

Board's Report

Your Directors take pleasure in presenting the Thirty-first Annual Report and Company's Audited Financial Statements for the financial year ended March 31, 2023 ('FY23').

Financial Results

	(₹ in Million)			
	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	208,121.4	155,859.8	438,856.8	386,544.9
Profit before exceptional item and tax	46,788.4	21,273.9	95,798.8	90,481.4
Exceptional Item	29,377.9	18,205.3	1,714.5	45,668.2
Profit before tax but after exceptional item	17,410.5	3,068.6	94,084.3	44,813.2
Profit after tax	16,907.2	(999.9)	85,608.4	34,058.2
Opening balance in Retained Earnings	136,120.8	159,645.5	376,456.5	365,980.9
Closing balance in Retained Earnings	127,908.8	136,120.8	436,102.5	376,456.5

Material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of this report

There have been no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of this report.

Consolidated Accounts

The consolidated financial statements for the year ended March 31, 2023 pursuant to Section 129(3) of the Companies Act, 2013, form part of this Annual Report.

Dividend

During the year under review, the Directors have declared an interim dividend of ₹ 7.50/- (Rupees Seven and Paise Fifty only) per equity share of ₹ 1/- (Rupee One only) each [previous year ₹ 7.00/- (Rupees Seven only) per equity share of ₹ 1/- (Rupee One only) each] for the year ended March 31, 2023.

In addition to above, the Directors have recommended a final dividend of ₹ 4.00/- (Rupees Four only) per equity share of ₹ 1/- (Rupee One only) each [previous year ₹ 3.00/- (Rupees Three only) per equity share of ₹ 1/- (Rupee One only) each] for the year ended March 31, 2023, subject to the approval of the shareholders at the ensuing 31st Annual General Meeting of the Company.

The total dividend payout for the FY23 is ₹ 11.50/- (Rupees Eleven and paise fifty only) per equity share of ₹ 1/- each [previous year ₹ 10.0/- (Rupees Ten only) per equity share of ₹ 1/- (Rupee One only) each].

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

Transfer to Reserves

The Directors do not propose any transfer to reserve.

Loans, Guarantees & Investments

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

Public Deposits

The Company has not accepted any deposit from the public during the year under review.

Changes in Capital Structure

During the year under review there was no change in the capital structure of the Company.

Credit Rating

The highest credit rating has been reaffirmed by CRISIL and ICRA and the ratings are disclosed in the Corporate Governance Report which forms part of this Annual Report.

Subsidiaries/ Joint Ventures/ Associates

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

During the year under review, apart from the other acquisitions, the Company has completed the acquisition of Concert Pharmaceuticals, Inc. which was a strategic investment to strengthen global specialty product portfolio of the Company.

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



Directors and Key Managerial Personnel

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

1. Mr. Dilip Shanghvi (DIN: 00005588) is re-appointed as Managing Director for a further period of 5 years, from April 1, 2023 to March 31, 2028 at the 30th Annual General Meeting held on August 29, 2022.
2. Mr. Gautam Doshi (DIN: 00004612) is re-appointed as an Independent Director for a second term of 5 years, from May 25, 2023 to May 24, 2028 at the 30th Annual General Meeting held on August 29, 2022.
3. Mr. Sanjay Asher (DIN: 00008221) is appointed as an Independent Director for a term commencing from November 1, 2022 till March 31, 2025, by the shareholders vide resolution passed by Postal Ballot on January 27, 2023.
4. Mr. Israel Makov (DIN: 05299764) retired and ceased to be the Chairman and Director upon the conclusion of 30th Annual General Meeting held on August 29, 2022.
5. Mr. Kalyanasundaram Subramanian (DIN: 00179072) retired and ceased to be the Director effective from February 13, 2023.

After the year end and upto the date of the Report, following were the changes:

6. The Board of Directors at its meeting held on May 26, 2023, on the recommendation by Nomination and Remuneration Committee, has approved the appointment of Mr. Rolf Hoffmann as an Independent Director for a term of five years to be effective from the date of allotment of Director Identification Number, subject to approval of the shareholders.
7. The Board of Directors at its meeting held on May 26, 2023, on the recommendation by Nomination and Remuneration Committee, has approved the appointment and remuneration of Mr. Aalok Shanghvi (DIN: 01951829) as a Whole-time Director for a term of five years effective from June 1, 2023, subject to approval of the shareholders.

Mr. Sudhir Valia Director of the Company, retires by rotation at the ensuing 31st Annual General Meeting, and being eligible has offered himself for re-appointment.

The necessary disclosures required under the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, for the above-mentioned appointments/ re-appointment are provided in the 31st Annual General Meeting Notice of the Company.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Act and the Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and the Listing Regulations and are independent of the management.

Familiarisation Programme for the Independent Directors

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the Familiarisation Programme conducted are available on the website of the Company: <https://sunpharma.com/policies>.

Evaluation of performance of the Board, its Committees and Individual Directors

During the year, annual performance evaluation of the Board and Committees of the Board, individual Directors including the Chairman of the Company, was carried out as per the criteria and process approved by Nomination and Remuneration Committee, which is in line with the SEBI Guidance Note on Board Evaluation.

The Board discussed upon the outcome of performance evaluation and concluded that they were satisfied with the overall performance of the Board and Committees of the Board and Directors individually. The Board also assessed the fulfilment of the independence criteria by the Independent Directors of the Company and their independence from the management as specified in the Listing Regulations.

The performance evaluation of the Non-Independent Directors and the performance of the Board as a whole was discussed at the separate meeting of the Independent Directors as well.

Remuneration policy for Directors, Key Managerial Personnel and Other Employees and Criteria for appointment of Directors

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

Further, the Company has a Policy on remuneration of Directors, Key Managerial Personnel and other Employees. The salient features of the Remuneration Policy of the Company are as under:

- A. Guiding Principles for remuneration: The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration shall be commensurate to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge & skill required including complexity of his job, work duration and risks associated with the work, and attitude of the employee like positive outlook, team work, loyalty etc.
- B. Components of Remuneration: The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel.
 - (a) Fixed compensation
 - (b) Variable compensation
 - (c) Share based payments
 - (d) Non-monetary benefits
 - (e) Gratuity/group insurance
 - (f) Commission

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

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

Management Discussion and Analysis

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the Listing Regulations is provided in a separate section and forms part of this Report which includes the state of affairs of the Company.

Corporate Governance Report

The Corporate Governance Report and the Certificate from the Auditors of the Company as stipulated in Schedule V of the Listing Regulations, are provided in a separate section and forms part of this Report.

Board Meetings

The Board of Directors of the Company met 6 (six) times during the year under review. The dates of the Board meeting and the attendance of the Directors at the said meetings are provided in the Corporate Governance Report, which forms a part of this Report.

