.

Effective portion of cash flow hedges - The cash flow hedging reserve represents the cumulative effective portion of gain or loss arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedges reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

NOTE: 21 BORROWINGS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Term loans		
From others (unsecured)	-	**25.2**
From banks (unsecured)	312.6	-
	312.6	**25.2**

Also refer note 66 for borrowings (non-current)

NOTE: 22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deferred consideration on acquisition of subsidiary (Refer Note 77 and 79)	6,307.9	106.8
	6,307.9	**106.8**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 23 PROVISIONS (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Employee benefits	5,027.1	4,534.6
Others (Refer note 60)	94.7	115.8
	5,121.8	**4,650.4**

NOTE: 24 OTHER LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Deferred revenue (Refer note 53)	3,480.4	3,767.4
Others	86.3	85.0
	3,566.7	**3,852.4**

NOTE: 25 BORROWINGS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand		
From banks (unsecured)	2,533.6	1,431.5
From Others (unsecured)	230.2	144.5
Other loans		
From banks (unsecured)	37,739.7	17,095.1
	40,503.5	**18,671.1**

Also refer note 67 for borrowings (current)

NOTE: 26 OTHER FINANCIAL LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest accrued	27.7	43.7
Unpaid dividends	179.8	149.1
Security deposits	77.3	73.2
Payables on purchase of property, plant and equipment and other intangible assets	5,957.5	6,735.8
Derivatives designated as hedges	2,933.0	70.3
Derivatives not designated as hedges	1,975.1	17.9
Payables to employee	14,226.0	11,625.7
Others*	345.4	762.7
	25,721.8	**19,478.4**

* Include claims, recall charges, milestone obligations, trade and other commitments.

NOTE: 27 OTHER LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Statutory remittances	8,643.8	10,242.2
Advance from customers (Refer note 53)	1,373.3	247.6
Deferred revenue (Refer note 53)	1,583.5	1,095.9
Others	274.7	112.2
	11,875.3	**11,697.9**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 28 PROVISIONS (CURRENT)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Employee benefits	10,988.6	7,186.4
Others (Refer note 60)	48,452.0	54,364.9
	59,440.6	**61,551.3**

NOTE: 29 CURRENT TAX LIABILITIES (NET)

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Provision for income tax (Net of advance income tax)	13,500.4	7,331.8
	13,500.4	**7,331.8**

NOTE: 30 REVENUE FROM OPERATIONS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers (Refer note 53)	582,201.1	520,412.5
Other operating revenues*	2,419.3	5,371.9
	584,620.4	**525,784.4**

* include government grants of ₹ 1,986.3 Million (March 31, 2025: ₹ 4,252.3 Million) recognised by parent company and its Indian subsidiaries.

NOTE: 31 OTHER INCOME

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on:		
Bank deposits at amortised cost	5,407.2	4,767.2
Loans at amortised cost	17.9	10.5
Investments in debt instruments at fair value through other comprehensive income	1,971.0	3,603.5
Others [includes interest on income tax refund of ₹ 1,280.8 Million (March 31, 2025 : ₹ 3,510.6 Million)]	1,753.9	3,920.1
	9,150.0	**12,301.3**
Dividend income on investments	594.0	669.0
Net gain/ (loss) on sale of financial assets measured at fair value through profit or loss	7,799.4	3,958.1
Net gain/ (loss) on sale of financial assets measured at fair value through other comprehensive income	32.5	171.4
Net gain/ (loss) arising on financial assets measured at fair value through profit or loss	929.1	1,337.8
Profit on sale / write off of property, plant and equipment and intangible assets, net	31.6	119.0
Sundry balances written back, net	3.2	56.2
Insurance claims	169.1	230.4
Lease rental and hire charges	164.6	186.6
Miscellaneous income	843.7	620.6
	19,717.2	**19,650.4**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 32 COST OF MATERIALS CONSUMED

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials and packing materials		
Inventories at the beginning of the year	34,363.2	31,295.6
Purchases during the year	79,473.0	67,269.4
Foreign currency translation difference	1,844.8	289.2
Inventories at the end of the year	(41,790.8)	(34,363.2)
	73,890.2	**64,491.0**

NOTE: 33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the beginning of the year		
Finished goods	37,094.2	37,345.0
Stock-in-trade	8,644.4	8,462.7
Work-in-progress	20,192.3	20,097.6
	65,930.9	**65,905.3**
Less:		
Inventories at the end of the year		
Finished goods	41,335.0	37,094.2
Stock-in-trade	10,590.8	8,644.4
Work-in-progress	19,125.5	20,192.3
	71,051.3	**65,930.9**
Changes in inventories:		
Finished goods	(4,240.8)	250.8
Stock-in-trade	(1,946.4)	(181.7)
Work-in-progress	1,066.8	(94.7)
Inventories taken over on acquisition	-	76.8
Foreign currency translation difference	8,551.7	1,451.9
	3,431.3	**1,503.1**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	100,590.6	88,181.1
Contribution to provident and other funds*	7,796.3	6,573.9
Staff welfare expenses	5,801.7	4,976.2
	114,188.6	**99,731.2**

* Includes gratuity expense of ₹ 1,217.5 Million (March 31, 2025: ₹ 871.5 Million)

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

NOTE: 35 FINANCE COSTS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense:		
- for financial liabilities carried at amortised cost	2,284.3	1,305.6
- others (includes interest on income tax and lease liability)	1,104.8	1,008.0
	3,389.1	**2,313.6**

NOTE: 36 OTHER EXPENSES

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of materials, stores and spare parts	9,621.4	8,258.9
Conversion and other manufacturing charges	6,673.2	6,242.6
Power and fuel	8,136.6	7,504.0
Rent	994.0	777.4
Rates and taxes	10,047.5	7,450.9
Insurance	3,190.3	3,272.3
Selling, promotion and distribution	66,105.6	54,600.9
Commission on sales	1,988.5	2,108.6
Repairs and maintenance	9,349.6	8,110.9
Printing and stationery	2,152.4	1,888.6
Travelling and conveyance	10,343.4	9,107.8
Freight outward and handling charges	9,388.3	9,059.1
Communication	1,183.5	976.2
Provision/ write off/ (reversal) for doubtful trade receivables/ advances	634.1	1,808.3
Professional, legal and consultancy	32,593.0	32,609.9
Donations	426.5	952.0
Loss on sale/ write off of property, plant and equipment and other intangible assets, net	96.1	65.5
Payment to auditors (net of input credit, wherever applicable)	324.9	377.5
Provision for impairment of investments	125.0	350.0
Loss on disposal of subsidiary	-	217.5
Impairment of property, plant and equipment, other intangible assets and intangible asset under development	193.4	71.3
Miscellaneous expenses	16,515.5	11,907.8
	190,082.8	**167,718.0**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 37 RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDED IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	9,818.5	9,765.9
Contribution to provident and other funds	795.5	767.8
Staff welfare expenses	365.6	342.7
Consumption of materials, stores and spare parts	5,087.2	4,282.2
Power and fuel	319.3	345.4
Rates and taxes	1,206.1	908.9
Rent	350.7	223.4
Insurance	145.9	147.5
Repairs and maintenance	886.6	814.6
Printing and stationery	40.5	36.1
Travelling and conveyance	268.4	262.8
Communication	43.8	39.7
Professional, legal and consultancy	11,628.8	10,614.2
Miscellaneous expenses	3,784.1	2,990.7
	34,741.0	**31,541.9**
Less:		
Receipts from research activities	9.2	181.2
Miscellaneous income	18.1	17.9
	27.3	**199.1**
	34,713.7	**31,342.8**

NOTE: 38

a) List of entities included in the consolidated financial statements is as under:

		Country of Incorporation	Effective ownership for the year ended As at March 31, 2026	Effective ownership for the year ended As at March 31, 2025
	Parent Company			
	Sun Pharmaceutical Industries Limited			
1	Green Eco Development Centre Limited	India	- (Refer note e)	100.00%
2	Sun Pharmaceutical (Bangladesh) Limited	Bangladesh	72.50%	72.50%
3	Sun Pharma De Mexico S.A. DE C.V.	Mexico	100.00%	100.00%
4	Sun Pharma Japan Ltd.	Japan	100.00%	100.00%
5	Sun Pharma De Venezuela, C.A.	Venezuela	100.00%	100.00%
6	Sun Pharma Laboratories Limited	India	100.00%	100.00%
7	Faststone Mercantile Company Private Limited	India	- (Refer note e)	100.00%
8	Neetnav Real Estate Private Limited	India	100.00%	100.00%
9	Realstone Multitrade Private Limited	India	- (Refer note e)	100.00%
10	Skisen Labs Private Limited	India	- (Refer note e)	100.00%
11	Sun Pharma Holdings	Mauritius	100.00%	100.00%
12	Softdeal Pharmaceutical Private Limited	India	100.00%	100.00%
13	Sun Pharma (Netherlands) B.V.	Netherlands	100.00%	100.00%
14	Foundation for Disease Elimination and Control of India	India	100.00% (Refer note f)	100.00% (Refer note f)
15	Zenotech Laboratories Limited	India	68.84% (Refer note g)	68.84% (Refer note g)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
16	Sun Pharma Community Healthcare Society	India	100.00% (Refer note f)	100.00% (Refer note f)
17	Sun Pharma Science Foundation	India	100.00% (Refer note f)	100.00% (Refer note f)
18	Sun Farmaceutica do Brasil Ltda.	Brazil	100.00%	99.99%
19	Sun Pharma France	France	100.00%	100.00%
20	Sun Pharmaceutical Industries, Inc.	United States of America	100.00%	100.00%
21	Ranbaxy (Malaysia) SDN. BHD.	Malaysia	97.53%	96.10%
22	Ranbaxy Nigeria Limited	Nigeria	86.16%	86.16%
23	Chattem Chemicals Inc.	United States of America	100.00%	100.00%
24	The Taro Development Corporation	United States of America	100.00%	100.00%
25	Alkaloida Chemical Company Zrt.	Hungary	100.00%	99.99%
26	Sun Pharmaceutical Industries (Australia) Pty Limited	Australia	100.00%	100.00%
27	Aditya Acquisition Company Ltd.	Israel	100.00%	99.99%
28	Sun Pharmaceutical Industries (Europe) B.V.	Netherlands	100.00%	99.99%
29	Sun Pharmaceuticals Germany GmbH	Germany	100.00%	99.99%
30	Sun Pharma Philippines, Inc.	Philippines	100.00%	100.00%
31	Caraco Pharmaceuticals Private Limited	India	100.00%	100.00%
32	Sun Pharmaceutical Peru S.A.C.	Peru	100.00%	100.00%
33	Sun Laboratories FZE	United Arab Emirates	100.00%	100.00%
34	Taro Pharmaceutical Industries Ltd. (Taro)	Israel (Refer note b)	100.00%	99.99%
35	Sun Pharma Canada Inc. (Formerly known as Taro Pharmaceuticals Inc.)	Canada	100.00%	99.99%
36	Taro Pharmaceuticals U.S.A., Inc.	United States of America	100.00%	99.99%
37	Taro Pharmaceuticals North America, Inc.	Cayman Islands, British West Indies	100.00%	99.99%
38	Taro Pharmaceuticals Europe B.V.	Netherlands	- (Refer note h)	99.99%
39	Taro International Ltd.	Israel	100.00%	99.99%
40	3 Skyline LLC	United States of America	100.00%	99.99%
41	One Commerce Drive LLC	United States of America	100.00%	99.99%
42	2 Independence Way LLC	United States of America	100.00%	100.00%
43	Universal Enterprises Private Limited	India	100.00%	100.00%
44	Sun Pharma Switzerland Ltd.	Switzerland	100.00%	99.99%
45	Sun Pharma East Africa Limited	Kenya	100.00%	100.00%
46	PI Real Estate Ventures, LLC	United States of America	100.00%	100.00%
47	Sun Pharma ANZ Pty Ltd	Australia	100.00%	100.00%
48	Ranbaxy Farmaceutica Ltda.	Brazil	100.00%	100.00%
49	Sun Pharma Canada Inc.	Canada	- (Note i)	99.99%
50	Sun Pharma Egypt LLC	Egypt	100.00%	100.00%
51	Rexcel Egypt LLC	Egypt	100.00%	100.00%
52	Basics GmbH	Germany	100.00%	100.00%
53	Sun Pharma Italia srl	Italy	100.00%	100.00%
54	Sun Pharmaceutical Industries S.A.C.	Peru	100.00%	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
55	Ranbaxy (Poland) SP. Z O.O.	Poland	100.00%	100.00%
56	SC Terapia SA	Romania	96.81%	96.81%
57	AO Ranbaxy	Russia	100.00%	100.00%
58	Ranbaxy South Africa (Pty) Ltd.	South Africa	100.00%	100.00%
59	Ranbaxy Pharmaceuticals (Pty) Ltd.	South Africa	100.00%	100.00%
60	Sonke Pharmaceuticals Proprietary Limited	South Africa	70.00%	70.00%
61	Sun Pharma Laboratorios, S.L.U.	Spain	100.00%	100.00%
62	Sun Pharma UK Limited	United Kingdom	100.00%	100.00%
63	Sun Pharma Holdings UK Limited	United Kingdom	100.00%	100.00%
64	Ranbaxy Inc.	United States of America	100.00%	100.00%
65	Ranbaxy (Thailand) Co., Ltd.	Thailand	100.00%	100.00%
66	Ohm Laboratories, Inc.	United States of America	100.00%	100.00%
67	Ranbaxy Signature LLC	United States of America	67.50%	67.50%
68	Sun Pharmaceuticals Morocco LLC	Morocco	100.00%	100.00%
69	Ranbaxy Pharmaceuticals Ukraine LLC	Ukraine	100.00%	100.00%
70	Sun Pharmaceutical Medicare Limited	India	- (Refer note e)	100.00%
71	JSC Biosintez	Russia	100.00%	100.00%
72	Sun Pharmaceuticals Holdings USA, Inc.	United States of America	100.00%	100.00%
73	Zenotech Inc	United States of America	68.84% (Refer note g)	68.84% (Refer note g)
74	Zenotech Farmaceutica Do Brasil Ltda.	Brazil	45.69% (Refer note g)	45.69% (Refer note g)
75	Sun Pharma Distributors Limited	India	100.00%	100.00%
76	Realstone Infra Limited	India	100.00%	100.00%
77	Sun Pharmaceuticals (EZ) Limited	Bangladesh	72.49%	72.49%
78	Sun Pharma (Shanghai) Co.,Ltd.	China	100.00%	100.00%
79	Sun Pharma Japan Technical Operations Limited	Japan	-	- (Refer note j)
80	Alchemee, LLC	United States of America	100.00%	99.99%
81	The Proactiv Company Holdings, Inc.	United States of America	100.00%	99.99%
82	Proactiv YK	Japan	100.00%	99.99%
83	The Proactiv Company KK	Japan	100.00%	99.99%
84	Alchemee Skincare Corporation	Canada	100.00%	99.99%
85	Concert Pharma Ireland Limited	Ireland	100.00%	100.00%
86	SP New Milford Parent LLC	United States of America	100.00%	100.00%
87	SP Housatonic LLC	United States of America	100.00%	100.00%
88	SP Housatonic II LLC	United States of America	100.00%	100.00%
89	SP Housatonic III LLC	United States of America	100.00%	100.00%
90	Sun Pharma Middle East FZ - LLC	United Arab Emirates	100.00%	100.00%
91	Libra Merger Ltd.	Israel	-	- (Refer note k)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
92	Taro Pharma Corporation, Inc.	United States of America	100.00%	99.99%
93	Vivaldis Health and Foods Private Limited	India	60.11%	60.11%
94	Sun Pharma Luxembourg S.A (Formerly known as Valstar S.A.)	Luxembourg	100.00%	100.00%
95	Sun Pharmaceuticals North Africa SA (Formerly Known as Kemipharm S.A.)	Morocco	100.00%	100.00%
96	Snoopy Merger Sub, Inc.	United States of America	- (Refer note l)	100.00%
97	Antibe Therapeutics Inc.	Canada	- (Refer note m)	99.99%
98	Sun Pharma (Hainan) Company Limited	China	100.00%	-
99	Checkpoint Therapeutics, Inc.	United States of America	100.00%	-
	Name of Joint Venture Entity			
100	Artes Biotechnology GmbH	Germany	45.00%	45.00%
	Name of Associates			
101	Medinstill LLC	United States of America	21.38%	21.38%
102	Generic Solar Power LLP	India	28.76% (Refer note o)	28.76%
103	Trumpcard Advisors and Finvest LLP	India	40.61%	40.61%
104	Tarsier Pharma Ltd.	Israel	17.68%	19.27%
105	WRS Bioproducts Pty Ltd.	Australia	12.50%	12.50%
106	Remidio Innovative Solutions Private Limited	India	29.15%	29.15%
107	Agasta Software Private Limited	India	23.47%	23.47%
108	Ezerx Health Tech Private Limited	India	35.84%	35.84%
109	Surgimatix Inc	United States of America	12.49%	13.64%
110	Haystack Analytics Private Limited	India	8.26%	8.16%
111	Indian Foundation for Quality Management	India	12.66%	9.09%
112	Pharmazz Inc.	United States of America	16.60%	-
	Name of Subsidiary of Associates			
113	Composite Power Generation LLP	India	36.90%	36.90%
114	Vintage Power Generation LLP	India	39.41%	39.41%
115	Vento Power Generation LLP	India	40.55%	40.55%
116	HRE LLC	United States of America	-	- (Refer note n)
117	HRE II LLC	United States of America	-	- (Refer note n)
118	HRE III LLC	United States of America	-	- (Refer note n)
119	Dr. Py Institute LLC	United States of America	-	- (Refer note n)
120	Medinstill Development LLC	United States of America	-	- (Refer note n)
121	ALPS LLC	United States of America	-	- (Refer note n)
122	Intact Pharmaceuticals LLC	United States of America	-	- (Refer note n)
123	Intact Media LLC	United States of America	-	- (Refer note n)
124	Intact Solutions LLC	United States of America	19.92%	19.92%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2026	As at March 31, 2025
125	Intact Closed Transfer Connectors LLC	United States of America	-	- (Refer note n)
126	Intact PUR-Needle LLC	United States of America	-	- (Refer note n)
127	Medios Technologies Pte.Ltd.	Singapore	29.15%	29.15%
128	Remidio Innovative Solutions Inc.	United States of America	29.15%	29.15%
129	Pharmazz EU Limited	Ireland	16.60%	-
130	Pharmazz UK Limited	England	16.60%	-
131	Pharmazz Europe Limited	England and Wales	16.60% (Refer note p)	-
132	Pharmazz India Private Limited	India	12.62%	-
b	**Following are the details of the Group's holding in Taro:**			
	Voting power		100.00%	99.99%
	Beneficial ownership		100.00%	99.99%

c In respect of entities at Sr. Nos. 3, 32, 57, 69, 71, 78, 94, 98, 100, 101, 104, 105, 109, 112 and 124 the reporting date is different from the reporting date of the Parent Company.