Committees of the Board

As on March 31, 2023, the Board has 6 (six) Committees. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and Corporate Governance & Ethics Committee.

The details pertaining to the meetings and composition of the Committees of the Board are included in the Corporate Governance Report, which forms part of this Report.

Related Party Transactions

The policy on Related Party Transactions as approved by the Board is available on the website of the Company, <https://www.sunpharma.com/policies>. All contracts/ arrangements/ transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis.

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

Internal Controls and Internal Financial Controls

The management believes that internal controls are the prerequisite of governance and that action emanating from agreed business plans should be exercised within a framework of checks and balances. The management is committed to ensuring adequate internal controls environment commensurate with the size and complexity of the business, which assures compliance with internal policies, applicable laws and regulations, ensures reliability and accuracy of records, promotes operational efficiency, protects resources and assets, helps to prevent and detect fraud, errors and irregularities and overall minimises the risks.

The Company has a well-established internal controls framework comprising a set of policies, procedures and systems, instrumental in enhancing the efficiency and effectiveness of business operations, reducing risks and costs, and improving decision-making and accountability.

Internal financial controls framework, sub-set of internal controls framework assures the reliability and accuracy of financial reporting and the preparation of financial statements for external purposes following generally accepted accounting principles.



Whistle-Blower Policy/Vigil Mechanism

As a Company of repute and global standing, Sun Pharma is committed to conducting its business by adopting the highest standards of professional integrity and ethical behaviour. The organisation has a detailed Global Code of Conduct ('Code') that directs the Employees to uphold the Company values and urges them to conduct business with integrity and the highest ethical standards. Management intends to prevent the occurrence of any practice not in compliance with this Code through the Global Whistle Blower Policy. This mechanism aims to provide a secure environment to Employees for responsible reporting of Code violations by Employees. The Board approved Global Whistle-blower Policy is available on the website, <https://sunpharma.com/policies>. Further details on the vigil mechanism of the Company are provided in the Corporate Governance Report, forming part of this Report.

Global Internal Audit

An independent and empowered Global Internal Audit Function (GIA) at the corporate level with support from highly skilled and reputed external audit firms, carries out risk-based internal audits of the Company's operations, governance, risk management and internal controls wherever required. GIA audits all businesses & support functions on a rotation basis to ensure that business process controls are adequate and functioning effectively. These reviews include financial, operational, and compliance controls' design and operating effectiveness and risk mitigation plans.

The GIA department comprises qualified Chartered Accountants, Certified Internal Auditors, Certified Information System Auditors, Certified Fraud Examiners, Company Secretaries, MBAs and Engineers. GIA provides assurance and advice to management on improving the effectiveness and efficiency of the Company's processes and systems.

GIA's functioning is governed by the Audit Charter, duly approved by the Audit Committee of the Board, which stipulates matters contributing to the proper and effective conduct of the audit. The Audit Committee of the Board periodically reviews key findings, provides strategic guidance, and monitors the performance of the GIA function.

The Company's operating management closely monitors the internal control environment and ensures that the audit recommendations are effectively implemented.

Enterprise Risk Management

The Board of Directors has constituted a Risk Management Committee which is entrusted with the responsibility of overseeing various organisational risks. The Corporate Governance Report, which forms part of this Report, contains the details of the Risk Management Committee of the Company. The Risk Management Committee assesses the adequacy of mitigation plans to address such risks. The Board approved an overarching Risk Management Policy. The Policy synopsis is available on the website at <https://sunpharma.com/policies>.

The Company has developed and implemented an integrated Enterprise Risk Management (ERM) Framework through which it identifies, assesses, prioritises, mitigates, monitors, reports and manages, critical risks impacting its ability to meet its key strategic and operational objectives. ERM helps to align the risk appetite and strategy of the organisation, enhance risk response decisions, reduce operational surprises and losses, and improve stakeholder confidence and trust.

The ERM team engages with all Functional heads/designees to identify internal and external events that may harm the achievement of the Company's objectives and periodically monitors changes in both internal and external environments leading to a new threat/risk. Risks are categorised into various categories viz. Financial, Operational, Sectorial, Sustainability, Cyber, Strategic, Compliance, Social, Geo-Political, Third-Party etc. These risks are captured in a risk register with all the relevant information such as risk area, risk description, risk rating, root cause, mitigation plans, action items etc. The risk register is refreshed periodically.

AUDITORS

Statutory Auditors

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

The Auditor's Report for the financial year ended March 31, 2023, has been issued with an unmodified opinion, by the Statutory Auditors. Further, the Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Secretarial Auditor

The Board had appointed KJB & Co. LLP, Practising Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report in the Form No. MR - 3 for the year is provided as 'Annexure - C1' to this Report.

The Secretarial Audit Report for the year does not contain any qualification, reservation or adverse remark except a comment, as follows, which, in the opinion of the Board is self-explanatory.

"We report that the UDIN and date of issue of certificate annexed in the Annual Report for FY 2021-22, issued under Regulation 34 read with Schedule V, Para C, Clause 10(i) of SEBI LODR Regulations was incorrectly mentioned. It is clarified that there is no change in the contents of such certificate and such certificate was without any qualifications."

In accordance with the provision of Regulation 24A of the Listing Regulations, Secretarial Audit of two material unlisted Indian subsidiaries of the Company namely, Sun Pharma Laboratories Limited (SPLL) and Sun Pharma Distributors Limited (SPDL), was undertaken by KJB & Co. LLP, Practising

Company Secretaries, Mumbai and the Secretarial Audit Reports issued by them are provided as 'Annexure - C2' and 'Annexure - C3' respectively to this Report. The Secretarial Audit Reports for these material unlisted Indian subsidiaries do not contain any qualification, reservation or adverse remark.

Cost Auditor

The Board has appointed K D & Co, Cost Accountants, (Firm's Registration No. 004076) as Cost Auditor of the Company for conducting Cost Audit in respect of Bulk Drugs & Formulations of your Company for the FY23.

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

Business Responsibility & Sustainability Report

The Business Responsibility and Sustainability Report of the Company for the year ended March 31, 2023, is provided in a separate section and forms part of this Annual Report and is also made available on the website of the Company at <https://sunpharma.com/investors-annual-reports-presentations>.

Corporate Social Responsibility

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

The Annual Report on CSR activities containing details of expenditure incurred by the Company and brief details on the CSR activities are provided in 'Annexure - D' to this Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

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

Human Resources

FY23 was an exciting year for everyone. Our 41,000+ strong global workforce worked relentlessly to ensure medicines continue to reach patients who rely on us. Driven by Sunology, our employees spread across manufacturing

sites, distribution centres, R&D centres and sales offices worldwide enabled us in delivering a high performance. The top priority for the Human Resource function is to provide a work environment which is safe, diverse, inclusive and full of growth opportunities.