d In respect of entities at Sr. No. 98 and 99 has been incorporated/ acquired during the year ended March 31, 2026. Also, for entity at Sr No. 112 and 129 to 132 investment has been made during the year ended March 31, 2026.

e On October 7, 2025, the National Company Law Tribunal approved Composite Scheme of Arrangement of amalgamation of five wholly-owned subsidiaries (Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) into the Sun Pharmaceutical Industries Limited (Parent Company).

f Foundation for Disease Elimination and Control of India (a wholly owned subsidiary), Sun Pharma Community Healthcare Society (parent company being founder corporate member) and Sun Pharma Science Foundation (parent company being founder corporate member) are not for profit entities (NPEs). Based on recent clarifications issued on regulatory requirement, these entities were considered for consolidation from FY 2024-25. These entities are immaterial to the Group.

g Books of accounts and other related records/documents of the overseas subsidiaries of the Zenotech Laboratories Limited were missing and due to non-availability of those records/information, Zenotech Laboratories Limited is unable to prepare consolidated accounts.

h Taro Pharmaceuticals Europe B.V. was merged in to Sun Pharmaceutical Industries (Europe) B.V. w.e.f August 19, 2025.

i Sun Pharma Canada Inc. was merged in to Taro Pharmaceuticals Inc. w.e.f. April 1, 2025, and Taro Pharmaceuticals Inc. was subsequently renamed as Sun Pharma Canada Inc.

j With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the Company.

k Libra Merger Ltd was merged in to Taro Pharmaceutical Industries Ltd. (Taro) w.e.f June 24, 2024.

l Snoopy Merger Sub, Inc. was merged in to Checkpoint Therapeutics, Inc. w.e.f May 30, 2025

m Antibe Therapeutics Inc. was merged with Sun Pharma Canada Inc. (Formely known as Taro Pharmaceuticals Inc.) w.e.f June 1, 2025

n HRE LLC, Dr. Py Institute LLC, Medinstill Development LLC, ALPS LLC, Intact Pharmaceuticals LLC, Intact Media LLC, Intact Closed Transfer Connectors LLC and Intact PUR-Needle LLC were merged in to Intact Solution LLC. HRE II LLC, HRE III LLC were merged in to Medinstill LLC w.e.f November 30, 2024.

o Generic Solar Power LLP is struck off as at March 31, 2026.

p With effect from November 11, 2025, Pharmazz Europe Limited has been dissolved.

q Material Accounting Policies and other Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding of the consolidated position of the Group. Recognising this purpose, the Group has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 39 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Million

		As at March 31, 2026	As at March 31, 2025
A	**Contingent liabilities**		
I)	Claims against the Group not acknowledged as debts	445.5	454.2
II)	Liabilities disputed - appeals filed with respect to:		
	Income tax on account of disallowances / additions (Company appeals)*	7,109.1	35,403.1
	Sales tax on account of rebate / classification	63.2	84.5
	Goods and Service tax / Excise duty / service tax on account of valuation / cenvat credit/ Custom duty	991.7	1,048.8
	ESIC contribution on account of applicability	5.3	132.8
III)	Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit enjoyed by the Group	3,474.2	3,474.2
IV)	Other matters	733.5	546.5

Note: Includes interest till the date of demand, wherever applicable.

V) Legal proceedings:

The parent company and / or its subsidiaries are involved in various legal proceedings, including but not limited to product liability claims, contract disputes, intellectual property disputes, employment claims, antitrust matters, compliance matters, and other legal and regulatory matters relating to the conduct of its business. Some of the key matters are discussed below. Most of the legal proceedings involve complex issues, which are specific to the case and do not have precedents, and, hence, for a majority of these claims, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of the proceedings. This is due to a number of factors, including the stage of the proceedings and the overall length of the discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims, including the size of any potential class, particularly when damages are not specified or are indeterminate; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; and any other factors that may have a material effect on the litigation. The Company makes its assessment of likely outcomes based on the views of internal legal counsel and in consultation with external legal counsel representing the Company. The Company also believes that disclosure of the amount sought by plaintiffs would not be meaningful because historical evidence indicates that the amounts settled (if any) are significantly different than those claimed by plaintiffs. Some of the legal claims against the Company, if decided against the Company or settled by the Company, may result in significant impact on its consolidated financial statements.

Antitrust – Gx Drug Price Fixing Litigation :

SPIINC, Taro Pharmaceutical Industries Ltd. ("Taro Industries") and its subsidiaries, along with more than 70 other pharmaceutical companies and individuals, are named as defendants in lawsuits brought by several putative classes, state Attorneys Generals, municipalities, and individual company purchasers and payors, alleging violations of the antitrust and related laws in the U.S. and Canada.

The U.S. filed cases were filed in or were transferred to the U.S. District Court for the Eastern District of Pennsylvania for coordinated pre-trial proceedings (collectively, the "MDL"). The MDL court designated five complaints, including one Attorneys General complaint and four complaints filed by two putative classes, as "bellwethers" to begin the sequencing of proceedings. Discovery was substantially completed as to the bellwether cases in October 2023. Discovery as to most non-bellwether cases closed in October 2025, though discovery directed to a small number of individual plaintiffs is continuing and is expected to close in early 2027. The depositions of Sun and Taro witnesses are largely complete, though certain additional depositions may occur pursuant to non-bellwether discovery. Expert discovery and class certification proceedings directed to the bellwethers were completed in December 2024. On July 24, 2025 Taro and Sun Pharmaceutical Industries, Inc. (SPIINC) entered into a settlement agreement with the putative End Payer Plaintiffs class ("EPPs") without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing, pursuant to which Taro and SPIINC agreed to pay an aggregate amount of USD 200.0 Million (equivalent to ₹ 17,112.0 Million) (excluding opt outs), in exchange for a full release of all claims asserted against them (and all of their current and

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former parents, affiliates, predecessors and successors as well as their current and former directors, officers, employees and representatives). The Company had taken a charge of USD 74.8 Million (equivalent to ₹ 6,443.1 Million) inclusive of legal charges of USD 14.8 Million (equivalent to ₹ 1,292.7 Million) (net of amount already provided in previous years) as an exceptional item during the year ended March 31, 2026. The settlement agreement was subject to court approval, and the court issued its order of approval on January 23, 2026, dismissing the EPP matters on the merits, in their entirety, with prejudice.

The MDL court designated two additional complaints, including one putative class complaint and one individual-plaintiff complaint, as bellwethers in October 2024. Summary judgment proceedings in the individual-plaintiff bellwether case are ongoing, and trial is scheduled to begin in September 2026. The MDL Court designated three additional individual-plaintiff complaints as bellwethers in September 2025. The first such bellwether is scheduled to begin summary judgment proceedings in January 2027 and trial in August 2027. The second such bellwether is scheduled to begin summary judgment proceedings in May 2027 and trial in January 2028. In April 2024, the Attorneys General bellwether complaint and two other Attorneys General complaints were transferred from the Eastern District of Pennsylvania to the District of Connecticut in which the complaints were originally filed. The Attorneys General cases are proceeding in parallel to the cases remaining in the Eastern District of Pennsylvania; summary judgment proceedings directed to the State AG bellwether began in September 2024 and are ongoing.

Speakes v. Taro Pharmaceutical Industries Ltd.:

Taro Industries and two of its former officers were named as defendants in a putative shareholder class action litigation in the U.S. District Court for the Southern District of New York, which asserted claims under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") against all defendants and claims under Section 20(a) of the Exchange Act against the individual defendants. The lawsuit generally alleged that the defendants made material misstatements and omissions in connection with an alleged conspiracy to fix drug prices. On September 24, 2018, the court granted in part and denied in part the defendants' motion to dismiss. On April 10, 2024, the parties executed a settlement agreement, in which Taro agreed to pay USD 36 Million, which was fully covered by insurance. A motion for preliminary approval of the settlement was filed with the court on April 15, 2024, and on May 8, 2024, the court entered its order granting preliminary approval. On August 23, 2024, the court entered a Final Order and Judgment approving the settlement.

Taro Industries Shareholders Litigation in Israel:

Derivative Action 53476-06-20 (Haifa District Court, the Economic Division)) Hayat et. al v. Taro Pharmaceutical Industries Ltd. et al.

On June 22, 2020, a motion seeking documents before filing a shareholder derivative action was filed by a single shareholder against Taro Industries and Taro U.S.A. in the Haifa District Court related to alleged U.S. antitrust violations. On September 22, 2020, a subsequent motion seeking documents was filed by a single shareholder against Taro Industries related to alleged misreporting to U.S. Medicaid and three prior state settlements. Both motions were consolidated on February 16, 2021, and remain pending before the Haifa District Court. The Proceedings against Taro Industries and Taro U.S.A. have been stayed by the Haifa District Court thus far, pending the parties providing required status updates regarding the related U.S. litigation to the Haifa District Court at upcoming scheduled status hearings. On August 2024, the parties approached the court with a mutual request to stay the proceedings in order to try to reach an out-of court resolution.

Class Action 30316-06-24 (Haifa District Court, the Economic Division)) Hayat et. al v. Taro Pharmaceutical Industries Ltd. et al.

On June 10, 2024, a motion to certify a class action was filed against Taro Industries, Sun Pharmaceutical Industries Limited and members of Taro's board in the Haifa District Court. The motion relates to the consideration for the shares purchased by Sun from the minority shareholders in Taro Industries in the framework of a "Going Private" transaction, dated June 24, 2024, alleging damages of USD 245 Million in aggregate. On February 6, 2025, the parties approached the court with a mutual request to stay the proceedings in order to try to reach an out-of-court resolution.

The mediation between the Parties is expected to begin by the end of May 2026.

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Opioids:

SPIINC is a defendant in the National Prescription Opiate Multi-District Litigation that has been consolidated for pre-trial proceedings in the U.S. District Court for the Northern District of Ohio (consisting of the following cases brought against SPIINC: 73 cases brought by Cities / Counties / Subdivisions, 15 cases brought by Tribal Nations, and 4 cases brought by Hospitals), three additional federal court cases, 35 cases pending in New York state court, and several "placeholder" cases filed in Pennsylvania state court in 2024. These cases involve similar allegations and were brought against various manufacturers and distributors of opioid products seeking damages for alleged harms related to opioid use. In July 2024, SPIINC reached an agreement in principle on economic terms with the Cities / Counties / Subdivisions, the Tribes, and the States, with Sun agreeing to make a one-time payment of USD 36.75 Million (this is intended to resolve all but the MDL Hospital cases). SPIINC entered into two separate settlement agreements – one for the tribal cases and one for the state/subdivision cases. All Tribal cases brought against SPIINC were dismissed via Stipulations entered in 2025. All subdivisions nationwide that had sued SPIINC in the MDL and in various state and federal courts agreed to the settlement. The State/Subdivision Master Settlement Agreement became effective on January 29, 2026. A Stipulation of Dismissal of all the Sun MDL City/Counties/Subdivisions cases was entered on February 18, 2026. Almost all of the other subdivision cases in state and federal court cases against Sun have been dismissed. Only two cases remain in Pennsylvania and counsel for SPIINC is in the process of having them dismissed. SPIINC was also sued by 18 counties in Utah state court alleging opioid-related claims and, in 2023, SPIINC settled those Utah cases, agreeing to pay USD 0.4 Million, which was fully covered by insurance. In addition, SPIINC, the parent company, and Ranbaxy were also named as defendants in two individual Neonatal Abstinence Syndrome personal injury complaints filed in West Virginia state court in March 2022, which were consolidated with other similar cases before the West Virginia Mass Litigation Panel. In April 2023, the court granted all defendants' motions to dismiss and, in December of 2024, the dismissal was affirmed in part and reversed in part and that decision is now on appeal to the West Virginia Supreme Court, and briefing concluded in August 2025. The case is awaiting the scheduling of oral argument. SPIINC is also a defendant in West Virginia federal court in a case brought in 2024 by the Boards of Education for two West Virginia counties alleging damages related to the increased costs for the education of children suffering from Neonatal Abstinence Syndrome. The two Boards of Education submitted participation forms in the Sun State/Subdivision Settlement so, on May 11, 2026, a stipulation of dismissal was filed and entered by the Court, dismissing SPIINC with prejudice from the case. As for the Hospital cases in the MDL, only two remain and they are presently stayed, as one was previously dismissed and one participated in the Sun settlement. Finally, Sun was a party to one MDL Neonatal Abstinence Syndrome case but that case was voluntarily dismissed without prejudice in March 2026.

Separately, the parent company and Sun Pharma Canada Inc. are defendants in putative class actions pending in provinces in Canada on behalf of consumers, municipalities, and First Nations, as well as a government action brought on behalf of all federal, provincial, and territorial governments. These U.S. and Canadian matters involve similar allegations and were brought against various manufacturers and distributors of opioid products seeking damages for alleged harms related to opioid use or, as with the Canadian government action, recovery of historical healthcare costs. The Canadian actions are in preliminary stages. In 2024, the Quebec case was authorised as a class action against the majority of defendants and is in the pleadings and discovery stage. The government class action was certified as a class action in January 2025, the appeal from that decision was heard in December 2025 and is under reserve, and the case is in the documentary production stage.

Antitrust – Lipitor:

The parent company and certain of its subsidiaries were named as defendants in a number of putative class action lawsuits and individual actions brought by purchasers and payors in the U.S. alleging that the subsidiaries violated antitrust laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The cases have been transferred to the U.S. District Court for the District of New Jersey for coordinated pre-trial proceedings. Discovery commenced in January 2020 but was stayed in March 2020 pending mediation. Pursuant to the mediator's order of June 03, 2021, mediation briefing and oral argument on certain issues were completed in March 2022. Limited discovery as to certain issues resumed in July 2022. Briefing for class certification and summary judgement motions were completed in 2023. In late-November 2023, the court held argument on defendants' summary judgement motion and plaintiffs' class certification motions. On June 06, 2024, the Court granted Ranbaxy's motion for summary judgment and denied both EPPs' and DPPs' motions for class certification. Plaintiffs appealed the grant of summary judgment and the denial of both class certification motions to the Third Circuit, and oral argument was heard on September 30, 2025. On October 03, 2025, DPPs moved for leave to file a post-argument brief; Ranbaxy opposed that motion on October 06,

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2025; and DPPs filed a reply on October 07, 2025. On October 09, 2025, the Third Circuit denied DPPs' motion for leave to file a post-argument brief.

On February 03, 2025, an end payor plaintiff that opted out of Pfizer's and EPPs' settlement—filed a motion seeking trial and pretrial dates in the district court. Ranbaxy and Pfizer filed oppositions on February 18, 2025, and February 28, 2025, respectively, filed a reply on March 07, 2025, and Ranbaxy and Pfizer both filed sur-replies on March 14, 2025. On July 03, 2025, the end payor plaintiff filed a motion to supplement her pending motion to set pretrial and trial dates. Pfizer and Ranbaxy filed oppositions on July 21, 2025, and the end payor plaintiff filed a reply on July 28, 2025. On October 5, 2025, the end payor plaintiff filed a motion for a hearing on its motion to set a trial date or in the alternative to remand the case to California. Ranbaxy and Pfizer opposed the end payor plaintiff's motion for a hearing on its motion to set a trial date or in the alternative to remand the case to California on October 20, 2025. On October 23, 2025, the end payor plaintiff submitted a letter request for an in-person hearing on her motion to set a trial date or in the alternative to remand the case to California, which request was denied on October 24, 2025. On January 14, 2026, the end payor plaintiff filed another motion to schedule pretrial and trial dates or, in the alternative, to remand to the Northern District of California. Ranbaxy and Pfizer opposed the end payor plaintiff's motion on February 03, 2026, and the end payor plaintiff filed a reply on February 10, 2026. On April 09, 2026, the end payor plaintiff filed a renewed request for oral argument on her January 14, 2026 motion. Pfizer opposed the end payor plaintiff's renewed request for oral argument on April 28, 2026.

There also was an antitrust case pending in West Virginia state court that mirrored the allegations in the federal case. In that case, by agreement of the parties Sun settled all claims against it, without any admissions, in the amount of USD 8.25 Million. The parties executed a definitive settlement agreement on December 10, 2024, which the court formally approved on December 12, 2024. The definitive settlement agreement makes clear that Ranbaxy denies each and every one of the allegations against it and has not conceded or admitted any liability.

Product Liability – Ranitidine/Zantac MDL:

In June 2020, the parent company and certain of its subsidiaries were named as defendants in a complaint filed in the Zantac / Ranitidine Multi-District Litigation ("MDL") consolidated in the U.S. District Court for the Southern District of Florida. The lawsuits name over 100 defendants, including brand manufacturers, generic manufacturers, repackagers, distributors, and retailers, involving allegations of injury caused by nitrosamine impurities. On July 08, 2021, the court granted the generic Defendants' motion to dismiss with prejudice. That decision is on appeal. In addition to the federal court proceedings, the parent company and two of its affiliates were also named as defendants in state court actions pending California actions previously pending in New York and Pennsylvania state court were voluntarily dismissed, and actions previously pending in Illinois state court were dismissed on the pleadings, as affirmed on appeal in one case. Finally, certain of the parent company's subsidiaries were named in various putative class actions pending in three Canadian provinces.

The action pending in British Columbia is taking the lead and, in May 2023, the court in that action granted defendants' motion to strike and denied plaintiffs' motion for class certification.

BPO Litigation:

In March 2024, an FDA Citizen Petition was filed alleging the degradation of benzoyl peroxide ("BPO") products, including Proactiv and Taro products, into benzene. Thereafter, numerous lawsuits were filed against BPO manufacturers and sellers. All are "economic harm" class actions; no plaintiff has claimed any physical injury from the use of any BPO acne treatment product. In March and April 2024, six lawsuits were filed related to Proactiv; all named Alchemee, LLC as a defendant and five also named Taro entities (although only in relation to Proactiv). In September 2024 and in April 2025, all six lawsuits were dismissed with prejudice, and an appeal is pending.

Citalopram follow damages claim in the UK:

By judgement dated March 25, 2021, the CJEU (highest European court) upheld the fine against Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited in full and ruled that a settlement agreement between Ranbaxy and Lundbeck (and the other agreements between Lundbeck and the other defendants in the case) had been anticompetitive. The Company may now be subject to "follow-on" claims in national courts of some countries in Europe. The Company has been served with a claim in the England & Wales, with the National Health Service ("NHS") as the Claimant, relating to the delayed entry of generic citalopram. The NHS's damages case is based upon the premise that, but for the anticompetitive behavior,

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the NHS would have been able to buy cheaper generic alternatives of citalopram, rather than paying Lundbeck (another co-defendant) the full innovator price. At this stage it is also unclear how many claims will actually be made in practice in other countries. The Company believes, based on its internal assessment and that of its independent legal counsel, that it has favorable legal arguments in terms of defending the relevant claim and any other potential future damages claims.

Incyte litigation:

On January 19, 2023, the Company signed a definitive agreement to acquire Concert Pharmaceuticals, Inc. ("Concert") and completed the transaction on March 06, 2023, Concert later merged into Sun Pharmaceutical Industries, Inc. ("SPIINC") on March 31, 2023. Prior to the acquisition, Concert was involved in patent-related proceedings with Incyte Corporation ("Incyte"), both in the U.S. and Europe, in which Incyte challenged certain of Concert's patents before the U.S. Patent Trial and Appeal Board ("PTAB") and the European Patent Office, respectively (the "Concert Patent Challenges"). In one Concert Patent Challenge, Incyte was able to invalidate a Concert patent before the PTAB, which decision was later upheld by the U.S Court of Appeals for the Federal Circuit. In the other Patent Challenge in the U.S., the PTAB had ruled in Sun's favour and upheld the validity of the Concert Patent. On May 07, 2025, the U.S Court of Appeals for the Federal Circuit ruled in Sun's favour dismissing Incyte's appeal of the PTAB's decision. Sun and Incyte subsequently entered into a Settlement and License Agreement dated July 14, 2025, under which Incyte agreed not to seek further review of the Federal Circuit's dismissal of its appeal. Separately, under a February 06, 2026 Settlement and License Agreement, Incyte unconditionally withdrew its appeal of the European Patent Challenge before the EPO. As a result, these Concert patents remain in effect.

In addition, Incyte filed a patent infringement action against Sun in the U.S. District Court for the District of New Jersey. In connection with the litigation, the U.S. District Court of New Jersey granted a preliminary injunction temporarily delaying the launch of LEQSELVI® on November 01, 2024. On April 09, 2025 the U.S. Court of Appeals for the Federal Circuit ruled in favor of Sun Pharma and, effective immediately, vacated the preliminary injunction, which had previously prevented the launch of LEQSELVI® (deuruxolitinib). Sun and Incyte entered into a Settlement and License Agreement resolving the District Court of New Jersey lawsuit on July 14, 2025.

Note:

Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

*Income tax matters where department has preferred an appeal against favourable orders received by the Company amounted to ₹ 64,396.1 Million (March 31, 2025: ₹ 38,665.7 Million). These matters are sub-judice in various forums and pertains to various financial years.

₹ in Million

		As at March 31, 2026	As at March 31, 2025
B	**Guarantees given by the bankers on behalf of the Group**	3,048.0	1,616.1

NOTE: 40 COMMITMENTS

₹ in Million

		As at March 31, 2026	As at March 31, 2025
i)	Estimated amount of contracts remaining to be executed on capital account (net of advances) *	34,898.4	24,279.1
ii)	Investment related commitments**	4,427.6	40,847.4
iii)	Letters of credit for imports	369.2	736.8

* The Group is committed to pay milestone payments on certain contracts, however, obligation to pay is contingent upon fulfilment of contractual obligation by parties to the contract.

**Previous year amount included commitment on account of acquisition of Checkpoint Therapeutics Inc.

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NOTE: 41 DISCLOSURES RELATING TO SHARE CAPITAL

i Rights, preferences and restrictions attached to equity shares

The equity shares of the Parent Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

ii Authorised capital is changed with effect from November 22, 2025, being the date of filing Form INC-28 with the Registrar of Companies pursuant to the Composite Scheme of Arrangement involving amalgamation of Wholly-owned subsidiary companies, viz. Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited, Skisen Labs Private Limited ("Transferor Companies") with Sun Pharmaceutical Industries Limited ("Transferee Company" or "the Company"), as approved by the Hon'ble National Company Law Tribunal Ahmedabad Bench vide its Order dated October 07, 2025.

iii Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of reporting period

	Year ended March 31, 2026		Year ended March 31, 2025	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Opening balance	2,399,334,970	2,399.3	2,399,334,970	2,399.3
Closing balance	2,399,334,970	2,399.3	2,399,334,970	2,399.3

iv Equity shares held by each shareholder holding more than 5 percent equity shares in the Parent Company are as follows:

Name of shareholders	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Shanghvi Finance Private Limited	967,051,732	40.3	967,051,732	40.3
Dilip Shantilal Shanghvi	230,385,155	9.6	230,385,155	9.6

Equity shares held by promoters / members of promoter group / person acting in concert	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of holding	% Change during the year	Number of shares	% of holding	% Change during the year
Dilip Shantilal Shanghvi	230,385,155	9.6	-	230,385,155	9.6	-
Shanghvi Finance Private Limited	967,051,732	40.3	-	967,051,732	40.3	-
Aditya Medisales Limited	40,153,960	1.7	-	40,153,960	1.7	-
Sudhir V. Valia	14,345,019	0.6	-	14,345,019	0.6	-
Raksha S. Valia	28,830,352	1.2	-	28,830,352	1.2	-
Vibha D. Shanghvi	8,840,280	0.4	-	8,840,280	0.4	-
Aalok D. Shanghvi	2,877,280	0.1	-	2,877,280	0.1	-
Vidhi D. Shanghvi	2,822,427	0.1	-	2,822,427	0.1	-
Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi are Trustees)	1,276,774	0.1	-	1,276,774	0.1	-
Kumud S. Shanghvi	85,000	0.0	(0.0)	100,000	0.0	-
Flamboyawer Finance Private Limited	20,865	0.0	-	20,865	0.0	-
Shanghvi Universal Private Limited (formerly known as Sanghvi Properties Private Limited)	15,479	0.0	-	15,479	0.0	-
Sun Petro Private Limited (formerly known as Gujarat Sun Pharmaceutical Industries Private Limited)	14,362	0.0	-	14,362	0.0	-
Unimed Investments Limited	10,400,850	0.4	-	10,400,850	0.4	-

Change in shareholding during the year represents the sale of 15,000 shares by Kumud S. Shanghvi.

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for the year ended March 31, 2026

NOTE: 42 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue, net (excluding depreciation) (Refer note 37)	34,713.7	31,342.8
Capital	799.1	942.5

NOTE: 43 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in Million

	As at March 31, 2026			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Equity accounting
Financial assets				
Investments				
Equity instruments - quoted	858.2	19,431.2	-	-
Equity instruments - unquoted	940.9	519.0	-	-
Bonds/debentures - quoted	-	21,519.4	-	-
Investment in associates and joint venture	-	-	-	6,512.2
Mutual funds - unquoted	192,869.0	-	-	-
Venture funds - unquoted	3,181.7	-	-	-
Others - quoted	-	1,393.6	-	-
Loans to related party	-	-	282.9	-
Loans to employees/others	-	-	261.7	-
Trade receivables	-	-	155,096.7	-
Security deposits	-	-	899.2	-
Cash and cash equivalents	-	-	97,705.1	-
Bank balances other than cash and cash equivalents	-	-	18,325.7	-
Interest accrued on investments / balances with banks	-	-	525.2	-
Refund due from government authorities	-	-	1,945.5	-
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	-	-	10,020.0	-
Other financial assets	-	-	1,136.2	-
Derivatives not designated as hedges	176.9	-	-	-
Total	**198,026.7**	**42,863.2**	**286,198.2**	**6,512.2**
Financial liabilities				
Borrowings	-	-	40,816.1	-
Lease liabilities	-	-	5,457.1	-
Trade payables	-	-	73,338.0	-
Interest accrued	-	-	27.7	-
Unpaid dividends	-	-	179.8	-
Security deposits	-	-	77.3	-
Payable on purchase of property, plant and equipment and other intangible assets	-	-	5,957.5	-
Derivatives designated as hedges	-	2,933.0	-	-
Derivatives not designated as hedges	1,975.1	-	-	-
Payables to employee	-	-	14,226.0	-
Deferred consideration on acquisition of subsidiary	-	-	6,307.9	-
Other financial liabilities	-	-	345.4	-
Total	**1,975.1**	**2,933.0**	**146,732.8**	**-**

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₹ in Million

	As at March 31, 2025			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Equity accounting
Financial assets				
Investments				
Equity instruments - quoted	822.4	36,518.0	-	-
Equity instruments - unquoted	597.3	404.1	-	-
Bonds/debentures - quoted	-	23,383.8	-	-
Investment in associates and joint venture	-	-	-	4,487.3
Mutual funds - unquoted	107,397.4	-	-	-
Venture funds - unquoted	3,010.5	-	-	-
Others - quoted	-	6,917.2	-	-
Loans to related party	-	-	256.3	-
Loans to employees/others	-	-	255.4	-
Trade receivables	-	-	130,461.1	-
Security deposits	-	-	751.8	-
Cash and cash equivalents	-	-	102,687.7	-
Bank balances other than cash and cash equivalents	-	-	10,628.5	-
Interest accrued on investments / balances with banks	-	-	615.4	-
Refund due from government authorities	-	-	3,803.9	-
Derivatives designated as hedges	-	0.1	-	-
Unbilled revenue	-	-	148.6	-
Share application money pending allotment and money paid towards equity based agreements	-	-	641.1	-
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	-	-	11,550.0	-
Other financial assets	-	-	1,013.7	-
Derivatives not designated as hedges	652.4	-	-	-
Total	**112,480.0**	**67,223.2**	**262,813.5**	**4,487.3**
Financial liabilities				
Borrowings	-	-	18,696.3	-
Lease liabilities	-	-	4,925.6	-
Trade payables	-	-	61,843.4	-
Interest accrued	-	-	43.7	-
Unpaid dividends	-	-	149.1	-
Security deposits	-	-	73.2	-
Payable on purchase of property, plant and equipment and other intangible assets	-	-	6,735.8	-
Derivatives designated as hedges	-	70.3	-	-
Derivatives not designated as hedges	17.9	-	-	-
Payables to employee	-	-	11,625.7	-
Other financial liabilities	-	-	869.5	-
Total	**17.9**	**70.3**	**104,962.3**	**-**

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NOTE: 44 FAIR VALUE HIERARCHY

Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period

₹ in Million

	As at March 31, 2026		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
Equity instruments - quoted#	19,431.2	-	-
Equity instruments - quoted	858.2	-	-
Equity instruments - unquoted	-	-	940.9
Equity instruments - unquoted#	-	-	519.0
Bonds/debentures - quoted	21,519.4	-	-
Mutual funds - unquoted	192,869.0	-	-
Venture funds - unquoted	-	3,181.7	-
Others - quoted	1,393.6	-	-
Derivatives not designated as hedges	-	176.9	-
Total	**236,071.4**	**3,358.6**	**1,459.9**
Financial liabilities			
Derivatives designated as hedges	-	2,933.0	-
Derivatives not designated as hedges	-	1,975.1	-
Total	-	**4,908.1**	-

₹ in Million

	As at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
Equity instruments - quoted#	36,518.0	-	-
Equity instruments - quoted	822.4	-	-
Equity instruments - unquoted	-	-	597.3
Equity instruments - unquoted#	-	-	404.1
Bonds/debentures - quoted	23,383.8	-	-
Mutual funds - unquoted	107,397.4	-	-
Venture funds - unquoted	-	3,010.5	-
Others - quoted	6,917.2	-	-
Derivatives designated as hedges	-	0.1	-
Derivatives not designated as hedges	-	652.4	-
Total	**175,038.8**	**3,663.0**	**1,001.4**
Financial liabilities			
Derivatives designated as hedges	-	70.3	-
Derivatives not designated as hedges	-	17.9	-
Total	-	**88.2**	-

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities, either directly or indirectly.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Level 3 inputs are unobservable inputs for the assets or liabilities.

The investments included in level 3 of fair value hierarchy have been valued using either cost approach or discounted cashflow method to arrive at their fair value. Where the cost approach is used, there is wide range of possible fair value measurements and the costs represents estimate to fair value within that range.

These investments in equity instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at fair value through other comprehensive income.

There were no transfers between Level 1 and 2 in the periods.

The management considers that the carrying amount of financial assets and financial liabilities carried at amortised cost approximates their fair value.

Reconciliation of Level 3 fair value measurements

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Unlisted shares valued at fair value		
Balance at the beginning of the year	1,001.4	3,215.3
Purchases	377.2	269.1
Disposal	(1.0)	-
Provision for impairment of Investment (Refer Note 61B)	-	(2,603.0)
Fair value changes and foreign exchange fluctuations	82.3	120.0
Balance at the end of the year	**1,459.9**	**1,001.4**

NOTE: 45 CAPITAL MANAGEMENT

The Group’s capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Group monitors capital on the basis of the carrying amount of debt as presented in the consolidated financial statements. The Group's objective for capital management is to maintain an optimum overall financial structure.

(a) Debt equity ratio

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Debt (includes borrowings and lease liabilities)	46,273.2	23,621.9
Total equity, including reserves	835,700.9	722,180.2
Debt to total equity ratio	0.06	0.03

(b) Dividend on equity shares paid during the year

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Dividend on equity shares		
Final dividend for the year ended March 31, 2025 of ₹ 5.5 (year ended March 31, 2024 : ₹ 5.0) per fully paid share	13,196.3	11,996.7
Interim dividend for the year ended March 31, 2026 of ₹ 11.0 (year ended March 31, 2025 : ₹ 10.5) per fully paid share	26,142.7	24,143.0

Dividend is net of waiver, wherever applicable.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(c) Dividend not recognised at the end of the reporting period

1. The Board of Directors at it's meeting held on May 22, 2026 have recommended payment of final dividend of ₹ 5.00 per share of face value of ₹ 1 each for the year ended March 31, 2026 amounting to ₹ 11,996.7 Million.
2. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as liability.

NOTE: 46 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Group grants credit terms in the normal course of business.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any significant losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Trade receivables

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Financial assets for which loss allowances is measured using the expected credit loss

₹ in Million

Trade receivables ageing	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
(i) Undisputed trade receivables – considered good	122,479.5	30,513.7	1,310.2	507.2	217.8	68.3	155,096.7
(ii) Undisputed trade receivables – credit impaired	61.5	185.0	622.3	178.3	159.4	1,018.3	2,224.8
(iii) Disputed trade receivables – credit impaired	-	-	-	178.9	188.1	332.3	699.3
	122,541.0	**30,698.7**	**1,932.5**	**864.4**	**565.3**	**1,418.9**	**158,020.8**

₹ in Million

Trade receivables ageing	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) Undisputed trade receivables – considered good	110,336.7	18,275.2	892.0	661.6	146.9	148.7	130,461.1
(ii) Undisputed trade receivables – credit impaired	88.7	393.9	158.4	235.1	341.8	1,090.5	2,308.4
(iii) Disputed trade receivables – credit impaired	-	51.3	140.1	311.8	116.9	333.5	953.6
	110,425.4	**18,720.4**	**1,190.5**	**1,208.5**	**605.6**	**1,572.7**	**133,723.1**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Unbilled revenue

As at March 31, 2026 is ₹ Nil (March 31, 2025 : ₹ 148.6 Million)

Trade receivables from parties are non-interest bearing and are generally on terms of 7 to 150 days.

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	3,262.0	4,058.1
Addition	902.0	799.4
Recoveries / reversals / write-offs / foreign exchange fluctuation	(1,239.9)	(1,595.5)
Balance at the end of the year	**2,924.1**	**3,262.0**

Other than Trade receivables, the Group has recognised an allowance of ₹ 1,674.3 Million (March 31, 2025 : ₹ 1,518.2 Million) against past due loans including interest and ₹ 1,540 Million (March 31, 2025 : ₹ 1,540.0 Million) of other receivables based on assessment regarding its future recoverability.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has unutilised working capital lines from banks of ₹ 128,547.3 Million as on March 31, 2026 (March 31, 2025 : ₹ 98,182.8 Million).