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

Disclosure under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) act, 2013

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

There were four complaints received during the year. All the complaints were disposed of and no complaints were pending as on the end of March 31, 2023.

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

Significant and material orders passed by the regulators or courts or tribunals

There are no significant and material orders passed by the regulators or courts or tribunals which impact the going concern status of the Company.

Annual Return

The Annual Return as required under sub-section (3) of Section 92 of the Companies Act, 2013 ('the Act') in form MGT-7 is made available on the website of the Company and can be accessed at <https://sunpharma.com/annual-return>



Secretarial Standards

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

Other Disclosures

There are no proceedings initiated/ pending against your Company under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

Cyber Security Incident

In March 2023, the Company experienced an IT Security Incident that impacted some of the Company's IT assets and operations. Based on the Company's investigation, the Company currently believes that the incident's effects on its IT system include a breach of certain file systems and the theft of Company data and personal data. A ransomware group has claimed responsibility for this incident. As part of the Company's containment and remediation efforts, the Company has taken various measures, including but not limited to strengthening its cybersecurity infrastructure to safeguard against such risks in the future. The details on the IT Security Incident are also provided in Note 55(11) of the standalone financial statements.

Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

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

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

For and on behalf of the Board of Directors

Mr. Dilip Shanghvi
Managing Director
(DIN: 00005588)

Place: Mumbai
Date: May 26, 2023

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

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

- (i) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY23 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY23:

Name of Director and Key Managerial Personnel	Designation	Ratio of remuneration (a) of each Director to median remuneration of employees	Increase/ (Decrease) in Remuneration ¹ in the FY23 (in percentage)
Directors:			
Dr. Pawan Goenka	Lead Independent Director	13.13	30.00
Mr. Dilip Shanghvi	Managing Director	84.27	8.49
Mr. Gautam Doshi	Independent Director	11.74	7.89
Ms. Rama Bijapurkar	Independent Director	7.42	0.00
Mr. Sanjay Asher ²	Independent Director	3.35	Not Applicable
Mr. Sudhir Valia	Non-executive Director	2.94	21.05
Mr. Sailesh Desai	Whole-time Director	30.48	8.49
Mr. Israel Makov ³	Non-executive Chairman	0.77	Not Applicable
Mr. Kalyanasundaram Subramanian ⁴	Whole-time Director	109.45	6.15
Key Managerial Personnel:			
Mr. C. S. Muralidharan	Chief Financial Officer	Not Applicable	14.47
Mr. Anoop Deshpande	Company Secretary and Compliance officer	Not Applicable	10.88

Notes:

- Remuneration to Independent Directors consists of sitting fees and commission. Remuneration to Non-Executive Director consists only of sitting fees. The percentage increase/ (Decrease) in Remuneration in the FY23 is calculated on the basis of cost to company for MD, WTD and KMPs.
- Mr. Sanjay Asher is appointed as an Independent Director of the Company effective from November 1, 2022 till March 31, 2025.
- Mr. Israel Makov retired and ceased to be the Chairman and Director of the Company upon the conclusion of 30th Annual General Meeting held on August 29, 2022.
- Mr. Kalyanasundaram Subramanian retired and ceased to be the Director of the Company effective from February 13, 2023.

- (ii) The percentage increase in the median remuneration of employees in the FY23 (Median -2023/Median 2022): 8.32%
- (iii) The number of permanent employees on the rolls of the Company as on March 31, 2023: 19,124.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year ending March 31, 2023 was approximately 11.37% and the average increase in the managerial personnel remuneration was 7.71%.

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



AOC - 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis - NIL
2. Details of material contracts or arrangement or transactions at arm's length basis - NIL. However, the Company's transactions with related parties which are material as per the Company's Policy on Materiality of and Dealing with Related Party Transactions, are as follows:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, as on March 31, 2023 if any:
1.	Sun Laboratories FZE (Wholly-Owned Subsidiary)	Revenue from Contracts with Customers, Net of Returns	On-going	The aggregate amount of transactions for the FY23 was ₹ 13,004.51 Million	Not applicable	NIL
2.	Sun Pharma Laboratories Limited (Wholly-Owned Subsidiary)	Purchase and sale of Goods Purchase and Sale of Property, Plant and Equipment Receiving and Rendering of Services Reimbursement of expenses paid and received Loans taken, Loans Repaid Interest Expense, Lease Rent Received Payment towards Lease Liabilities Revenue from Contracts with Customers, Net of Returns	On-going	The aggregate amount of transactions for the FY23 was ₹ 1,50,167.34 Million	Not applicable	NIL
3.	Sun Pharma Distributors Limited (Wholly-Owned Subsidiary)	Revenue From Contracts with Customers, Net of Returns Reimbursement of Expenses - Received Lease Rent Received	On-going	The aggregate amount of transactions for the FY23 was ₹ 40,032.71 Million	Not applicable	NIL
4.	Sun Pharmaceutical Industries INC (Wholly-Owned Subsidiary)	Revenue From Contracts with Customers, Net of Returns Reimbursement of Expenses - Paid and Received Rendering of Service - Income Interest Income	On-going	The aggregate amount of transactions for the FY23 was ₹ 85,706.37 Million	Not applicable	NIL

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 26, 2023

Mr. Dilip Shanghvi
Managing Director
(DIN: 00005588)

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

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023.

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2023 ("Review Period")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

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



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

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

We report that the UDIN and date of issue of certificate annexed in the Annual Report for FY 2021-22, issued under Regulation 34 read with Schedule V, Para C, Clause 10(i) of SEBI LODR Regulations was incorrectly mentioned. It is clarified that there is no change in the contents of such certificate and such certificate was without any qualifications.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors, independent directors and woman director during the Review Period, however, for the period from August 29, 2022 (i.e. date on which Mr. Israel Makov retired as non-executive chairperson of the Company), the Company does not have a regular chairperson and accordingly, the lead independent director, as per approved roles and responsibilities, assumed the role as chairperson. Owing to not having regular chairperson, the Company received request for clarification from the National Stock Exchange of India Limited regarding compliance with minimum one-half independent director composition to the board of directors of the Company, which was suitably replied to by the Company.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in some cases where the meeting was held on shorter notice. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. On verification of minutes, we have not found any dissent / disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

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

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

- Drugs and Cosmetics Act, 1940 and rules made thereunder; and
- Factories Act, 1948.