The table below provides details regarding the contractual maturities of significant financial liabilities:

₹ in Million

	As at March 31, 2026			
	Less than 1 year	1 - 3 years	More than 3 years	Total
Non derivatives				
Borrowings	40,503.5	312.6	-	40,816.1
Lease liabilities	1,840.8	2,762.5	853.8	5,457.1
Trade payables	73,338.0	-	-	73,338.0
Other financial liabilities	20,813.7	6,307.9	-	27,121.6
Interest payout liabilities	94.3	22.8	-	117.1
	136,590.3	**9,405.8**	**853.8**	**146,849.9**
Derivatives	4,908.1	-	-	4,908.1

₹ in Million

	As at March 31, 2025			
	Less than 1 year	1 - 3 years	More than 3 years	Total
Non derivatives				
Borrowings	18,671.1	25.2	-	18,696.3
Lease liabilities	1,368.2	2,504.1	1,053.3	4,925.6
Trade payables	61,843.4	-	-	61,843.4
Other financial liabilities	19,408.1	106.8	-	19,514.9
Interest payout liabilities	68.1	-	-	68.1
	101,358.9	**2,636.1**	**1,053.3**	**105,048.3**
Derivatives	88.2	-	-	88.2

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign exchange risk

The Group's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses (primarily in US Dollar, Euro, South African Rand, Japanese Yen, Brazilian Real and Russian Ruble) and foreign currency borrowings (primarily in US Dollar). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative and non-derivative financial instruments, such as foreign exchange forward contracts, option contracts, currency swap contracts and foreign currency financial liabilities, to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

a) Significant foreign currency risk exposure relating to trade receivables, cash and cash equivalents, borrowings and trade payables

₹ in Million

	As at March 31, 2026						
	US Dollar	Euro	Russian Ruble	South African Rand	Japanese Yen	Brazilian Real	Total
Financial assets							
Receivables	103,064.5	11,490.5	6,893.6	960.0	563.3	8,558.6	131,530.5
Cash and cash equivalents	1,704.4	2,502.1	70.5	-	388.7	-	4,665.7
	104,768.9	**13,992.6**	**6,964.1**	**960.0**	**952.0**	**8,558.6**	**136,196.2**
Financial liabilities							
Borrowings	10,182.4	-	-	-	-	-	10,182.4
Payables	23,968.2	3,829.4	1,341.2	-	331.9	5.7	29,476.4
	34,150.6	**3,829.4**	**1,341.2**	**-**	**331.9**	**5.7**	**39,658.8**

₹ in Million

	As at March 31, 2025						
	US Dollar	Euro	Russian Ruble	South African Rand	Japanese Yen	Brazilian Real	Total
Financial assets							
Receivables	111,768.3	11,104.0	7,298.0	2,256.1	2,652.0	5,402.2	140,480.6
Cash and cash equivalents	3,720.1	1,731.6	110.0	-	-	-	5,561.7
	115,488.4	**12,835.6**	**7,408.0**	**2,256.1**	**2,652.0**	**5,402.2**	**146,042.3**
Financial liabilities							
Borrowings	10,287.7	438.5	-	-	-	-	10,726.2
Payables	21,259.7	3,565.2	1,261.3	-	542.5	4.7	26,633.4
	31,547.4	**4,003.7**	**1,261.3**	**-**	**542.5**	**4.7**	**37,359.6**

b) Sensitivity

For the years ended March 31, 2026 and March 31, 2025 every 5% strengthening of the Indian rupee against foreign currencies for the above mentioned financial assets/liabilities would decrease Group's profit and Group's equity by approximately ₹ 4,826.9 Million and approximately ₹ 5,434.1 Million respectively. A 5% weakening of the Indian rupee and the respective major currencies would lead to an equal but opposite effect.

In management's opinion, the sensitivity analysis is not representative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Notes to the Consolidated Financial Statements
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c) Derivative contracts

The Group is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollar, Euro, South African Rand, Japanese Yen, Brazilian Real and Russian Ruble and foreign currency debt is primarily in US Dollar. The Group uses foreign currency forward contracts, foreign currency option contracts, interest rate swap and currency swap contracts (collectively "derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank or a financial institution.

Hedges of highly probable forecasted transactions

The Group designates its derivative contracts that hedge foreign exchange risk associated with its highly probable forecasted transactions as cash flow hedges and measures them at fair value. The effective portion of such cash flow hedges is recorded in other comprehensive income, and re-classified in the income statement as revenue in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such cash flow hedges is immediately recorded in the consolidated statement of profit and loss.

In respect of the aforesaid hedges of highly probable forecasted transactions, the Group has recorded a net loss of ₹ 2,862.8 Million for the year ended March 31, 2026 and net loss of ₹ 74.4 Million for the year ended March 31, 2025 in other comprehensive income. The Group also recorded hedges as a component of revenue, net loss of ₹ 1,478.2 Million for year ended March 31, 2026 and net loss of ₹ 108.3 Million for year ended March 31, 2025 on occurrence of forecasted sale transaction.

Changes in the fair value of forward contracts and option contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied, are recognised in the consolidated statement of profit and loss. The changes in fair value of the forward contracts and option contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the consolidated statement of profit and loss.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contracts:

Amount in Million

Hedge Type	Currency/Pair	Sold / Bought	As at March 31, 2026	As at March 31, 2025
Derivatives designated as hedges				
Forward contracts	ZAR/INR	Sold ZAR	ZAR 605.0	ZAR 376.9
Forward contracts	USD/INR	Sold USD	USD 582.0	USD 468.0
Derivatives not designated as hedges				
Option contracts	USD/INR	Sold USD	USD 125.0	-
Forward contracts	GBP/USD	Sold GBP	GBP 14.5	GBP 7.9
Forward contracts	EUR/USD	Sold EUR	EUR 33.5	EUR 5.0
Forward contracts	USD/MYR	Bought USD	USD 4.0	-
Currency swaps	USD/INR	Sold USD	USD 400.0	USD 400.0

Interest rate risk

The Group has loan facilities on floating interest rate, which exposes the Group to risk of changes in interest rates. The Group monitors the interest rate movement and manages the interest rate risk by evaluating interest rate swaps etc. based on the market / risk perception.

For the year ended March 31, 2026 and March 31, 2025, every 50 basis point decrease in the floating interest rate component applicable on its closing balance of loans and borrowings would increase the Group's profit by approximately ₹ 204.1 Million and ₹ 93.4 Million respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Group's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2026, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

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for the year ended March 31, 2026

NOTE: 47 GOODWILL (NET):

i) Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill has been allocated as follows:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Goodwill in respect of:		
Sun Pharmaceutical Industries, Inc.	34,712.5	31,452.7
Sun Pharmaceutical Industries, Inc. - Concert	14,376.9	13,023.9
Sun Farmaceutica do Brasil Ltda.	394.8	324.7
Sun Pharma Japan Ltd.	121.5	117.7
Taro Pharmaceutical Industries Ltd.	18,835.7	17,063.0
SC Terapia SA	25,142.9	22,760.6
Ranbaxy Farmaceutica Ltda.	522.1	473.0
Basics GmbH	498.2	424.3
Zenotech Laboratories Limited	595.4	595.4
Sun Pharmaceutical Industries Limited	1,678.4	1,678.4
Ranbaxy South Africa (Pty) Ltd	3.8	3.2
JSC Biosintez	253.4	219.7
Sun Pharma Luxembourg S.A (formerly known as Valstar S.A.)	1,863.9	1,651.5
Vivaldis Health and Foods Private Limited	887.2	887.2
Total (A)	**99,886.7**	**90,675.3**
Less:		
Capital reserve in respect of:		
Alkaloida Chemical Company Zrt.	1,444.7	1,177.9
Ranbaxy Nigeria Limited	2.1	1.8
Sun Pharmaceutical Industries Limited	27.5	27.5
Ranbaxy (Malaysia) SDN. BHD.	81.6	73.9
Total (B)	**1,555.9**	**1,281.1**
Total (A-B)	**98,330.8**	**89,394.2**

ii) Below is the reconciliation of the carrying amount of goodwill:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance	89,394.2	85,689.9
Add/ (less): Acquisition during the year (Refer note 77)	-	1,596.0
Add/ (less): Foreign currency translation difference	8,936.6	2,108.3
Closing balance	**98,330.8**	**89,394.2**

The carrying amount of goodwill is stated above. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections covering a period of five years (which are based on key assumptions such as expected growth rates based on past experience, margins and Management's expectations/ extrapolation of normal increase/ steady terminal growth rate) and appropriate discount rates that reflects current market assessments of time value of money and risks specific to these investments. The cash flow projections include estimates for five years developed using internal forecasts and terminal growth rate thereafter. The planning horizon reflects the assumptions for short to mid-term market developments. The average growth rate used in extrapolating cash flows beyond the planning period ranged from (8.0%) to 5.5 % for March 31, 2026 [March 31, 2025 (8.0%) to 5.5 %]. Discount rate reflects the current market assessment of the risks

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specific to a CGU or group of CGUs. The discount rate is estimated on the weighted average cost of capital for respective CGU or group of CGUs. Discount rate used ranged from 2.8% to 14.3 % for March 31, 2026 [March 31, 2025 4.5% to 14.8 %] . The discount rate considered for the Company's operation in the United States is 6.8% to 7.9% for March 31, 2026 [March 31, 2025 4.0% to 7.0 %] and for SC Terapia SA has been considered at 10.1% [March 31, 2025 9.2 %]. The management believes that any reasonable possible change in key assumptions on which recoverable amount is based is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

NOTE: 48 Disclosures mandated by the Companies Act, 2013 Schedule III Part II by way of additional information is given in Annexure 'A'.

NOTE: 49 INCOME TAXES

Tax reconciliation

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Reconciliation of tax expense		
Profit before tax	151,188.8	137,521.3
Income tax rate in India (%)	34.944%	34.944%
Income tax expense calculated at corporate tax rate	52,831.4	48,055.4
Effect of deduction claimed under chapter VI A of Income Tax Act, 1961	(11,394.3)	(10,755.1)
Effect of expenses that are not deductible	1,846.4	2,305.3
Effect of incremental deduction allowed on account of research and development costs	(151.9)	(140.1)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets (net)	376.1	(13,515.9)
Effect of difference between Indian and foreign tax rates and non taxable subsidiaries	(5,256.4)	(2,094.6)
Effect of reversal/creation of Minimum Alternate Tax (MAT) credit entitlement (Refer note 70)	(1,401.9)	-
Effect of deferred tax liability reversal on account of rate change (Refer note 63)	(1,030.0)	-
Reversal of deferred tax asset (Refer note 61 B)	-	3,774.8
Others	(275.8)	90.5
Income tax expense recognised in consolidated statement of profit and loss	**35,543.6**	**27,720.3**
Effective tax rate %	**23.5%**	**20.2%**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 50 DEFERRED TAX

(i) Deferred tax assets (Net)

₹ in Million

	Opening balance April 01, 2025	Profit/(loss) movement during the year*#	Other comprehensive income movement during the year	MAT Credit utilisation	Closing balance March 31, 2026
Deferred tax assets					
Expenses that are allowed on payment basis	10,005.2	377.8	12.1	-	10,395.1
Unabsorbed depreciation / carried forward losses	8,048.7	(786.1)	-	-	7,262.6
Inventory and other related items	19,183.6	(3,209.3)	-	-	15,974.3
Others	11,229.1	2,318.9	730.6	-	14,278.6
	48,466.6	**(1,298.7)**	**742.7**	**-**	**47,910.6**
MAT credit entitlement	16,498.2	1,599.6	-	(9,974.3)	8,123.5
	64,964.8	**300.9**	**742.7**	**(9,974.3)**	**56,034.1**
Less : Deferred tax liabilities					
Difference between written down value of property, plant and equipment, capital work-in-progress and intangible assets under development as per books of accounts and income tax	20,744.4	(5,851.4)	-	-	14,893.0
Others	144.9	531.6	-	-	676.5
	20,889.3	**(5,319.8)**	**-**	**-**	**15,569.5**
	44,075.5	**5,620.7**	**742.7**	**(9,974.3)**	**40,464.6**

₹ in Million

	Opening balance April 01, 2024	Profit/(loss) movement during the year *	Other comprehensive income movement during the year	Taken over on acquisition	MAT Credit utilisation	Closing balance March 31, 2025
Deferred tax assets						
Expenses that are allowed on payment basis	10,602.3	(734.8)	137.7	-	-	10,005.2
Unabsorbed depreciation / carried forward losses	13,322.5	(5,541.8)	-	268.0	-	8,048.7
Inventory and other related items	16,585.2	2,598.4	-	-	-	19,183.6
Others	10,920.7	170.1	138.3	-	-	11,229.1
	51,430.7	**(3,508.1)**	**276.0**	**268.0**	**-**	**48,466.6**
MAT credit entitlement	13,819.0	5,743.1	-	-	(3,063.9)	16,498.2
	65,249.7	**2,235.0**	**276.0**	**268.0**	**(3,063.9)**	**64,964.8**
Less : Deferred tax liabilities						
Difference between written down value of property, plant and equipment, capital work-in-progress and intangible assets under development as per books of accounts and income tax	23,845.7	(3,101.3)	-	-	-	20,744.4
Others	367.5	(277.3)	54.7	-	-	144.9
	24,213.2	**(3,378.6)**	**54.7**	**-**	**-**	**20,889.3**
	41,036.5	**5,613.6**	**221.3**	**268.0**	**(3,063.9)**	**44,075.5**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(ii) Deferred tax liabilities (Net)

₹ in Million

	Opening balance April 01, 2025	Profit/(loss) movement during the year *#	Other comprehensive income movement during the year	Closing balance March 31, 2026
Deferred tax liabilities				
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax and others	895.0	2,588.6	-	3,483.6
Difference in carrying value and tax base of investments	1,131.6	(493.6)	1,075.7	1,713.7
	2,026.6	**2,095.0**	**1,075.7**	**5,197.3**
Less : Deferred tax assets				
Expenses that are allowed on payment basis	144.7	1,189.1	(73.0)	1,260.8
Others	(42.5)	198.8	-	156.3
	102.2	**1,387.9**	**(73.0)**	**1,417.1**
MAT credit entitlement	-	-	-	-
	102.2	**1,387.9**	**(73.0)**	**1,417.1**
	1,924.4	**707.1**	**1,148.7**	**3,780.2**

₹ in Million

	Opening balance April 01, 2024	Profit/(loss) movement during the year *	Other comprehensive income movement during the year	Taken over on acquisition	Disposal of Subisidary	Closing balance March 31, 2025
Deferred tax liabilities						
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax and others	439.6	209.7	-	245.7	-	895.0
Difference in carrying value and tax base of investments	1,182.7	(149.0)	97.9	-	-	1,131.6
	1,622.3	**60.7**	**97.9**	**245.7**	**-**	**2,026.6**
Less : Deferred tax assets						
Expenses that are allowed on payment basis	9.0	135.7	-	-	-	144.7
Others	(105.3)	95.6	-	-	(32.8)	(42.5)
	(96.3)	**231.3**	**-**	**-**	**(32.8)**	**102.2**
	1,718.6	**(170.6)**	**97.9**	**245.7**	**32.8**	**1,924.4**

* Movement during the year includes foreign currency translation difference amounting to ₹ 1,388.5 Million (March 31, 2025 : ₹ 304.0 Million)

Includes deferred tax disclosed as "Tax on exceptional items" amounting to ₹ 944.4 Million. [Refer note 61]

(iii) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Tax losses (include capital in nature)	117,043.2	66,361.6
Unabsorbed depreciation	2,886.9	2,374.6

Unused tax losses will expire from financial year 2026-27 to 2035-36. However, in case of certain overseas subsidiaries there is no expiry period for tax losses and unused tax credits.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 51 EARNINGS PER SHARE

	Year ended March 31, 2026	Year ended March 31, 2025
Profit for the year (₹ in Million) - used as numerator for calculating earnings per share	114,794.2	109,290.4
Weighted average number of shares used in computing basic and diluted earnings per share	2,399,334,970	2,399,334,970
Face value per share (in ₹)	1.0	1.0
Basic earnings per share (in ₹)	47.8	45.6
Diluted earnings per share (in ₹)	47.8	45.6

NOTE: 52 SEGMENT REPORTING

The Chief Operating Decision Maker ('CODM') evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

1. India
2. United States of America
3. Emerging markets
4. Rest of the world

The reportable segments derives their revenues from the sale of pharmaceuticals products (generics, specialty, API, etc.). The CODM reviews revenue as the performance indicator. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Group's consolidated financial statements.

Revenue by geography

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
India	196,941.9	173,755.8
United States of America	176,198.6	170,076.6
Emerging markets	116,837.2	99,559.7
Rest of the world	92,223.4	77,020.4
	582,201.1	**520,412.5**

Non-current assets by geography in the below table include property, plant and equipment, capital work-in-progress, other intangible assets, intangible assets under development and other non-current assets.

₹ in Million

	As at March 31, 2026	As at March 31, 2025
India	109,425.6	107,116.0
United States of America	102,996.9	55,191.7
Emerging markets	28,992.7	24,260.9
Rest of the world	23,704.0	21,740.8
	265,119.2	**208,309.4**

In view of the interwoven / intermix nature of business and manufacturing facility, other segmental information is not ascertainable.

No customer contributed more than 10.0% of total revenues for the year ended March 31, 2026 and March 31, 2025.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 53 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has recorded an additional amount of ₹ 870.7 Million (March 31, 2025 : ₹ 285.2 Million) as deferred revenue pursuant to the requirements of Ind AS 115. Revenue of ₹ 632.6 Million (March 31, 2025 : ₹ 1,153.6 Million) has been recognised as Revenue from contract with customer pursuant to completion of performance obligation in respect of the above contracts. Further, deferred revenue amounting to ₹ 37.5 million has been reversed during the year due to cancellation of agreement.

The reconciling items of revenue recognised in the consolidated statement of profit and loss with the contracted price are as follows:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue as per contracted price, net of returns	898,177.1	788,661.0
Less:		
Provision for sales return	(7,439.3)	(5,935.3)
Chargebacks, Rebates, discounts and others	(308,536.7)	(262,313.2)
	(315,976.0)	**(268,248.5)**
Revenue from contracts with customers	**582,201.1**	**520,412.5**

Disaggregation of Revenue from contract with customers:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products	568,398.0	514,779.8
Sale of service/others	13,803.1	5,632.7
	582,201.1	**520,412.5**

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Contract balances		
Trade receivables	155,096.7	130,461.1
Contract assets	-	148.6
Contract liabilities	6,437.2	5,110.9

Contract balances of Trade receivables, Contract assets and Contract liabilities as at April 01, 2024 were ₹ 112,493.7 Million, ₹ 108.7 Million and ₹ 6,152.8 Million respectively.

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 54 LEASES

(a) The Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised. Expenses related to short term leases and low-value assets for the year ended March 31, 2026 is ₹ 267.5 Million (March 31, 2025 : ₹ 167.2 Million).

(b) The following is the movement of lease liabilities

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Balance as at beginning of the year	4,925.6	4,279.8
Additions	1,779.7	2,057.5
Deletions	(274.6)	(158.4)
Interest expense on lease liability	422.5	337.5
Payment towards lease liabilities	(1,936.2)	(1,682.6)
Foreign currency translation difference	540.1	91.8
Balance at end of the year	**5,457.1**	**4,925.6**

(c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Less than one year	2,141.0	1,554.3
Later than one year and not later than five years	3,743.6	3,569.0
Later than five years	2,194.9	764.9

(d) The Company has given certain premises under operating lease or leave and license agreements. These are generally not non-cancellable and periods range between 11 months to 3 years under leave and license/lease and are renewable by mutual consent on mutually agreeable terms. The Company has received refundable interest free security deposits where applicable in accordance with the agreed terms.

NOTE: 55 EMPLOYEE BENEFITS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Corporation (ESIC) and other Funds which covers all regular employees of the parent company and Indian subsidiaries. While the employees and the parent company and Indian subsidiaries make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other statutory funds are made only by the parent company and Indian subsidiaries. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 1,884.9 Million (March 31, 2025 : ₹ 1,710.9 Million).

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Contribution to Provident Fund and Family Pension Fund	1,784.2	1,594.6
Contribution to Superannuation Fund	66.3	71.9
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	32.6	42.7
Contribution to Labour Welfare Fund	1.8	1.7

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

Defined benefit plan

a) Gratuity

In accordance with Indian Law, the Parent Company and its Indian subsidiaries operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment in accordance with the provisions under the Code on Social Security, 2020 or as per the Company Scheme, as applicable. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. The Parent Company and its Indian Subsidiaries manages the plan by contributing to LIC's Recognised Group Gratuity Fund Scheme. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the parent company and Indian subsidiaries review the level of funding in gratuity fund. The parent company and Indian subsidiaries decides its contribution based on the results of its annual review. The parent company and Indian subsidiaries aim to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium term.

b) Pension fund

The parent company has an obligation towards pension, a defined benefit retirement plan, with respect to certain employees, who had already retired before March 01, 2013, will continue to receive the pension as per the pension plan.

c) Covid-19 Employee children education support

The parent company and its Indian subsidiaries have undertaken an obligation to provide financial support towards education expenses of the children of those employees who have lost their lives due to the COVID-19 pandemic.

Risks

These plans typically expose the parent company and its Indian subsidiaries to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

i) Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

ii) Interest rate risk - A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per the parent company and Indian subsidiaries rules with corresponding charge to the consolidated statement of profit and loss including impact on account of new labor code amounting to ₹ 1,681.9 Million (March 31, 2025: ₹ 974.1 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined as at the year end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long term employee benefit plans are recognised in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

₹ in Million

	Year ended March 31, 2026			Year ended March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Expense recognised in the consolidated statement of profit and loss (Refer Note 34)						
Current service cost	-	-	952.7	-	-	731.8
Past service cost	-	-	2,799.1	-	-	-
Curtailment*		(490.4)	-	-	-	-
Interest cost	5.2	70.3	627.0	5.7	73.5	530.7
Expected return on plan assets	-	-	(362.2)	-	-	(391.0)
Expense charged to the consolidated statement of profit and loss	**5.2**	**(420.1)**	**4,016.6**	**5.7**	**73.5**	**871.5**
Remeasurement of defined benefit obligation recognised in other comprehensive income						
Actuarial loss / (gain) on defined benefit obligation	(10.4)	171.6	(302.0)	(6.1)	15.0	520.4
Actuarial loss/ (gain) on plan assets	-	-	(24.1)	-	-	(135.0)
Expense/(income) charged to other comprehensive income	**(10.4)**	**171.6**	**(326.1)**	**(6.1)**	**15.0**	**385.4**
Reconciliation of defined benefit obligations						
Obligations as at the beginning of the year	76.2	1,058.4	8,621.8	78.8	1,028.5	7,427.2
Current service cost	-	-	952.7	-	-	731.8
Interest cost	5.2	70.3	627.0	5.7	73.5	530.7
Curtailment *	-	(490.4)	-			
Past service cost	-	-	2,799.1	-	-	-
Benefits paid	(2.9)	(62.6)	(653.4)	(2.2)	(58.6)	(588.3)
Actuarial (gains)/losses on obligations						
- due to change in demographic assumptions	-	-	(7.3)	-	-	173.5
- due to change in financial assumptions	(0.8)	(10.1)	(246.6)	2.2	39.6	270.4
- due to experience	(9.6)	181.7	(48.1)	(8.3)	(24.6)	76.5
Obligation as at the year end	**68.1**	**747.3**	**12,045.2**	**76.2**	**1,058.4**	**8,621.8**

*During the year ended March 31, 2026, the Company recognized a curtailment of its defined benefit obligation, based on a legal opinion obtained during the year, the Company concluded that past / future service benefits in respect of the concerned employee are no longer payable, resulting in a reduction in the liability.

₹ in Million

	As at March 31, 2026	As at March 31, 2025
	Gratuity (Funded)	Gratuity (Funded)
Reconciliation of liability/(asset) recognised in the consolidated balance sheet		
Present value of commitments (as per actuarial valuation)	12,045.2	8,621.8
Fair value of plan assets	(6,702.2)	(6,258.3)
Net liability recognised in the consolidated financial statement	**5,343.0**	**2,363.5**

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
	Gratuity (Funded)	Gratuity (Funded)
Reconciliation of plan assets		
Plan assets as at the beginning of the year	6,258.3	5,471.0
Expected return	362.2	391.0
Actuarial gain/ (loss)	24.1	135.0
Employer's contribution during the year	711.0	849.6
Benefits paid	(653.4)	(588.3)
Plan assets as at the year end	**6,702.2**	**6,258.3**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Assumptions:						
Discount rate	6.90%	6.90%	In range of 6.6% to 7.25%	6.70%	6.65%	In range of 6.6% to 7.20%
Expected return on plan assets	N.A.	N.A.	In range of 6.6% to 6.90%	N.A.	N.A.	In Range of 6.60% to 7.30%
Expected rate of salary increase	N.A.	N.A.	7.00%-11.20%	N.A.	N.A.	In range of 10.54%-11.25%
Interest rate guarantee	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Morality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Morality (2012-14)
Employee turnover	N.A.	N.A.	In range of 11.30% - 25.00%	N.A.	N.A.	In range of 11.30% - 25.00%
Retirement Age (years)	N.A.	N.A.	58 to 60	N.A.	N.A.	58 to 60

₹ in Million

	As at March 31, 2026			As at March 31, 2025		
	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	Covid-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Sensitivity analysis:						
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period.						
Impact on defined benefit obligation						
Delta effect of +1% change in discount rate	(3.5)	(29.5)	(784.7)	(4.2)	(65.3)	(553.4)
Delta effect of -1% change in discount rate	3.9	29.1	889.0	4.7	69.6	629.7
Delta effect of +1% change in salary escalation rate	-	-	795.7	-	-	598.0
Delta effect of -1% change in salary escalation rate	-	-	(717.9)	-	-	(538.5)
Delta effect of +1% change in rate of employee turnover	-	-	(169.0)	-	-	(132.8)
Delta effect of -1% change in rate of employee turnover	-	-	189.0	-	-	149.0
Maturity analysis of projected benefit obligation for next						
1st year	5.8	216.5	1,978.0	6.1	157.8	1,506.0
2nd year	6.4	69.9	1,395.8	7.3	97.2	969.0
3rd year	7.3	67.6	1,381.7	6.8	95.0	917.1
4th year	6.0	65.1	1,281.0	7.7	92.7	903.7
5th year	6.9	62.4	1,238.3	6.4	90.2	834.4
Thereafter	66.1	728.1	14,169.1	77.4	1,563.3	9,930.7
The major categories of plan assets are as under:						
Insurer managed funds (Funded with LIC, break-up not available)			6,702.2	-	-	6,258.3

The contribution expected to be made by the parent company and its Indian subsidiaries for gratuity during financial year ending March 31, 2027 is ₹ 6,416.7 Million (March 31, 2026 ₹ 3,142.7 Million).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

In the United States, the Company sponsors a defined contribution 401(k) retirement savings plan for all eligible employees who meet minimum age and service requirements. The Company has no further obligations under the plan beyond its annual matching contributions.

The Group also has certain other defined benefits plans in various geographies. However, since they are not material , individual disclosures have not been made.

NOTE: 56

On June 24, 2024, the Group completed its acquisition of all outstanding ordinary shares of Taro Pharmaceutical Industries Limited ("Taro"), other than shares already held by the Group for a consideration of USD 347.4 Million (equivalent to ₹ 28,998.5 Million). On completion of buyback, the Company has transferred ₹ 3,263.4 Million to the retained earnings.

NOTE: 57 RELATED PARTY DISCLOSURES (IND AS-24) - AS PER ANNEXURE 'B'.

NOTE: 58

Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 2,286.7 Million (March 31,2025 : ₹ 1,405.8 Million).

NOTE: 59

The Group does not have any material associates or joint venture warranting a disclosure in respect of individual associate or joint venture. The Group's share of other comprehensive income is ₹ Nil (March 31, 2025: ₹ Nil) in respect of such associates and joint venture. The unrecognised share of loss is ₹ Nil (March 31, 2025: ₹ Nil) in respect of such associates and joint venture.

NOTE: 60

In respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, provision has been made, which would be required to settle the obligation. The said provisions are made as per the best estimate of the management and disclosure as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets" has been given below:

₹ in Million

	Year ended March 31, 2026*	Year ended March 31, 2025*
Opening balance	54,480.7	46,885.4
Add: Provision for the year	94,472.7	80,996.1
Less: Utilisation/settlement/reversal	(105,307.4)	(74,292.5)
Add/(less): Foreign currency translation difference	4,900.7	891.7
Closing balance (Also Refer note 61)	**48,546.7**	**54,480.7**

*Includes provision for trade commitments, discounts, rebates, price reductions, product returns, chargeback, medicaids, contingency provision and clawback.

NOTE: 61

A Exceptional items of ₹ 13,074.8 Million and Exceptional tax credit of ₹ 3,854.0 Million for year ended March 31, 2026 includes :

a) Charge of ₹ 2,876.4 Million on account of discontinuation of development work of SCD-044, which includes (i) Impairment of acquired intangible asset under development of ₹ 1,514.9 Million and (ii) Other costs of ₹ 1,361.5 Million (included in research and development expenses). Tax credit on this charge is ₹ 1,005.1 Million.

b) On July 24, 2025 Taro and Sun Pharmaceutical Industries, Inc. (SPIINC) entered into a settlement agreement with the putative End Payer Plaintiffs class (EPPs) without any admission of guilt or violation of any statute, law, rule or regulation, or of any liability or wrongdoing, pursuant to which Taro and SPIINC agreed to pay an aggregate amount of USD 200.0 Million (equivalent to ₹ 17,112.0 Million), in exchange for a full release of all claims asserted against them (and all of their current and former parents, affiliates, predecessors and successors as well as their current and former directors, officers, employees and representatives). The Company had taken a charge of USD 62.0 Million (equivalent to ₹ 5,303.6 Million) inclusive of legal charges of USD 7.0 Million (equivalent to ₹ 598.9 Million) (net of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

amount already provided in previous years) as an exceptional item. The settlement agreement was subject to court approval, and the court issued its order of approval on January 23, 2026, dismissing the EPP matters on the merits, in their entirety, with prejudice. Further to the courts approval and final opt-outs percentage, an additional charge of USD 12.8 Million (equivalent to ₹ 1,139.5 Million) inclusive of legal charge of USD 7.8 Million (equivalent to ₹ 693.8 Million) was taken. Tax credit on this settlement charge was ₹ 1,904.5 Million.

c) The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes as follows: Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the New Labour Codes). The New Labour Codes became effective from November 21, 2025 and introduced changes that include, among other things, setting a uniform definition of wages. The Government is in process of issuing related rules. The New Labour Codes have implications on employee benefits including gratuity, leave encashment, and other related obligations.

The Company assessed the implications of the New Labour Codes and recognized an incremental cost of ₹ 3,755.3 Million and related tax credit of ₹ 944.4 Million.

B) Exceptional items of ₹ 6,778.5 Million and Exceptional tax expense of ₹ 3,774.8 Million for year ended March 31, 2025 includes:

a) Charge of USD 37.44 Million (equivalent to ₹ 3,161.7 Million) including legal expenses of USD 0.7 Million (equivalent to ₹ 58.2 Million) on agreement of a settlement in principle on the primary financial terms, with no admission of wrongdoing, in the National Prescription Opiate Litigation that has been consolidated for pre-trial proceedings in the U.S. District Court for the Northern District of Ohio. The settlement is subject to the negotiation and execution of a definitive settlement agreement between the parties.

The Company continues to defend related matters in the United States of America that were not consolidated into the National Prescription Opiate Litigation as well as similar putative class actions pending in the provinces in Canada.

b) Charge of USD 11.7 Million (equivalent to ₹ 1,013.8 Million) towards integration and restructuring of operations in the United States. Deferred tax asset of USD 43.6 Million (equivalent to ₹ 3,774.8 Million) has also been written off on account of this restructuring.

c) Charge of USD 30.05 Million (equivalent to ₹ 2,603.0 Million) towards impairment of investment in Lyndra Therapeutics Inc due to closure of its operations.

NOTE: 62

a) In May 2022, US FDA inspected Sun Pharma's Halol facility, and the inspection was classified as Official Action Indicated (OAI) in August 2022. Subsequently, in December 2022, US FDA placed the Halol facility on Import Alert 66-40; and afterwards, issued a Warning Letter summarizing violations of current Good Manufacturing Practice (cGMP) at the facility (amended in October 2023). Subsequently, following a June 2025 inspection, The US FDA classified Halol facility as Official Action Indicated (OAI) in September 2025. The Company is taking corrective measures necessary to get the facility back to fully compliant status.

b) In September 2013, US FDA had placed Sun Pharma's Mohali facility on Import Alert; the site was also subjected to certain provisions of the Consent Decree of Permanent Injunction entered against Ranbaxy Laboratories Ltd. in January 2012 (Ranbaxy Laboratories Ltd. was merged with Sun Pharma in March 2015). In March 2017, US FDA removed the Import Alert on Mohali facility and indicated that the site was in substantial compliance with the provisions mentioned in the Consent Decree. In August 2022, US FDA inspected the Mohali facility, and the inspection was classified as OAI. In April 2023, US FDA issued a Consent Decree Correspondence / Non-Compliance letter to the Mohali facility in which US FDA directed the Company to take certain corrective actions at the Mohali facility, and certain actions before releasing finished drug product batches into the United States. These actions include, but are not limited to, retaining an independent cGMP expert to conduct batch certifications of drug products manufactured at the Mohali facility for shipment to the U.S. market.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

c) In December 2023, US FDA inspected Sun Pharma's Dadra facility and has subsequently determined the inspection classification status of this facility as Official Action Indicated (OAI). In June 2024, US FDA issued a Warning Letter summarizing violations of cGMP at the facility. The Company is taking corrective measures necessary to get the facility back to fully compliant status.

d) September 2025, US FDA inspected Sun Pharma's Baska facility and has subsequently determined the inspection classification status of this facility as Official Action Indicated (OAI). The Company is taking corrective measures necessary to get the facility back to fully compliant status.

NOTE: 63

With effect from the financial year 2026–27, the Company and one of its Indian subsidiary have decided to exercise the option available under Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 206 of the Income-tax Act, 2025), which provides eligible domestic companies a concessional tax regime at an effective rate of 25.168% (22% plus applicable surcharge and cess), in lieu of the regular corporate tax rate of 34.944%.

The Company has remeasured its deferred tax assets and liabilities at the new applicable rate as at March 31, 2026, in accordance with Ind AS 12, 'Income Taxes'. This has resulted in a net credit to tax expense of ₹1,030.0 Million in year ended March 31, 2026.

NOTE: 64

On April 27, 2026, the Group entered into a definitive agreement to acquire all outstanding shares of Organon & Co. for cash payment of USD 14.00 per share in an all cash transaction with an enterprise valuation of USD 11.75 billion. Acquisition is subject to approvals and closing conditions.

NOTE: 65

a) No proceeding have been initiated or pending against the parent company and its Indian subsidiaries under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

b) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

c) The Group has not granted any loans or advances in the nature of loans to promoters, directors, and KMPs, either severally or jointly with any other person. No trade or other receivable are due from directors either severally or jointly with any other person.

d) The parent company and its Indian subsidiaries do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) The parent company and its Indian subsidiaries has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

f) The parent company and its Indian subsidiaries have not been declared wilful defaulter by any bank or financial institution or government or any other government authorities.

g) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. However , the Company, as a part of its treasury operations, invests/advances loans to fund the operations of its subsidiaries/associates/ joint venture which have further utilised these funds for their general corporate purposes/ working capital, etc. within the consolidated group of the Company and in the ordinary course of business. These transactions are done on an arms length basis following a due approval process.