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

Alpeshkumar Panchal
Partner
ACS No.: 49008
C P No.: 20120
UDIN: A049008E000381505
Date: Jyeshtha 5, 1945 | May 26, 2023
Place: Vadodara

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

ANNEXURE - 1

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

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

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

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

Alpeshkumar Panchal

Partner
ACS No.: 49008
C P No.: 20120
UDIN: A049008E000381505
Date: Jyeshtha 5, 1945 | May 26, 2023
Place: Vadodara



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023.

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

To,
The Members,
Sun Pharma Laboratories Limited,
Mumbai.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

- i. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made thereunder - **Not applicable to the Company for the year under review;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable during the period under review of Overseas Direct Investment; External Commercial Borrowings (Regulations relating to Foreign Direct Investment not attracted to the Company for the year under review);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
 - a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review;**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company for the year under review;**
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable to the Company for the year under review;**
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable to the Company for the year under review;**
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company for the year under review;**
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company for the year under review;**

- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company for the year under review;**
- h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client – **Not applicable to the Company for the year under review;**
- i. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable to the Company for the year under review;**

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

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors to the extent applicable during the period under review. The changes in the composition of the Board of Directors, if any, that took place during the period under review were carried out in compliance with the provisions of the Act. Further, The Board of Directors of the Company consist of 2 (two) Independent Directors although the provisions relating to having independent directors is not applicable to the Company and therefore in the opinion of the management the requirements under schedule IV of the Act are not applicable.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees. Agenda and detailed notes on agenda were sent in advance in adequate time before the

meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. On verification of minutes, we have not found any dissent/disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

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

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

- Drugs and Cosmetics Act, 1940;
- Factories Act, 1948.

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

Alpeshkumar Panchal
Partner
ACS No.: 49008
C. P. No.: 20120
UDIN: A049008E000381582
Date: Jyeshtha 4, 1945 | May 25, 2023
Place: Vadodara.

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



ANNEXURE A

To,
The Members,
Sun Pharma Laboratories Limited,
Mumbai.

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

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

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

Alpeshkumar Panchal

Partner
ACS No.: 49008
C. P. No.: 20120
UDIN: A049008E000381582
Date: Jyeshtha 4, 1945 | May 25, 2023
Place: Vadodara

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023.

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made there under – **Not applicable to the Company for the year under review;**
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under – **Not applicable to the Company for the year under review;**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings – **Not applicable to the Company for the year under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto from time to time – **Not applicable to the Company for the year under review;**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 – **Not applicable to the Company for the year under review;**
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – **Not applicable to the Company for the year under review;**
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company for the year under review;**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021 – **Not applicable to the Company for the year under review;**
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable to the Company for the year under review;**



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company for the year under review;**
- (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable to the Company for the year under review;**
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable to the Company for the year under review;**

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

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

We further report that:

- (a) The Board of Directors of the Company is duly constituted with a proper balance of Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.
- (b) Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- (c) On verification of minutes, we have not found any dissent / disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.

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

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

- Drugs and Cosmetics Act, 1940
- The Drugs & Magic Remedies (Objectionable Advertisements) Act, 1954
- Drugs Price Control Order, 1995 (DPCO)

For **KJB & Co. LLP**,

Practicing Company Secretaries

Firm Unique Identification No.: L2020MH006601

Peer Review Certificate No.: 2797/2022

Alpeshkumar Panchal

Partner

ACS No.: 49008

C. P. No.: 20120

UDIN: A049008E000381505

Date: Jyeshtha 4, 1945 | May 25, 2023

Place: Vadodara.

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

ANNEXURE 1

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

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

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

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

Alpeshkumar Panchal

Partner
ACS No.: 49008
C. P. No.: 20120
UDIN: A049008E000381505
Date: Jyeshtha 4, 1945 | May 25, 2023
Place: Vadodara



Annual Report on Corporate Social Responsibility (CSR) Activities for the FY23

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

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

2. COMPOSITION OF CSR COMMITTEE:

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

¹ Ms. Rama Bijapurkar is the Chairperson and Mr. Dilip Shanghvi continues to be a Member of the CSR Committee with effect from May 26, 2023.

3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

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

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

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

4. EXECUTIVE SUMMARY ALONGWITH WEB-LINK OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE.

Not Applicable

5.	(a) Average Net Profit of the Company as per Section 135(5)-	₹ 14,628.17 Million
	(b) Two percent of average net profit of the company as per section 135(5).	₹ 292.56 Million
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	(d) Amount required to be set off for the financial year, if any	Nil
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	₹ 292.56 Million

6.	(a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects)	₹ 283.51 Million
	(b) Amount spent in Administrative Overheads	₹ 10.13 Million
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 293.64 Million

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Mn.)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
293.64	-	-	-	-	-

(f) Excess amount for set off, if any -

Sl. No.	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 292.56 Million
(ii)	Total amount spent for the Financial Year	₹ 293.64 Million
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 1.08 Million
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 1.08 Million

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (₹ In Million)	Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency if any
					Amount (in ₹)	Date of transfer		
1.	2019-20	N.A.		43.708	N.A.	N.A.	N.A.	N.A.
2.	2020-21	Nil		269.504	Nil	Nil	Nil	Nil
3.	2021-22	Nil		198.60	Nil	Nil	Nil	Nil
TOTAL				511.81				

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

Number of capital assets created/acquired: 308

Details relating to the asset so created or acquired through CSR spent in the financial year are given below:

Sl. No.	Particulars of the Project	Date of creation or acquisition of the capital asset*	Amount of CSR spent (in ₹ Million)	Details of the entity or public authority or beneficiary of the registered owner			Short Particulars of the property/ asset	Address of location of assets	Pincode
				CSR Registration No., if applicable	Name of entity	Address of entity			
1.	Digital Classroom Development	March 10, 2023	0.35	-	Government Primary School	Government Primary School, Gadkhol, Ankleshwar Block, Bharuch District, PIN Code: 393001	Interactive Board, Projector, PC, Speaker, Cabinet, Roller Blind & Carpet	Government Primary School, Gadkhol, Ankleshwar Block, Bharuch District	393001
2.	Digital Classroom Development	March 31, 2023	0.22	-	Government Primary School	Primary School, Vadek Village, Ta. Jambughoda, District Panchmahal, Gujarat - 389360	Interactive Board, UPS	Primary School, Vadek Village, Ta. Jambughoda, District Panchmahal, Gujarat	389360
3.	Digital Classroom Development	March 31, 2023	0.22	-	Government Primary School	Primary School, Dadiyapura Village, Ta. Jambughoda, District Panchmahal, Gujarat - 389360	Interactive Board, UPS	Primary School, Dadiyapura Village, Ta. Jambughoda, District Panchmahal, Gujarat	389360
4.	Digital Classroom Development	March 31, 2023	0.25	-	Adarsh Kelavani Mandal Mishra Primary School	Adarsh Kelavani Mandal Mishra Primary School, Ankleshwar, Bharuch, Gujarat - 393001	Interactive Board, UPS	Adarsh Kelavni Mandla Mishra Primary School, Ankleshwar, Bharuch, Gujarat	393001
5.	Digital Classroom Development	March 31, 2023	0.25	-	Ideal Primary School	Ideal Primary School (The Bhadi Education Trust), Bhadi Village, Ta. Ankleshwar, Dist. Bharuch, Gujarat - 394115	Interactive Board, UPS	Ideal Primary School (The Bhadi Education Trust), Bhadi Village, Ta. Ankleshwar, Dist. Bharuch, Gujarat	394115
6.	Digital Classroom Development	March 31, 2023	0.25	-	The Kharod Anjuman Sarvajanik High School,	The Kharod Anjuman Sarvajanik High School, Kharod Village, Ta. Ankleshwar, Dist. Bharuch, Gujarat - 394115	Interactive Board, UPS	The Kharod Anjuman Sarvajanik High School, Kharod Village, Ta. Ankleshwar, Dist. Bharuch, Gujarat	394115