Further, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 66 DETAILS OF LONG-TERM BORROWINGS AND CURRENT MATURITIES OF LONG-TERM DEBT [INCLUDED UNDER SHORT TERM BORROWINGS]

A Term loans:

(i) The Company has Unsecured loan from banks of ₹ 312.6 Million (March 31, 2025: Nil) equivalent to CNY 22.9 Million (March 31, 2025: Nil) comprising of loan taken by Sun Pharma Hainan Company Limited. The unsecured loan carries interest rate of 1 YR LPR + 0.65% p.a. bps and will be repaid by 2029.

(ii) The Company has unsecured loan from others of ₹ Nil (March 31, 2025: ₹ 25.2 Million) comprising of loan taken by Vivaldis Health and Foods Private Limited (Vivaldis). The unsecured loan carried interest rate of 9.00% and has been repaid during the year.

NOTE: 67 DETAILS OF SECURITIES FOR CURRENT BORROWINGS ARE AS UNDER:

Borrowings / debt availed by subsidiaries are usually supported by the letter of awareness issued by the parent company.

NOTE: 68 LOANS/ADVANCES DUE FROM AN ASSOCIATE

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Interest bearing with specified repayment schedule:		
Medinstill LLC and its subsidiaries (Refer note 57)		
Considered good	282.9	256.3
Credit impaired	1,548.9	1,403.1
Less: Allowance for credit impaired	(1,548.9)	(1,403.1)
	282.9	**256.3**

Loans have been granted to the above entity for the purpose of its business.

NOTE: 69

The Parent Company holds 24.91% in the capital of Shimal Research Laboratories Limited. However, as the Parent Company does not have any 'Significant Influence' in Shimal Research Laboratories Limited, as is required under Ind AS 28 - Investments in Associates and Joint Ventures, the said investment in Shimal Research Laboratories Limited has not been accounted as an Associate Entity.

NOTE: 70

The Board of Directors of the Company at its meeting held on November 01, 2023 approved a Composite Scheme of Arrangement covering two aspects (1) Amalgamation of five wholly-owned subsidiaries (Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) (collectively Transferor Companies) into the Company, and (2) Reclassification of general reserves to retained earnings with an appointed date of April 01, 2023.

On October 7, 2025, the National Company Law Tribunal approved the above scheme. As a result, the impact of the scheme for merger of Sun Pharmaceutical Medicare Limited including the tax credit of ₹ 1,401.9 Million on losses was taken during year ended March 31, 2026 in accordance with Ind AS 103 – Business Combinations.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 71

The Company and its subsidiaries incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company and its subsidiaries incorporated in India in accordance with statutory record retention requirements to the extent it was enabled and recorded in those respective years, however, in case of two applications used by the Company and certain of its subsidiaries incorporated in India the audit trail relating to direct changes made using privileged/administrative access rights were not preserved for the period May 2024 to November 2024.

NOTE: 72

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

NOTE: 73 TRADE PAYABLE AGEING

₹ in Million

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Outstanding dues	63,239.2	9,057.8	280.3	228.2	238.3	73,043.8
Disputed dues	-	254.7	18.8	11.5	9.2	294.2
	63,239.2	**9,312.5**	**299.1**	**239.7**	**247.5**	**73,338.0**

₹ in Million

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Outstanding dues	48,688.2	12,321.8	318.5	122.1	274.9	61,725.5
Disputed dues	-	96.5	11.5	5.4	4.5	117.9
	48,688.2	**12,418.3**	**330.0**	**127.5**	**279.4**	**61,843.4**

NOTE: 74 DETAILS OF CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT:

Ageing of Capital work-in-progress

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress	7,294.1	1,544.4	281.5	4,667.0	13,787.0
Projects temporarily suspended	-	-	0.3	19.2	19.5
	7,294.1	**1,544.4**	**281.8**	**4,686.2**	**13,806.5**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress	5,203.9	1,993.5	818.6	4,134.0	12,150.0
Projects temporarily suspended	-	8.3	18.2	166.9	193.4
	5,203.9	**2,001.8**	**836.8**	**4,300.9**	**12,343.4**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Overdue Capital work-in-progress

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress					
Formulation	629.3	-	-	-	629.3
Active Pharmaceutical Ingredient	1,345.5	-	-	-	1,345.5
Others	82.7	-	-	-	82.7
Projects temporarily suspended	19.6	-	-	-	19.6
	2,077.1	**-**	**-**	**-**	**2,077.1**

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress					
Formulation	608.8	-	-	-	608.8
Active Pharmaceutical Ingredient	2,347.5	-	-	-	2,347.5
Others	90.7	-	-	-	90.7
Projects temporarily suspended	-	-	193.4	-	193.4
	3,047.0	**-**	**193.4**	**-**	**3,240.4**

Ageing of intangible assets under development

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress	1,281.3	11,476.6	2,255.2	1,697.7	16,710.8
	1,281.3	**11,476.6**	**2,255.2**	**1,697.7**	**16,710.8**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress	13,226.5	1,773.8	36,595.5	2,500.4	54,096.2
	13,226.5	**1,773.8**	**36,595.5**	**2,500.4**	**54,096.2**

Overdue intangible assets under development

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2026
Projects in progress					
Others	74.9	-	-	-	74.9
	74.9	**-**	**-**	**-**	**74.9**

₹ in Million

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress					
Others	132.4	-	-	-	132.4
	132.4	**-**	**-**	**-**	**132.4**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 75 USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

a) Litigations (Refer Note 2 (m) and Note 39)

b) Revenue (Refer Note 2 (n))

c) Impairment of goodwill and intangible assets (Refer Note 2 (g), (h) and Note 47)

d) Contingent consideration (Refer Note 2 (c))

e) Income taxes (Refer Note 2 (r))

NOTE: 76 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions and balances with companies which are struck off except that 3 shareholders holding 5,505 shares (March 31, 2025 - 35 shareholders holding 27,037 shares) are struck off.

NOTE: 77 BUSINESS COMBINATIONS

On July 12, 2024, the Group acquired Valstar S.A. and its subsidiary Kemipharm S.A. for a consideration of USD 30.7 Million (equivalent to ₹ 2,564.8 Million) from its existing shareholders.

As per Ind AS 103 on Business Combination, purchase consideration was allocated according to the fair value of the acquired assets and liabilities. The resulting differential was accounted as goodwill.

	₹ in Million
Assets	
Cash	3.2
Trade receivable	34.9
Other current assets	127.1
Inventories	76.8
Property, Plant and equipment	133.7
Intangible assets	952.4
Total Assets	**1,328.1**
Liabilities	
Trade payable	113.3
Deferred tax	245.7
Income tax liability	0.3
Total liabilities	**359.3**
Total net identifiable assets at fair value	**968.8**
Total purchase price	**2,564.8**
Paid	2,460.4
Deferred consideration	104.4
Goodwill	1,596.0

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

NOTE: 78

During the year ended March 31, 2025, the Group completed the acquisition of 100% shareholding in Antibe Therapeutics Inc., Canada for a consideration of CAD 4.5 Million (equivalent to ₹ 267.9 Million) from its existing shareholders.

NOTE: 79

During the year ended March 31, 2026, the Group completed acquisition of Checkpoint Therapeutics, Inc. for a upfront cash payment of USD 4.10 per share of common stock amounting to consideration of USD 397.7 Million. Also, stockholders will receive a contingent value right for upto $ 0.70 per share on achievement of a milestone. Acquisition was accounted for using asset acquisition method.

NOTE: 80

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

NOTE: 81

Figures for previous year have been regrouped / reclassified wherever considered necessary.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.:
324982E/E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2026

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Disclosure of additional information pertaining to the Parent Company, subsidiaries, associates and joint ventures as per Schedule III of Companies Act, 2013:

(Annexure 'A')

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2025-26		2025-26		2025-26		2025-26	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
Parent Entity - Sun Pharmaceutical Industries Limited		**26.7**	**223,707.6**	**22.9**	**26,234.2**	**(5.8)**	**(2,190.5)**	**15.7**	**24,043.7**
Subsidiaries									
Indian									
1	Green Eco Development Centre Limited	-	-	-	-	-	-	-	-
2	Sun Pharma Laboratories Limited	49.1	411,708.3	54.9	62,993.8	0.4	138.3	41.3	63,132.1
3	Faststone Mercantile Company Private Limited	-	-	-	-	-	-	-	-
4	Neetnav Real Estate Private Limited	0.8	6,902.9	0.0	11.8	-	-	0.0	11.8
5	Realstone Multitrade Private Limited	-	-	-	-	-	-	-	-
6	Skisen Labs Private Limited	-	-	-	-	-	-	-	-
7	Softdeal Pharmaceutical Private Limited	0.2	1,703.2	0.3	344.5	(0.0)	(9.0)	0.2	335.5
8	Universal Enterprises Private Limited	0.0	4.9	(0.0)	(0.0)	-	-	(0.0)	(0.0)
9	Realstone Infra Limited	(0.1)	(462.2)	(0.1)	(86.2)	-	-	(0.1)	(86.2)
10	Sun Pharmaceutical Medicare Limited	-	-	-	-	-	-	-	-
11	Zenotech Laboratories Limited	0.2	1,392.0	(0.0)	(24.3)	0.0	0.2	(0.0)	(24.1)
12	Sun Pharma Distributors Limited	1.7	14,521.7	3.0	3,420.4	0.0	2.2	2.2	3,422.6
13	Caraco Pharmaceuticals Private Limited	(0.0)	(0.5)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
14	Vivaldis Health and Foods Private Limited	0.1	1,008.6	0.1	79.3	0.0	2.3	0.1	81.6
15	Sun Pharma Community Healthcare Society	0.0	29.6	0.0	1.6	-	-	0.0	1.6
16	Sun Pharma Science Foundation	0.0	11.4	0.0	1.2	-	-	0.0	1.2
17	Foundation for Disease Elimination and Control of India	(0.0)	(0.2)	(0.0)	(0.1)	-	-	(0.0)	(0.1)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2025-26		2025-26		2025-26		2025-26	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
Foreign									
1	Sun Pharmaceutical (Bangladesh) Limited	0.3	2,500.7	(0.3)	(334.8)	-	-	(0.2)	(334.8)
2	Sun Farmaceutica Do Brasil Ltda.	(0.3)	(2,726.4)	0.0	6.9	-	-	0.0	6.9
3	Sun Pharma De Mexico S.A. DE C.V.	0.2	1,359.1	0.1	85.6	-	-	0.1	85.6
4	Sun Pharmaceutical Peru S.A.C.	(0.0)	(3.8)	(0.0)	(0.2)	-	-	(0.0)	(0.2)
5	Sun Pharma De Venezuela, C.A.	(0.0)	(0.0)	-	-	-	-	-	-
6	Sun Pharma France	(0.2)	(1,802.2)	0.0	37.2	-	-	0.0	37.2
7	Ranbaxy (Malaysia) SDN. BHD.	0.6	5,437.5	0.6	637.7	-	-	0.4	637.7
8	Ranbaxy Nigeria Limited	(0.4)	(3,476.7)	0.6	639.9	-	-	0.4	639.9
9	Sun Pharma (Netherlands) B.V	15.2	127,504.9	2.6	3,011.3	8.5	3,217.9	4.1	6,229.1
10	Alkaloida Chemical Company Zrt.	8.4	70,863.9	0.6	700.7	-	-	0.5	700.7
11	Sun Pharmaceutical Industries (Australia) Pty Limited	0.3	2,708.8	(0.1)	(159.4)	-	-	(0.1)	(159.4)
12	Aditya Acquisition Company Ltd.	(0.0)	(1.0)	(0.0)	(0.0)	-	-	(0.0)	(0.0)
13	Sun Pharmaceutical Industries (Europe) B.V.	0.1	620.0	0.1	98.6	-	-	0.1	98.6
14	Sun Pharmaceuticals Germany GmbH	0.0	280.4	0.1	80.1	-	-	0.1	80.1
15	Sun Pharma Philippines, Inc.	(0.1)	(450.7)	0.1	68.4	(0.0)	(0.9)	0.0	67.5
16	Sun Pharma Japan Ltd.	0.1	883.0	(0.2)	(229.6)	-	-	(0.2)	(229.6)
17	Sun Laboratories FZE	0.2	2,091.1	0.1	114.1	-	-	0.1	114.1
18	Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	20.5	171,868.5	4.2	4,806.8	(0.1)	(41.9)	3.1	4,764.8
19	Sun Pharma Switzerland Ltd.	0.0	10.0	0.0	13.5	-	-	0.0	13.5
20	Sun Pharma Holdings	15.3	128,539.2	(0.1)	(65.5)	-	-	(0.0)	(65.5)
21	Sun Pharma East Africa Limited	(0.0)	(81.1)	0.0	30.5	-	-	0.0	30.5
22	Sun Pharma ANZ Pty Ltd	0.2	2,058.1	0.1	166.6	-	-	0.1	166.6
23	Ranbaxy Farmaceutica Ltda.	(0.0)	(363.4)	0.2	221.8	-	-	0.1	221.8
24	Sun Pharma Canada Inc.	-	-	-	-	-	-	-	-
25	Sun Pharma Egypt Ltd LLC	0.0	327.1	0.1	65.1	-	-	0.0	65.1
26	Rexcel Egypt LLC	(0.0)	(12.2)	0.0	5.1	-	-	0.0	5.1
27	Basics GmbH	0.2	1,565.3	0.1	119.0	-	-	0.1	119.0
28	Sun Pharma Italia srl	0.1	459.9	0.1	83.2	-	-	0.1	83.2
29	Sun Pharmaceutical Industries S.A.C.	0.0	296.9	0.1	97.1	-	-	0.1	97.1
30	Ranbaxy (Poland) SP. Z O.O.	0.1	493.6	0.0	27.0	-	-	0.0	27.0
31	SC Terapia SA	3.3	27,744.7	7.5	8,585.1	-	-	5.6	8,585.1
32	AO Ranbaxy	0.4	3,621.5	0.5	622.6	-	-	0.4	622.6

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2025-26		2025-26		2025-26		2025-26	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
33	JSC Biosintez	0.5	4,610.2	0.4	516.3	-	-	0.3	516.3
34	Ranbaxy South Africa (Pty) Ltd. (Consolidated with its Subsidiary)	0.2	1,789.2	0.2	245.5	-	-	0.2	245.5
35	Ranbaxy Pharmaceuticals (Pty) Ltd.	0.6	4,989.6	0.4	511.1	-	-	0.3	511.1
36	Sun Pharma Laboratorios,S.L.U.	0.1	1,136.7	0.1	67.7	-	-	0.0	67.7
37	Sun Pharma UK Limited	0.3	2,663.8	0.1	99.6	-	-	0.1	99.6
38	Sun Pharma Holdings UK Limited	0.5	3,856.5	0.0	10.2	-	-	0.0	10.2
39	Sun Pharmaceutical Holding USA Inc. (Consolidated with its Subsidiaries and its Associate)	7.4	61,684.9	(1.8)	(2,098.8)[#]	(3.6)	(1,364.7)	(2.3)	(3,463.5)[#]
40	Ranbaxy (Thailand) Co., Ltd.	0.0	382.5	0.0	13.9	-	-	0.0	13.9
41	Sun Pharmaceuticals Morocco LLC	(0.0)	(130.0)	(0.0)	(21.2)	-	-	(0.0)	(21.2)
42	Ranbaxy Pharmaceuticals Ukraine LLC	0.0	363.3	0.0	21.4	-	-	0.0	21.4
43	Sun Pharma (Shanghai) Co.,Ltd.	0.0	4.4	(0.0)	(3.6)	-	-	(0.0)	(3.6)
44	Sun Pharmaceuticals (EZ) Limited	(0.1)	(877.5)	(0.2)	(234.3)	-	-	(0.2)	(234.3)
45	Sunpharma Middle East FZ LLC	(0.0)	(15.4)	(0.0)	(12.8)	-	-	(0.0)	(12.8)
46	Sun Pharmaceuticals North Africa S.A. (Formely Known as Kemipharm)	0.1	992.4	(0.1)	(72.7)	-	-	(0.0)	(72.7)
47	Sun Pharma Luxembourg S.A.(Formely known as Valstar S.A.)	0.1	662.3	0.0	24.9	-	-	0.0	24.9
48	Sun Pharma Hainan Co. Ltd	(0.0)	(206.9)	(0.6)	(649.3)	-	-	(0.4)	(649.3)
Non controlling interest in all subsidiaries		0.4	3,096.5	(0.3)	(292.3)	(0.7)	(250.5)	(0.4)	(542.8)
Intercompany elimination and consolidation adjustments		(53.5)	(449,049.5)	3.6	4,158.0	101.3	38,513.5	27.9	42,671.5
Total		**100.0**	**838,797.3**	**100.0**	**114,794.2**	**100.0**	**38,016.9**	**100.0**	**152,811.1**

[#] Includes share of loss and share of TCI, from its associate of ₹252.1 Million.

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries, associates and joint ventures are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Disclosure of additional information pertaining to the Parent Company, subsidiaries, associates and joint ventures as per Schedule III of Companies Act, 2013:

(Annexure 'A')

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ ₹ in Million	As % of consolidated TCI	₹ in Million
Parent Entity - Sun Pharmaceutical Industries Limited		33.6	243,398.5	39.2	42,826.2	(2.5)	(232.0)	36.0	42,594.2
Subsidiaries									
Indian									
1	Green Eco Development Centre Limited	0.0	1.2	(0.0)	(0.0)	-	-	(0.0)	(0.0)
2	Sun Pharma Laboratories Limited	48.1	348,578.9	57.5	62,796.8	(1.5)	(132.2)	52.9	62,664.6
3	Faststone Mercantile Company Private Limited	0.0	3.5	0.0	0.1	-	-	0.0	0.1
4	Neetnav Real Estate Private Limited	0.7	5,141.1	(0.0)	(41.3)	-	-	(0.0)	(41.3)
5	Realstone Multitrade Private Limited	0.0	2.4	0.0	0.0	-	-	0.0	0.0
6	Skisen Labs Private Limited	(0.0)	(0.7)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
7	Softdeal Pharmaceutical Private Limited	0.2	1,353.5	0.4	394.9	(0.0)	(1.0)	0.3	393.9
8	Universal Enterprises Private Limited	0.0	4.9	(0.0)	(0.1)	-	-	(0.0)	(0.1)
9	Realstone Infra Limited	(0.1)	(376.1)	(0.1)	(85.5)	-	-	(0.1)	(85.5)
10	Sun Pharmaceutical Medicare Limited	(0.6)	(4,338.8)	(0.5)	(500.9)	(0.1)	(5.1)	(0.4)	(506.0)
11	Zenotech Laboratories Limited	0.2	1,416.1	0.0	31.0	0.0	0.2	0.0	31.2
12	Sun Pharma Distributors Limited	1.5	11,099.1	2.9	3,171.9	0.0	4.4	2.7	3,176.3
13	Caraco Pharmaceuticals Private Limited	(0.0)	(0.4)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
14	Vivaldis Health and Foods Private Limited	0.1	927.0	(0.0)	(29.6)	-	-	(0.0)	(29.6)
15	Sun Pharma Community Healthcare Society	0.0	28.0	0.0	3.1	-	-	0.0	3.1
16	Sun Pharma Science Foundation	0.0	10.2	0.0	0.4	-	-	0.0	0.4
17	Foundation for Disease Elimination and Control of India	(0.0)	(0.1)	0.0	0.2	-	-	0.0	0.2
Foreign									
1	Sun Pharmaceutical (Bangladesh) Limited	0.4	2,598.1	0.2	266.6	-	-	0.2	266.6
2	Sun Farmaceutica Do Brasil Ltda.	(0.3)	(2,298.0)	(0.1)	(77.3)	-	-	(0.1)	(77.3)
3	Sun Pharma De Mexico S.A. DE C.V.	0.1	1,046.6	0.0	49.3	-	-	0.0	49.3
4	Sun Pharmaceutical Peru S.A.C.	(0.0)	(3.1)	0.0	2.4	-	-	0.0	2.4
5	Sun Pharma De Venezuela, C.A.	(0.0)	(0.0)	-	-	-	-	-	-
6	Sun Pharma France	(0.2)	(1,562.1)	(0.0)	(38.4)	-	-	(0.0)	(38.4)
7	Ranbaxy (Malaysia) SDN. BHD.	0.5	3,941.6	0.8	837.4	-	-	0.7	837.4
8	Ranbaxy Nigeria Limited	(0.5)	(3,437.2)	(0.3)	(324.5)	-	-	(0.3)	(324.5)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ ₹ in Million	As % of consolidated TCI	₹ in Million
9	Sun Pharma (Netherlands) B.V	14.4	104,614.7	(0.8)	(839.3)	2.3	212.0	(0.5)	(627.3)
10	Alkaloida Chemical Company Zrt.	8.8	63,525.2	1.2	1,297.9	-	-	1.1	1,297.9
11	Sun Pharmaceutical Industries (Australia) Pty Limited	0.3	2,375.8	(0.5)	(501.9)	-	-	(0.4)	(501.9)
12	Aditya Acquisition Company Ltd.	(0.0)	(0.7)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
13	Sun Pharmaceutical Industries (Europe) B.V.	0.1	414.5	0.1	75.7	-	-	0.1	75.7
14	Sun Pharmaceuticals Germany GmbH	0.0	174.4	0.1	96.2	-	-	0.1	96.2
15	Sun Pharma Philippines, Inc.	(0.1)	(498.2)	0.0	10.2	-	-	0.0	10.2
16	Sun Pharma Japan Ltd. (Consolidated with its Subsidiary)	0.1	1,076.6	(0.8)	(905.4)	-	-	(0.8)	(905.4)
17	Sun Laboratories FZE	0.2	1,784.2	3.0	3,292.8	(0.4)	(39.2)	2.7	3,253.6
18	Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	21.0	151,863.9	(1.6)	(1,694.3)	7.0	639.0	(0.9)	(1,055.3)
19	Sun Pharma Switzerland Ltd.	(0.0)	(2.9)	(0.0)	(5.2)	-	-	(0.0)	(5.2)
20	Sun Pharma Holdings	16.1	116,505.5	(0.1)	(70.8)	-	-	(0.1)	(70.8)
21	Sun Pharma East Africa Limited	(0.0)	(100.5)	0.0	0.4	-	-	0.0	0.4
22	Sun Pharma ANZ Pty Ltd	0.2	1,537.5	0.1	149.0	-	-	0.1	149.0
23	Ranbaxy Farmaceutica Ltda.	(0.1)	(523.8)	0.7	803.6	-	-	0.7	803.6
24	Sun Pharma Canada Inc.	0.1	631.5	0.1	82.3	-	-	0.1	82.3
25	Sun Pharma Egypt Ltd LLC	0.0	252.7	0.1	116.4	-	-	0.1	116.4
26	Rexcel Egypt LLC	(0.0)	(16.3)	0.0	3.0	-	-	0.0	3.0
27	Basics GmbH	0.2	1,231.4	0.2	207.6	-	-	0.2	207.6
28	Sun Pharma Italia srl	0.0	311.0	0.0	0.2	-	-	0.0	0.2
29	Sun Pharmaceutical Industries S.A.C.	0.0	174.0	0.0	32.0	-	-	0.0	32.0
30	Ranbaxy (Poland) SP. Z O.O.	0.1	408.0	0.0	26.0	-	-	0.0	26.0
31	SC Terapia SA	2.9	20,903.5	5.8	6,381.9	-	-	5.4	6,381.9
32	AO Ranbaxy	0.4	2,584.5	0.3	321.5	-	-	0.3	321.5
33	JSC Biosintez	0.5	3,537.4	0.3	376.8	-	-	0.3	376.8
34	Ranbaxy South Africa (Pty) Ltd. (Consolidated with its Subsidiary)	0.2	1,318.7	0.1	92.9	-	-	0.1	92.9
35	Ranbaxy Pharmaceuticals (Pty) Ltd.	0.5	3,650.3	0.4	481.0	-	-	0.4	481.0
36	Sun Pharma Laboratorios, S.L.U.	0.1	905.8	0.1	66.9	-	-	0.1	66.9
37	Sun Pharma UK Limited	0.3	2,257.4	0.1	103.4	-	-	0.1	103.4
38	Sun Pharma Holdings UK Limited	0.5	3,399.6	(0.0)	(1.4)	-	-	(0.0)	(1.4)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ ₹ in Million	As % of consolidated TCI	₹ in Million
39	Sun Pharmaceutical Holding USA Inc. (Consolidated with its Subsidiaries and its Associate)	8.2	59,386.8	0.2	262.7#	(3.1)	(285.6)	(0.0)	(22.9)#
40	Ranbaxy (Thailand) Co., Ltd.	0.0	320.9	0.0	47.0	-	-	0.0	47.0
41	Sun Pharmaceuticals Morocco LLC	(0.0)	(104.6)	0.1	73.6	-	-	0.1	73.6
42	Ranbaxy Pharmaceuticals Ukraine LLC	0.1	508.0	0.1	57.5	-	-	0.0	57.5
43	Sun Pharma (Shanghai) Co.,Ltd.	0.0	7.3	(0.0)	(15.3)	-	-	(0.0)	(15.3)
44	Sun Pharmaceuticals (EZ) Limited	(0.1)	(572.8)	(0.5)	(523.5)	-	-	(0.4)	(523.5)
45	Sunpharma Middle East FZ LLC	(0.0)	(0.4)	(0.0)	(5.7)	-	-	(0.0)	(5.7)
46	Sun Pharmaceuticals North Africa S.A. (Formely Known as Kemipharm)	0.0	96.6	(0.2)	(200.2)	-	-	(0.2)	(200.2)
47	Sun Pharma Luxembourg S.A. (Formely known as Valstar S.A.)	(0.2)	(1,537.1)	(0.0)	(47.9)	-	-	(0.0)	(47.9)
Non controlling interest in all subsidiaries		0.4	2,679.3	(0.3)	(357.1)	(0.3)	(25.5)	(0.3)	(382.6)
Intercompany elimination and consolidation adjustments		(59.0)	(427,754.4)	(8.5)	(9,282.5)	98.5	8,963.6	(0.3)	(318.9)
Total		**100.0**	**724,859.5**	**100.0**	**109,290.4**	**100.0**	**9,098.6**	**100.0**	**118,389.0**

 # Includes share of loss and share of TCI, from its associate of ₹ 40.9 Million.

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries, associates and joint ventures are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2026

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Names of related parties where there are transactions and description of relationships

(a)	**Key Management Personnel (KMP)**	
	Dilip Shantilal Shanghvi	Executive Chairman (w.e.f. September 01, 2025) (Chairman and Managing Director upto August 31, 2025)
	Sudhir Vrundavandas Valia	Non-Executive Director and Non-Independent Director (upto May 22, 2025)
	Aalok D. Shanghvi	Wholetime Director
	Vidhi Shanghvi	Wholetime Director (w.e.f. May 22, 2025)
	Kirti W Ganorkar	Managing Director (w.e.f. September 01, 2025)
(b)	**Relatives of Key Management Personnel**	
	Vidhi Shanghvi (appointed as Wholetime Director w.e.f. May 22, 2025)	
(c)	**Independent Directors**	
	Gautam Doshi	
	Pawan Kumar Goenka	
	Rama Bijapurkar (upto May 20, 2026)	
	Rolf Karl Heinz Hoffmann	
	Sanjay Khatau Asher (upto March 31, 2025)	
	Satyavati Berera (w.e.f. May 08, 2026)	
	Dr Andreas Busch (w.e.f. May 12, 2026)	
(d)	**Others (Entities in which the KMP, Independent Directors and relatives of KMP and Independent Directors have control or significant influence)**	
	Alfa Infraprop Private Limited	
	Shanghvi Finance Private Limited	
	Shantilal Shanghvi Foundation	
	Sidmak Laboratories (India) Private Limited	
	Sun Petrochemicals Private Limited	
	Sun Pharma Advanced Research Company Limited	
	Anshul Speciality Molecules Private Limited	
	Navbio Ag	
	DNS Hospital Private Limited	
	Navjivan Rasayan Guj Privated Limited	
	SPARCLIFE Inc.	
	Shri Nagardas Dhanji Shanghvi Trust (Trade Name - Sudarshan Netralai)	
	Airamatrix Private Limited	
	Crawford Bayley and Co.(upto March 31, 2025)	
(e)	**Associates**	
	Medinstill LLC	
	Medinstill Development LLC (merged with Intact Solutions LLC w.e.f. November 30, 2024)	
	Dr. Py Institute LLC (merged with Intact Solutions LLC w.e.f. November 30, 2024)	
	Intact Solutions LLC	
	Remidio Innovative Solutions Private Limited	
	Haystack Analytics Private Limited	
	WRS Bioproducts Pty. Ltd.	
	Indian Foundation for Quality Management	
	Ezerx Health Tech Private Limited	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Details of related party transaction:

₹ in Million

	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of goods	**408.2**	**239.2**
Others	261.6	147.7
Associates	146.6	91.5
Purchase of property, plant and equipment and other intangible assets	**-**	**148.7**
Others	-	148.7
Revenue from contracts with customers, net of returns	**171.6**	**302.8**
Others	171.6	302.8
Sale of property, plant and equipment	**-**	**0.6**
Others	-	0.6
Other operating revenue/ Other Income	**3.9**	**12.5**
Others	3.9	12.5
Receiving of service	**619.8**	**662.0**
Others	492.0	662.0
Associates	127.8	-
Reimbursement of expenses (Paid)	**60.6**	**64.9**
Others	60.6	64.9
Rendering of service	**2.8**	**29.7**
Others	2.8	29.7
Reimbursement of expenses (Received)	**121.7**	**221.8**
Others	121.7	221.8
Loan given	**-**	**33.8**
Associates	-	33.8
Loan received back	**-**	**320.0**
Associates	-	320.0
Interest income	**-**	**57.4**
Associates	-	57.4
Lease rental and hire charges (Income)	**49.6**	**93.1**
Others	29.3	44.1
Associates	20.3	49.0
Rent expense/ payment towards lease liabilities	**-**	**4.8**
Others	-	4.8
Investments	**169.0**	**125.0**
Associates	169.0	125.0
Remuneration/ compensation	**244.0**	**163.1**
Key management personnel	244.0	145.1
Relatives of Key management personnel	-	18.0
CSR	**850.0**	**700.0**
Others	850.0	700.0
Sitting fees and commission paid to Independent directors	**41.2**	**31.8**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

Balances outstanding as at the end of year:

₹ in Million

	As at March 31, 2026	As at March 31, 2025
Receivables	**959.2**	**503.0**
Others	959.2	503.0
Associate (₹ 5,623/-)	0.0	0.0
Payables	**144.3**	**200.3**
Associates	31.7	8.9
Key management personnel	-	18.6
Independent directors	0.1	1.1
Others	112.5	171.7
Security deposit given	**-**	**0.5**
Others	-	0.5
Loan given	**282.9**	**256.3**
Associates	282.9	256.3
Advance from customers	**0.0**	**1.1**
Others (March 31, 2026 ₹ 17,245/-)	0.0	1.1
Advance (Includes capital and supply of goods/services)	**28.7**	**431.3**
Others	28.7	431.3

Key Management Personnel (KMP) and Relatives of KMP who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits'. As these employee benefits are lump sum amount provided on the basis of actuarial valuation, the same is not included above and there is no Share-based payments to key management personnel and relatives of KMP.

The transactions with related parties are made on an arm's length basis. Outstanding trade balances at the year-end are unsecured and there have been no guarantees provided or received for any related party receivables or payables.

Receiving of Service: The service received are mainly in nature of royalty payments and other expenses. The Company mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Company from other non-related parties.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint ventures