Sl. No.	Particulars of the Project	Date of creation or acquisition of the capital asset*	Amount of CSR spent (in ₹ Million)	Details of the entity or public authority or beneficiary of the registered owner			Short Particulars of the property/ asset	Address of location of assets	Pincode
				CSR Registration No., if applicable	Name of entity	Address of entity			
7.	Digital Classroom Development	March 31, 2023	0.25	-	Zilla Panchayat School	Zilla Panchayat School, Nagapur, Ta. & Dist. Ahmednagar, Maharashtra - 414111	Interactive Board, UPS	Zilla Panchayat School, Nagapur, Ta. & Dist. Ahmednagar, Maharashtra	414111
8.	Digital Classroom Development	March 31, 2023	0.25	-	Zilla Panchayat School, Navnagar	Zilla Panchayat School, Navnagar, Ahmednagar, Maharashtra - 414111	Interactive Board, UPS	Zilla Panchayat School, Navnagar, Ahmednagar, Maharashtra	414111
9.	Digital Classroom Development	March 31, 2023	0.25	-	Rameshra High School	Rameshra High School, Rameshra, Ta. Halol, Dist. Panchmahal, Gujarat - 389350	Interactive Board, UPS	Rameshra High School, Rameshra, Ta. Halol, Dist. Panchmahal, Gujarat	389350
10.	Digital Classroom Development	March 31, 2023	0.25	-	Sarvajanik High School	Sarvajanik High School, Panoli, Ta. Ankleshwar, Dist. Bharuch, Gujarat - 394115	Interactive Board, UPS	Sarvajanik High School, Panoli, Ta. Ankleshwar, Dist. Bharuch, Gujarat	394115
11.	Digital Classroom Development	March 31, 2023	0.25	-	Sun Pharma School	Sun Pharma School, Bolhegaon, Ta. & Dist Ahmednagar, Maharashtra - 414111	Interactive Board, UPS	Sun Pharma School, Bolhegaon, Ta. & Dist Ahmednagar, Maharashtra	414111
12.	Digital Classroom Development	March 31, 2023	0.25	-	Government Primary School	Primary School, Gam Tadav, Tithore, Ta. Padra, Dist. Vadodara, Gujarat - 391450	Interactive Board, UPS	Primary School, Gam Tadav, Tithore, Ta. Padra, Dist. Vadodara, Gujarat	391450
13.	School Classroom Furniture	March 31, 2023	0.32	-	Government Primary School	Primary School, Intwadi, Ta. Halol, Dist. Panchmahal, Gujarat - 389350	Classroom Desks and Benches	Primary School, Intwadi, Ta. Halol, Dist. Panchmahal Gujarat	389350
14.	Solar Water Pump System	February 28, 2023	0.33	-	Grampanchayat Vilad	Grampanchayat Vilad, Tal.& Dist. Ahmednagar, Maharashtra - 414111	5HP Water Pump, 16 solar Panels, HDP Pipe	Grampanchayat Vilad, Tal.& Dist- Ahmednagar, Maharashtra	414111
15.	Digital Classroom Development	March 31, 2023	0.16	-	Government Middle School	Government Middle School, Vedavakkam, Chengalpattu district, Tamilnadu, PIN 603303	Interactive Board and UPS	Government Middle School, Vedavakkam, Chengalpattu district, Tamilnadu,	603303
16.	Digital Classroom Development	March 31, 2023	0.16	-	Government Primary School	Government Primary School, Sathammai, village, Chengalpattu district, Tamilnadu, PIN 603204	Interactive Board and UPS	Government Primary School, Sathammai, village, Chengalpattu district, Tamilnadu	603204
17.	TLM Modules, Cup Board & Activity Desk	October 18, 2022	0.20	-	Government Primary School	Government Primary School, Jepura, Taluka. Halol, Dist. Panchmahal, Gujarat - 389352	TLM Modules, Cup Board & Activity Desk	Government Primary School, Jepura, Taluka. Halol, Dist. Panchmahal, Gujarat	389355
18.	TLM Modules, Cup Board & Activity Desk, Educational Slides	March 31, 2023	0.20	-	Government Primary School	Government primary school Gam Talav (Tithor), Taluka.- Padra, Dist. Vadodara, Gujarat - 391452	TLM Modules, Cup Board & Activity Desk, Educational Slides	Government primary school Gam Talav (Tithor), Taluka.- Padra, Dist. Vadodara, Gujarat	391455
19.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	A-41, Industrial Area, Phase-VIII A, S.A.S. Nagar - 160071, Punjab, India	LENOVO TAB M8	A-41, Industrial Area, Phase-VIII A, S.A.S. Nagar, Punjab, India	160071
20.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	Industrial Area 3, A.B. Road, Dewas, Madhya Pradesh (India) - 455 001	LENOVO TAB M9	Industrial Area 3, A.B. Road, Dewas, Madhya Pradesh (India)	455001
21.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	Village - Toansa, PO-RailMajra, Distt.-SBS Nagar, Punjab - 144533	LENOVO TAB M17	Village - Toansa, PO-RailMajra, Distt.-SBS Nagar	144533
22.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	A-7/A-8, MIDC Industrial Area, Nagapur, Ahmednagar, Maharashtra (India) - 414111	LENOVO TAB M10	A-7/A-8, MIDC Industrial Area, Nagapur, Ahmednagar, Maharashtra (India)	414111

Sl. No.	Particulars of the Project	Date of creation or acquisition of the capital asset*	Amount of CSR spent (in ₹ Million)	Details of the entity or public authority or beneficiary of the registered owner			Short Particulars of the property/ asset	Address of location of assets	Pincode
				CSR Registration No., if applicable	Name of entity	Address of entity			
23.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	Sathammai Village, Karunkuzhi (PO), Madhuranthagam (TK), Kancheepuram (DT), Tamilnadu (India), PIN - 603303	LENOVO TAB M11	Sathammai Village, Karunkuzhi (PO), Madhuranthagam (TK), Kancheepuram (DT), Tamilnadu (India)	603303
24.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	24/2, 25 Phase IV GIDC Panoli, Bharuch, Gujarat (India) PIN - 394 116.	LENOVO TAB M12	24/2, 25 Phase IV GIDC Panoli, Bharuch, Gujarat (India)	394116
25.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	Plot No .817/A, Village-Karkhadi Tal.-Padra, Dist. Vadodara, PIN - 391 450 Gujarat (India)	LENOVO TAB M13	Plot No .817/A, Village-Karkhadi Tal.-Padra, Dist. Vadodara, Gujarat (India)	391450
26.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	4708, GIDC, Ankleshwar. Gujarat (India) - 393 002	LENOVO TAB M14	4708, GIDC, Ankleshwar. Gujarat (India)	393002
27.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	Halol, Gujarat India - 389 350	LENOVO TAB M15	Halol-Baroda Highway, Halol, Gujarat (India)	389350
28.	Mobile Healthcare Unit	June 22, 2022	0.03	CSR00003635	Sun Pharma Community Healthcare Society	K-5,6,7 &10, Ghirongi Industrial Area, Malanpur, Distt- Bhind, Madhya Pradesh (India) - 477 117	LENOVO TAB M16	K-5,6,7 &10, Ghirongi Industrial Area, Malanpur, Distt- Bhind, Madhya Pradesh (India)	477117
29.	Mobile Healthcare Unit	February 28, 2023	2.03	CSR00003635	Sun Pharma Community Healthcare Society	Sathammai Village, Karunkuzhi (PO), Madhuranthagam (TK), Kancheepuram (DT), Tamilnadu (India), PIN - 603303	Force Traveller Ambulance	Sathammai Village, Karunkuzhi (PO), Madhuranthagam (TK), Kancheepuram (DT), Tamilnadu (India)	603303

* The date when creation of asset is recognised/ acknowledged by the Company based on inputs from the Implementing Agency

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

Not Applicable

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Date: May 26, 2023

Dilip Shanghvi
(DIN: 00005588)

Rama Bijapurkar
(DIN: 00001835)



Corporate Social Responsibility Activities

1. Elimination of Malnutrition through Action-Research on Moderately and Acute Malnourished Children:

Sun Pharma and The Christian Medical College Vellore Association have embarked on a ground-breaking project aimed at developing a novel type of supplemental food to treat acute malnutrition. Specifically designed to repair the gut microbiota of children suffering from this devastating condition, this food has the potential to improve growth outcomes significantly. This initiative aims to address the gut microbiota defects that affect children with acute malnutrition during their first two postnatal years. These defects can lead to immature microbial communities and hinder normal growth and development.

This collaborative project is a significant step towards developing a solution that addresses acute malnutrition and improving the health outcomes of vulnerable children. The company has contributed ₹ 70.50 Million during the FY23.

2. Support towards setting-up of Cancer Sanatorium Institute:

Shantilal Shanghvi Foundation has taken-up a noble mission to establish a state-of-the-art cancer care facility. The objective of this project is to provide comprehensive treatment and care for cancer patients from all socio-economic backgrounds. The facility is designed to accommodate patients for chemotherapy and radiation treatment in a clean, safe, and aesthetically pleasing environment.

During the FY23, the company has contributed ₹ 150.00 Million towards this project. The project has been implemented by Shantilal Shanghvi Foundation at Wadala, Mumbai.

3. Mobile Healthcare Unit:

The Mobile Healthcare Unit is a pioneering initiative aimed at providing essential healthcare services to underprivileged communities in remote areas where access to quality care is limited. Its comprehensive approach focuses on Health Promotion, Preventive Healthcare Education, and providing Curative Treatment to those in need. Mobile Healthcare Unit has made remarkable progress in delivering healthcare services to the most vulnerable populations. It has provided Curative Treatment to 1,62,049 patients and Preventive & Promotive Healthcare Education to 28,096 people.

The company has Contributed ₹ 30.12 Million during the FY23 with the project being implemented by Sun Pharma Community Healthcare Society.

4. Healthcare Infrastructure Support & Awareness:

Sun Pharma is committed to improve Healthcare Infrastructure and Awareness in the vicinity of its business operations. The company has undertaken a range of projects under this thematic area such as organising school eye check-ups and distributing spectacles to students, helping to identify visual impairments that can affect their academic performance, upgrading healthcare infrastructure in rural areas, organising blood donation camps and providing educational resources and nutritional ration kits to TB patients and their families.

This project was implemented by ETI Foundation. The company has contributed ₹ 4.26 Million during the FY23 with the benefit being extended to communities at large.

5. Medicines for Health Activities:

Medicines related to general illness have been provided to old-age home and orphanage to meet their regular health requirement. The project was executed by CSR Department with the expenditure of ₹ 0.04 Million during the financial year.

6. Anganwadi Infrastructural Development:

The company is committed to undertaking Anganwadi Infrastructure development projects to create a nurturing environment that meets the educational, health, and nutritional needs of rural children. This involves renovating existing centres to provide child-friendly spaces, including a conducive learning environment with quality infrastructure and materials. The company has contributed ₹ 3.33 Million during the FY23, with the project being implemented by Gramin Vikas Trust and Vishakha BAA Foundation Trust.

7. School Infrastructure Development Project:

Sun Pharma engages in various activities as part of its School Infrastructure Development Projects. These include the construction of classrooms, construction of drinking water and sanitation facilities, construction of mid-day meal sheds, tree plantation, rainwater harvesting, installation of safety grills and boundary walls, and the provision of sports equipment, chairs, and benches. The objective is to enhance the quality of infrastructure and improve learning outcomes in rural schools.

The project was implemented directly as well as through Association for Sustainable Community Development, Act-Eve Education & Social Welfare Society, Anwasha Foundation, Vadodara Education Trust and Sahyog Vikas Foundation. The company has contributed ₹ 11.85 Million during the FY23 with the benefit being extended to more than 8,238 students across different locations.

8. Promotion of Scientific Medical & Pharma Research Outcomes for Public Health Improvement:

Sun Pharma has undertaken a project aimed at promoting scientific medical and pharmaceutical research outcomes for public health improvement. The project involves sharing medical and pharmaceutical research with the public after conducting scientific research on ways to improve public health. This initiative has helped young scientists and scholars in the medical and pharmaceutical fields to work towards improving public health.

The company has contributed ₹ 4.64 Million towards this project during the FY23 with the project being implemented by Sun Pharma Science Foundation.