PART "A": Subsidiaries

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Sun Pharmaceutical (Bangladesh) Limited	29.03.2001	BDT	0.77	46.1	2,445.7	3,512.4	1,020.6	-	1,090.5	(351.7)	(3.5)	(348.2)	-	72.50%
2	Sun Pharmaceutical Industries, Inc.	20.11.2002	USD	94.36	-	116,823.3	236,925.8	120,102.5	10,959.0	162,790.0	(2,402.3)	(2,337.2)	(65.1)	-	100.00%
3	Sun Farmaceutica do Brasil Ltda.	22.05.2009	BRL	18.05	100.6	(2,789.3)	5,350.8	8,039.5	-	6,926.3	(133.9)	(214.2)	80.3	-	100.00%
4	Sun Pharma De Mexico S.A. DE C.V.	03.12.2002	MXN	5.23	5.3	1,377.4	1,968.3	585.6	-	2,032.3	130.5	41.7	88.8	-	100.00%
5	Sun Pharmaceutical Peru S.A.C.	27.06.2006	PEN	27.00	228.6	(236.2)	0.4	8.0	-	-	(0.1)	-	(0.1)	-	100.00%
6	Sun Pharma De Venezuela, C.A.	06.11.2011	VES	0.20	0.0	(0.0)	-	0.0	-	-	-	-	-	-	100.00%
7	Chattem Chemicals Inc.	24.11.2008	USD	94.36	-	14,398.1	8,691.2	(5,706.9)	-	10,748.7	4,838.2	(291.0)	5,129.2	-	100.00%
8	The Taro Development Corporation	20.09.2010	USD	94.36	-	8,775.2	12,622.6	3,847.4	-	-	559.9	(178.1)	738.0	-	100.00%
9	Alkaloida Chemical Company Zrt.	05.08.2005	USD	94.36	8,422.1	62,585.6	72,078.9	1,071.2	1,335.1	6,547.3	857.7	113.0	744.7	-	100.00%
10	Sun Pharmaceutical Industries (Australia) Pty Limited	11.03.2008	AUD	64.93	10,656.8	(7,947.6)	4,972.2	2,263.0	-	4,937.9	(182.6)	-	(182.6)	-	100.00%
11	Aditya Acquisition Company Ltd.	22.04.2007	ILS	29.82	0.0	(1.0)	0.1	1.1	-	-	0.1	-	0.1	-	100.00%
12	Sun Pharmaceutical Industries (Europe) B.V.	29.06.2007	EUR	108.45	2.0	650.1	6,266.1	5,614.0	-	7,244.5	192.3	54.8	137.5	-	100.00%
13	Sun Pharmaceuticals Germany GmbH	11.08.2008	EUR	108.45	2.7	261.6	3,920.8	3,656.5	-	6,292.7	100.4	30.4	70.0	-	100.00%
14	Sun Laboratories FZE	13.03.2011	USD	94.36	1,156.0	935.1	3,233.5	1,142.4	-	3,644.9	143.0	21.4	121.6	-	100.00%
15	Sun Pharma Japan Ltd.	01.03.2012	JPY	0.59	93.4	819.3	7,093.7	6,181.0	-	6,797.0	(305.8)	0.4	(306.2)	-	100.00%
16	Sun Pharma Philippines, Inc.	08.12.2011	PHP	1.55	13.5	(441.9)	1,395.4	1,823.8	-	1,296.8	87.0	(6.5)	93.5	-	100.00%
17	Caraco Pharmaceuticals Private Limited	12.01.2012	INR	1.00	0.1	(0.6)	0.0	0.5	-	-	(0.1)	-	(0.1)	-	100.00%
18	Sun Pharma Laboratories Limited	09.03.2012	INR	1.00	400.5	411,307.8	436,806.3	25,098.0	194,113.3	125,755.6	79,570.9	16,577.3	62,993.6	-	100.00%
19	Taro Pharmaceutical Industries Ltd. (Taro)	20.09.2010	USD	94.36	64.4	177,646.5	186,767.1	9,056.2	4,767.4	16,523.6	6,052.8	61.5	5,991.3	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
20	Sun Pharma Canada Inc. (Formerly known as Taro Pharmaceuticals Inc.)	20.09.2010	USD	94.36	35,157.4	169,375.9	216,009.3	11,476.0	18,115.1	6,713.2	277.7	47.7	230.0	-	100.00%
21	Taro Pharmaceuticals U.S.A., Inc.	20.09.2010	USD	94.36	13.7	(17,429.5)	112,905.8	130,321.6	737.6	5,842.5	7,708.3	1.0	7,707.3	-	100.00%
22	Taro Pharmaceuticals North America, Inc.	20.09.2010	USD	94.36	0.0	35,157.5	35,160.3	2.8	-	-	(2.2)	-	(2.2)	-	100.00%
23	Taro International Ltd.	20.09.2010	USD	94.36	0.0	3,901.9	4,511.2	609.3	-	25,479.0	618.1	108.7	509.4	-	100.00%
24	Neetnav Real Estate Private Limited	01.04.2012	INR	1.00	0.1	6,902.8	7,154.4	251.5	194.9	1.6	16.7	4.9	11.8	-	100.00%
25	Softdeal Pharmaceutical Private Limited	01.04.2012	INR	1.00	0.1	1,703.1	2,294.2	591.0	1,020.0	2,499.0	463.0	118.5	344.5	-	100.00%
26	Universal Enterprises Private Limited	03.09.2012	INR	1.00	4.5	0.4	8.1	3.2	-	-	(0.0)	-	(0.0)	-	100.00%
27	Sun Pharma Switzerland Ltd.	10.06.2013	CHF	117.96	11.8	(7.5)	18.2	13.9	-	30.4	(6.3)	0.0	(6.3)	-	100.00%
28	Sun Pharma Holdings	29.10.2013	USD	94.36	322,773.6	(194,514.1)	129,819.9	1,560.4	-	-	(70.0)	-	(70.0)	-	100.00%
29	PI Real Estate Ventures, LLC	15.07.2014	USD	94.36	-	3,896.2	1,110.0	(2,786.2)	-	283.1	192.2	-	192.2	-	100.00%
30	Sun Pharma East Africa Limited	13.06.2014	KES	0.73	0.1	(81.1)	861.2	942.2	-	1,103.2	40.2	13.6	26.6	-	100.00%
31	Basics GmbH	24.03.2015	EUR	108.45	528.7	581.0	6,752.0	5,642.3	-	5,233.9	104.5	31.9	72.6	-	100.00%
32	Ranbaxy Pharmaceuticals Ukraine LLC	24.03.2015	UAH	2.15	85.9	387.3	665.4	192.2	-	965.5	68.9	12.3	56.6	-	100.00%
33	Sun Pharmaceuticals Morocco LLC	24.03.2015	MAD	10.01	122.5	(501.8)	2,659.8	3,039.1	-	3,677.2	(63.4)	19.7	(83.1)	-	100.00%
34	Sun Pharmaceutical Industries S.A.C.	24.03.2015	PEN	27.00	117.3	175.6	937.1	644.2	-	788.3	111.4	32.9	78.5	-	100.00%
35	Sun Pharma Holdings UK Limited	24.03.2015	GBP	124.89	3,816.2	197.3	4,018.3	4.8	-	-	14.2	2.9	11.3	-	100.00%
36	Sun Pharma France	24.03.2015	EUR	108.45	4,874.8	(6,667.0)	4,923.3	6,715.5	-	4,651.9	32.8	-	32.8	-	100.00%
37	Sun Pharma Italia srl	24.03.2015	EUR	108.45	5.4	454.5	3,918.9	3,459.0	-	6,630.9	159.4	64.1	95.3	-	100.00%
38	Ranbaxy Pharmaceuticals (Pty) Ltd	24.03.2015	ZAR	5.52	3,866.4	990.0	7,110.0	2,253.6	-	10,318.1	873.5	249.5	624.0	-	100.00%
39	Ranbaxy South Africa (Pty) Ltd	24.03.2015	ZAR	5.52	96.7	778.8	1,140.3	264.8	-	714.8	172.5	39.2	133.3	-	100.00%
40	Sonke Pharmaceuticals Proprietary Limited	24.03.2015	ZAR	5.52	11.0	1,302.0	1,501.2	188.2	-	1,986.2	233.4	61.9	171.5	-	70.00%
41	Sun Pharma Egypt LLC	24.03.2015	EGP	1.73	487.1	(167.6)	917.6	598.1	-	913.6	56.2	(2.6)	58.8	-	100.00%
42	Rexcel Egypt LLC	24.03.2015	EGP	1.73	3.6	(15.7)	65.2	77.3	-	39.5	4.5	-	4.5	-	100.00%
43	Sun Pharma UK Limited	24.03.2015	GBP	124.89	2,716.4	(51.9)	3,375.6	711.1	-	6,486.6	148.5	38.1	110.4	-	100.00%
44	Ranbaxy (Poland) SP. Z O.O.	24.03.2015	PLN	25.15	107.9	385.6	692.0	198.5	-	1,048.8	42.1	13.7	28.4	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
45	Ranbaxy Nigeria Limited	24.03.2015	NGN	0.07	2.7	(3,494.4)	1,361.5	4,853.2	-	1,807.4	754.9	26.1	728.8	-	86.16%
46	Ranbaxy (Thailand) Co., Ltd.	24.03.2015	THB	2.88	331.1	15.5	2,015.0	1,668.4	-	2,794.6	52.4	38.5	13.9	-	100.00%
47	Ohm Laboratories, Inc.	24.03.2015	USD	94.36	22.6	(40,837.6)	14,611.4	55,426.4	-	17,075.3	(1,560.6)	1,054.0	(2,614.6)	-	100.00%
48	Ranbaxy Signature LLC	24.03.2015	USD	94.36	-	1,196.8	4.2	(1,192.6)	-	-	(0.1)	-	(0.1)	-	67.50%
49	Ranbaxy Inc.	24.03.2015	USD	94.36	1,204.1	(42,469.3)	(39,259.2)	2,006.0	-	-	(2,746.4)	160.2	(2,906.6)	-	100.00%
50	AO Ranbaxy	24.03.2015	RUB	1.16	188.6	3,310.5	14,533.4	11,034.3	-	15,102.4	1,802.9	550.3	1,252.6	-	100.00%
51	Sun Pharma Laboratorios,S.L.U.	24.03.2015	EUR	108.45	108.5	1,037.8	3,047.3	1,901.0	-	3,645.9	97.6	24.4	73.2	-	100.00%
52	Ranbaxy (Malaysia) SDN. BHD.	24.03.2015	MYR	23.18	192.4	5,245.1	6,186.1	748.6	-	4,326.5	930.9	239.0	691.9	-	97.53%
53	Ranbaxy Farmaceutica Ltda.	24.03.2015	BRL	18.05	313.4	(676.7)	6,645.5	7,008.8	-	8,726.9	461.8	197.6	264.2	-	100.00%
54	Sun Pharma ANZ Pty Ltd	24.03.2015	AUD	64.93	2,080.8	(22.7)	3,542.6	1,484.5	-	6,250.3	271.0	82.8	188.2	-	100.00%
55	SC Terapia SA	24.03.2015	RON	21.27	531.6	29,497.6	39,912.0	9,882.8	237.1	32,845.7	10,547.1	1,471.4	9,075.7	-	96.81%
56	Sun Pharma (Netherlands) B.V.	24.03.2015	USD	94.36	73,213.1	55,377.0	131,863.7	3,273.6	15,422.9	8,136.3	8,768.0	1,446.9	7,321.1	-	100.00%
57	JSC Biosintez	19.12.2016	RUB	1.16	0.3	4,534.8	5,610.4	1,075.3	2.3	3,841.7	660.7	136.2	524.5	-	100.00%
58	Sun Pharmaceuticals Holdings USA, Inc.	18.11.2016	USD	94.36	-	49,074.5	50,312.8	1,238.3	-	-	(279.5)	(36.6)	(242.9)	-	100.00%
59	Foundation for Disease Elimination and Control of India	21.09.2016	INR	1.00	0.1	(0.3)	-	0.2	-	0.3	(0.1)	-	(0.1)	-	100.00%
60	Zenotech Laboratories Limited	27.07.2017	INR	1.00	610.3	340.9	1,111.5	160.3	-	395.5	41.9	52.6	(10.7)	-	68.84%
61	Sun Pharma Distributors Limited	19.03.2019	INR	1.00	1.5	14,520.2	31,859.7	17,338.0	519.0	192,812.1	4,594.6	1,174.2	3,420.4	-	100.00%
62	Realstone Infra Limited	31.01.2020	INR	1.00	2.5	(464.7)	3,577.1	4,039.3	-	-	(86.2)	-	(86.2)	-	100.00%
63	Sun Pharmaceuticals (EZ) Limited	25.10.2020	BDT	0.77	46.1	(1,110.4)	2,752.9	3,817.2	-	1,467.0	(199.9)	33.8	(233.7)	-	72.49%
64	Sun Pharma (Shanghai) Co.,Ltd	21.12.2020	RMB	13.67	13.7	(13.0)	9.7	9.0	-	111.6	(8.4)	-	(8.4)	-	100.00%
65	Alchemee, LLC	28.02.2022	USD	94.36	-	175.9	969.4	793.5	-	4,480.6	64.1	118.3	(54.2)	-	100.00%
66	Proactiv YK	28.02.2022	JPY	0.59	-	564.4	634.2	69.8	-	1,185.7	35.6	(10.3)	45.9	-	100.00%
67	The Proactiv Company KK	28.02.2022	JPY	0.59	-	88.4	229.2	140.8	-	-	17.0	12.8	4.2	-	100.00%
68	The Proactiv Company Holdings, Inc.	28.02.2022	USD	94.36	-	(12.8)	-	12.8	-	-	-	-	-	-	100.00%
69	Alchemee Skincare Corporation (Formerly known as The Proactiv Company Corporation)	28.02.2022	USD	94.36	-	1,115.4	1,191.4	76.0	-	269.6	(16.7)	0.1	(16.8)	-	100.00%
70	Concert Pharma Ireland Limited	06.03.2023	EUR	108.45	0.0	-	0.0	-	-	-	-	-	-	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

₹ in Million

Sr. No.	Name of the Subsidiary Company	Date of acquisition/ incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
71	Taro Pharma Corporation, Inc.	05.02.2024	USD	94.36	0.0	-	0.0	-	-	-	-	-	-	-	100.00%
72	Vivaldis Health and Foods Private Limited	11.05.2023	INR	1.00	4.3	439.7	589.1	145.1	95.7	1,087.5	190.5	50.4	140.1	-	60.11%
73	Sun Pharma Middle East FZ-LLC	02.02.2024	AED	25.69	6.4	(21.8)	226.6	242.0	-	157.0	(16.5)	(1.5)	(15.0)	-	100.00%
74	Sun Pharma Community Healthcare Society	24.03.2015	INR	1.00	-	29.6	37.0	7.4	1.4	187.3	1.6	-	1.6	-	100.00%
75	Sun Pharma Science Foundation	24.03.2015	INR	1.00	-	11.4	12.0	0.6	-	16.4	1.2	-	1.2	-	100.00%
76	Sun Pharma Luxembourg S.A (Formerly known as Valstar S.A.)	12.07.2024	EUR	108.45	16.8	(1,932.5)	685.0	2,600.7	-	-	(92.6)	0.5	(93.1)	-	100.00%
77	Sun Pharmaceuticals North Africa SA (Formerly Known as Kemipharm)	12.07.2024	MAD	10.01	2,469.5	(2,444.8)	2,554.0	2,529.3	-	1,272.2	(330.5)	1.9	(332.4)	-	100.00%
78	Sun Pharma (Hainan) Company Limited	16.07.2025	RMB	13.67	484.3	(359.9)	133.5	9.1	-	-	(359.9)	-	(359.9)	-	100.00%
79	Checkpoint Therapeutics Inc	30.05.2025	USD	94.36	-	37,089.3	59,273.8	22,184.5	-	246.9	(3,355.0)	(966.4)	(2,388.6)	-	100.00%

Note:

1 0.0' represents amount less than 0.05 Million and rounded off.

2 In respect of entities at Sr. Nos. 4, 5, 32, 50, 57, 64, 76, 77 and 78 the reporting date is as of December 31, 2025 and different from the reporting date of the parent company.

3 In respect of entitiy at Sr. No. 78 to 79 has been incorporated/ acquired during the year ended March 31, 2026.

4 Foundation for Disease Elimination and Control of India (a wholly owned subsidiary), Sun Pharma Community Healthcare Society (parent company being founder corporate member) and Sun Pharma Science Foundation (parent company being founder corporate member) are not for profit entities (NPEs). Based on recent clarifications issued on regulatory requirement, these entities were considered for consolidation for FY 2024-25. These entities are immaterial to the Group.

5 Books of accounts and other related records/documents of the overseas subsidiaries of the Zenotech Laboratories Limited were missing and due to non-availability of those records/ information, Zenotech Laboratories Limited is unable to prepare consolidated accounts.

6 On October 7, 2025, the National Company Law Tribunal approved Composite Scheme of Arrangement of amalgamation of five wholly-owned subsidiaries (Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited) into the Sun Pharmaceutical Industries Limited (Parent Company).

7 Taro Pharmaceuticals Europe B.V. was merged in to Sun Pharmaceutical Industries (Europe) B.V. w.e.f August 19, 2025.

8 Sun Pharma Canada Inc. was merged in to Taro Pharmaceuticals Inc. w.e.f. April 1, 2025, and Taro Pharmaceuticals Inc. was subsequently renamed as Sun Pharma Canada Inc.

9 Snoopy Merger Sub, Inc. was merged in to Checkpoint Therapeutics, Inc. w.e.f May 30, 2025

10 Antibe Therapeutics Inc. was amalgamated with Sun Pharma Canada Inc. (Formerly known as Taro Pharmaceuticals Inc.) w.e.f June 1, 2025

11 With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the Company.

12 Libra Merger Ltd was merged in to Taro Pharmaceutical Industries Ltd. (Taro) w.e.f June 24, 2024.

13 3 Skyline LLC and One Commerce drive LLC are being consolidated with Taro Pharmaceuticals U.S.A.,Inc.

14 The above does not include 2 Independence Way LLC as they have no operation and does not have any Assets, Liabilities or Equity as on the close of their financial year.

15 HRE LLC, Dr. Py Institute LLC, Medinstill Development LLC, ALPS LLC, Intact Pharmaceuticals LLC, Intact Media LLC,Intact Closed Transfer Connectors LLC and Intact PUR-Needle LLC were merged in to Intact Solution LLC. HRE II LLC,HRE III LLC were merged in to Medinstill LLC w.e.f November 30, 2024.

16 SP New Milford Parent LLC, SP Housatonic LLC, SP Housatonic II LLC and SP Housatonic III LLC are being consolidated with Sun Pharmaceutical Industries, Inc.

17. With effect from November 11, 2025, Pharmazz Europe Limited has been dissolved.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint ventures

Part "B": Associate Companies and Joint Ventures

Sr. No	Name of Associates/Joint Ventures	Joint Venture	Associate											
		Artes Biotechnology GmbH	Generic Solar Power LLP**	Trumpcard Advisors and Finvest LLP (Consolidated)	Medinstill LLC (Consolidated)	Tarsier Pharma Ltd (Formerly known as Tarsius Pharma Ltd.)	WRS Bioproducts Pty Ltd	Ezerx Health Tech Private Limited	Agatsa Software Private Limited	Remidio Innovative Solutions Pvt Ltd	Surgimatix Inc	Haystack Analytics Private Limited	Pharmazz Inc	Indian Foundation for Quality Management
1	Latest Balance Sheet Date	31-Dec-25	31-Mar-26	31-Mar-26	31-Dec-25	31-Dec-25	31-Dec-25	31-Mar-26	31-Mar-26	31-Mar-26	31-Dec-25	31-Mar-26	31-Dec-25	31-Mar-26
	Date of investment	13.02.2014	09.10.2015	31.03.2017	13.03.2014	09.10.2018	10.03.2021	19.10.2023	17.10.2023	03.02.2023	20.02.2024	19.06.2024	27-May-25	30-May-24
2	Shares of Associate/Joint Ventures held by the company on the year end													
	No.	15,853	NA	NA	2,176	476,284	428,571	6,315	8,538	475,588	627,184	20,185	5,256,776	25,000,000
	Amount of Investment in Associates/Joint Venture	400.4	-	665.3	284.5	343.4	209.7	307.3	-	1,407.3	205.1	334.9	2,354.3	-
	Extend of Holding %	45.00%	28.76%	40.61%	21.38%	17.68%	12.50%	35.84%	23.47%	29.15%	12.49%	8.26%	16.60%	12.66%
3	Description of how there is significant influence	NA	#	#	#	#	#	#	#	#	#	#	#	#
4	Reason why the associate/ joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	Networth attributable to Shareholding as per latest Balance Sheet (adjusted till March 31, 2026)	118.4	-	334.7	(2,669.8)	(81.6)	(14.6)	106.3	- *	400.1	11.9	58.3	513.1	241.6
6	Profit / (loss) for the year													
	i. Considered in Consolidation	(123.4)	-	(11.9)	(252.1)	(87.0)	(1.6)	11.9	-	(7.1)	(48.9)	(21.2)	(17.4)	-
	ii. Not Considered in Consolidation	(150.8)	0.0	(17.4)	(927.0)	(405.1)	(11.2)	21.3	-	(17.3)	(342.6)	(235.5)	(87.4)	(2.7)

* This information is currently not available due to ongoing dispute proceedings between the Company and Agatsa.

**Generic Solar Power LLP is struck off as at March 31, 2026.

Power to participate in the financial and operating policy decisions of the investee.

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Executive Chairman
(DIN: 00005588)

KIRTI GANORKAR
Managing Director
(DIN: 10620142)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

JAYASHREE SATAGOPAN
Chief Financial Officer
Mumbai, May 22, 2026