9. Setting-up of Digital Classroom Project:

Sun Pharma has established digital classrooms in Government schools located at Vadodara, Ankleshwar and Halol location to improve the quality of education through digital means. This initiative addresses the growing need to integrate information and communication technology (ICT) into the current education system.

The company has contributed ₹ 2.83 Million during the FY23 with the project being implemented by Vadodara Education Trust and Gramin Vikas Trust.

10. Installation of Solar Street Lights:

Sustainable development is a key focus area for Sun Pharma, with a particular emphasis on promoting the use of renewable energy sources. In order to achieve this goal and provide community lighting in rural, underserved areas, the company has installed solar street lights in nearby villages surrounding its Ahmednagar, Panoli, Dahej and Silvassa plants. The objective of this initiative is to provide community lighting in unserved rural areas and promote the use of renewable energy sources. By using solar energy, the company is not only reducing its carbon footprint but also contributing towards sustainable development.

The company has contributed ₹ 2.18 Million during the FY23 with the project being implemented by Sahyog Vikas Foundation.

11. Rural Infrastructure Development Projects:

Sun Pharma has taken the initiative to uplift rural communities by upgrading much-needed infrastructure facilities. The project aims to benefit the communities at large through various activities such as the installation of solar water pumps, renovation of community centers, etc.

This project was implemented through Navjeevan Gramoday Prathisthan. The company has contributed ₹ 1.02 Million during the FY23 towards this project with the benefit being extended to communities at large.

12. Tree Plantation:

Sun Pharma regularly engages in tree plantation activities around its operational sites. The company not only plants saplings but also takes measures to ensure their survival, such as erecting tree guards and providing nurturing care until they grow into mature trees.

The company has contributed ₹ 1.55 Million during the FY23.

13. Drinking Water:

Access to safe and potable drinking water remains a significant issue in many villages, and Sun Pharma has been working towards improving access to safe drinking water in rural areas through various projects. The company has undertaken the construction of a storage tank and maintenance of a tube well to provide piped water to individual households in the community. The company has also constructed a drinking water tank and installed RO water purifier system. The project was implemented through Association for Sustainable Community Development. The company has contributed ₹ 1.14 Million during the FY23 with the benefit being extended to school and other communities at large.

14. Disaster Relief:

Sun Pharma has supported the prevention of COVID-19 pandemic during subsequent waves. The Company has contributed ₹ 0.05 Million towards provision of sanitizer, mask and other items.



ANNEXURE – E

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

(A) Conservation of Energy

The company is committed to continuously improve energy performance and conserve energy in its various operations. Dedicated team is continuously working to ensure efficient use of energy. Equipment and plant wise energy consumption is monitored and benchmarking is done at frequent interval, energy gap assessment is carried out, energy conservation projects are identified and implemented.

We have also implemented Energy management system ISO: 50001:2018 at Halol, Mohali, Dadra & Dewas sites to further ensure structured and systematic approach towards energy conservation.

1. Steps taken or impact on Conservation of Energy

- Energy efficient chiller installed at Mohali plant to improve iKw/TR
- Installation of energy efficient blower for HVAC system.
- Installation of VFD in various motors including chiller compressor.
- Condensate recovery improved, resulting in Fuel and water reduction at Mohali
- Motion sensor for lighting load optimisation.
- Utilisation of heat pump for hot water generator and reducing steam consumption.
- Old energy inefficient motors are replaced with energy efficient motors, Motor replaced with energy efficient motors
- Demand side air management for reducing power consumption in air compressor.
- Replacement of old energy inefficient pump with energy efficient pump in cooling towers.
- AHU automation for power reduction.
- Energy efficient new compressed air dryer installed
- Flash steam recovery system installed to recovery waste heat.
- Cooling tower online Chemical dosing and blow down system installed at Halol to improve chiller approach.
- Online monitoring of condensate recovery at Halol site.

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

We are consistently taking various initiatives to reduce carbon emission and utilising alternate source of energy.

- Boiler fuel at most of locations are shifted from conventional fuel like furnace oil /high speed diesel a with renewable biomass briquettes fuel for Steam generation,
- Wind mills are used to meet partial power requirement at MKM Site,
- Company owned solar power plant supplies Partial power at Dewas site,
- Solar rooftop is installed at Gurgaon, Silvassa, Dadra and Vadodara sites,
- Hybrid (Wind + Solar) powerplant is being installed to meet partial power requirement for Gujarat sites,
- Solar rooftop is being installed at Halol facility.

3. Capital investment on energy conservation equipments

Capital investment initiated during the year for energy conservation equipments is ₹ 1,473 Million.

(B) Technology Absorption

(A) Research and Development

Expenditure on R&D

	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Capital	507.0	787.0
Revenue	15,980.1	15,529.7
Total	16,487.1	16,316.7
Total R&D expenditure as % of Total Revenue	7.9%	10.4%

(B) Technology Absorption, Adaptation and Innovation

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

The Company continues to invest on R&D, both as revenue expenses as well as capital investments. This spending is directed at

developing complex products, specialty products, generic products, and API technologies. Some of these products may require dedicated manufacturing blocks. Investments have been made in employing scientifically skilled and experienced manpower, adding technologically advanced and latest equipment, sponsored research and in accessing world class consultants to continuously upgrade the research understanding of the scientific team in the technologies and therapy areas of our interest.

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

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

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

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

(a) Offers complete basket of products under chronic therapeutic classes. Many products are in the pipeline for future introduction in India, emerging markets, as well as US and

European generic market. The company has developed an ability to challenge patents in the US market, and earn exclusivity.

- (b) For FY23, 41 formulations were developed and filed from our R&D locations for the Indian and regulated markets and 148 dossiers were submitted for filing in various emerging markets. The Company has also filed 100+ drug master files across various markets during the year.
- (c) Not dependent on imported technology, can make high-end products available at competitive prices by using indigenously developed manufacturing processes and formulation technologies.
- (d) Offers technologically advanced differentiated products which are convenient and safe for administration to patients.
- (e) We are among the few selected companies that have set up completely integrated manufacturing capability for the production of anticancer, hormones, peptide, immunosuppressant and steroidal drugs.
- (f) The Company has benefited from reduction in cost due to import substitution and increased revenue through higher exports.
- (g) Clinical studies of some products (complex and difficult to formulate) have been carried out at our in-house clinical pharmacology units. This has helped to maintain R&D quality and regulatory compliance with significantly reduced cost.
3. Your Company has not imported technology during the last 5 years reckoned from the beginning of the financial year.

(C) Foreign Exchange Earnings and Outgo

	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Earnings	154,052.6	106,330.5
Outgo	71,511.4	71,874.3



Corporate Governance Report

1. Corporate Governance Initiatives at Sun Pharma

The Company has taken various initiatives to implement the best practices with a focus on further enhancing the Corporate Governance standards in the last few years. Highlights of the initiatives taken are:

- Dr. Pawan Goenka, Independent Director is the Lead Independent Director.
- Corporate Governance and Ethics Committee continues to drive initiatives on best governance practices.
- Board has adopted standard for minimum attendance of at least 75% at the Board/ Committee meetings in a financial year on a best effort basis w.e.f. April 1, 2023.
- Significant measures are undertaken to reduce amount of unclaimed dividend.
- Robust Whistle Blower mechanism covering even the external stakeholders.

2. Company's Philosophy on Corporate Governance

Company's philosophy envisages reaching people touching lives globally by following the core values viz. Quality, Reliability, Consistency, Trust, Humility, Integrity, Passion and Innovation which are also a way of life at the Company. These values form a base of

the Corporate Governance practices of the Company. The Company ensures to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, consumers, suppliers and statutory authorities. The Company ensures adherence to the regulatory requirements and is committed to learn and adopt and implement ethical standards and best practices of Corporate Governance.

3. Code of Conduct

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

All the directors and senior management affirm compliance with the Global Code of Conduct as approved and adopted by the Board of Directors and a declaration to this effect signed by the Managing Director has been annexed as Annexure 'A' to this Report.

4. Board of Directors

a. Board Composition

The Board of Directors of the Company as on March 31, 2023 comprises of seven Directors. The composition and category of Directors is as follows:

Category of Directors	Sl. No.	Name of the Directors	Inter-se Relationship between Directors
Independent Directors	1.	Dr. Pawan Goenka ¹ (Lead Independent Director)	-
	2.	Ms. Rama Bijapurkar	-
	3.	Mr. Gautam Doshi	-
	4.	Mr. Sanjay Asher ²	-
Promoter Executive Director	5.	Mr. Dilip Shanghvi (Managing Director)	Brother-in-law of Mr. Sudhir Valia
Non-Promoter (however part of Promoter Group) Non-Executive and Non-Independent Director	6.	Mr. Sudhir Valia	Brother-in-law of Mr. Dilip Shanghvi
Non-Promoter Executive Directors	7.	Mr. Sailesh Desai (Whole-time Director)	-

Notes:

1. Dr. Pawan Goenka is appointed as the Lead Independent Director w.e.f. May 30, 2022. The details of roles and responsibilities of Lead Independent Director are available on the website of the Company, <https://sunpharma.com/policies>.

2. Mr. Sanjay Asher is appointed as an Independent Director of the Company for a term commencing from November 1, 2022 till March 31, 2025.

The Independent directors fulfill conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and are independent of the management.

b. Board skill matrix

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

Knowledge/Expertise in one or more of the following	Skills	Behavioral Traits
Finance & Accounts	Strategic Thinking/Planning Skills	Integrity
Legal	Problem Solving Skills	Genuine interest
Governance	Analytical Skills	Interpersonal skills/communication
Industry Knowledge	Decision Making Skills	Active Participation
Risk Management	Leadership Skills	
General Management		

The expertise of the Board Members are as given below:

Expertise	Name of the Director						
	Pawan Goenka	Dilip Shanghvi	Gautam Doshi	Rama Bijapurkar	Sanjay Asher	Sudhir Valia	Sailesh Desai
Finance & Accounts	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Legal	No	No	Yes	No	Yes	Yes	No
Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry Knowledge (Pharma Industry)	No	Yes	No	No	Yes	Yes	Yes
Risk Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes
General Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Skills	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Behavioral Traits	Yes	Yes	Yes	Yes	Yes	Yes	Yes

c. Other Directorships

Name of the Director	No. of other Directorships and Committee Memberships / Chairmanships as of March 31, 2023			Other Indian Equity Listed entities in which they hold Directorship	Category of Directorship
	Other Directorships ¹	Committee Memberships ^{2&3}	Committee Chairmanships ²		
Dr. Pawan Goenka	1	2	0	Bosch Limited	Non-Executive and Independent
Mr. Dilip Shanghvi	1	0	0	Sun Pharma Advanced Research Company Ltd.	Non-Executive and Non Independent Chairman
Mr. Gautam Doshi	4	4	1	Suzlon Energy Limited	Non-Executive and Independent
Ms. Rama Bijapurkar	6	5	2	Piramal Enterprises Limited	Non-Executive and Independent
				Gokaldas Exports Limited	Non-Executive and Independent
				Cummins India Limited	Non-Executive and Independent
				VST Industries Limited	Non-Executive and Independent
				Mahindra and Mahindra Financial Services Limited	Non-Executive and Independent
Mr. Sanjay Asher	8	10	4	Apollo Hospitals Enterprise Limited	Non-Executive and Independent
				Meghmani Finechem Limited	Non-Executive and Independent
				IndusInd Bank Limited	Non-Executive and Independent
				Sonata Software Limited	Non-Executive and Independent
				Deepak Nitrite Limited	Non-Executive and Independent
				Ashok Leyland Limited	Non-Executive and Independent
				Sudarshan Chemical Industries Limited	Non-Executive and Independent
Mr. Sudhir Valia	4	4	1	Sun Pharma Advanced Research Company Ltd.	Non-Executive and Non-Independent
Mr. Sailesh Desai	3	0	0	Nil	Not Applicable

Notes:

- The above number of other directorships does not include Directorships in Private Limited, Foreign and Section 8 Companies.
- The Committee Memberships and Chairmanships in other Companies include Memberships and Chairmanships of Audit and Stakeholders' Relationship Committee only.
- The Committee Memberships include Chairmanships as well.

**d. Board Meetings and attendance**

Six meetings of the Board were held during the financial year ended March 31, 2023, i.e. May 30, 2022; July 29, 2022; November 1, 2022; January 18, 2023; January 31, 2023 and March 30, 2023. Attendance of the Directors is given below:

Name of the Director	Attendance particulars for the year ended March 31, 2023		
	Number of Board Meetings Entitled to attend	Number of Board Meetings attended	Last AGM held on August 29, 2022
Dr. Pawan Goenka	6	6	Yes
Mr. Dilip Shanghvi	6	6	Yes
Mr. Gautam Doshi	6	6	Yes
Ms. Rama Bijapurkar	6	4	Yes
Mr. Sanjay Asher ¹	4	4	Not Applicable
Mr. Sudhir Valia	6	6	Yes
Mr. Sailesh Desai	6	6	Yes
Mr. Israel Makov ²	2	2	Yes
Mr. Kalyanasundaram Subramanian ³	5	5	Yes

Notes:

1. Mr. Sanjay Asher is appointed as an Independent Director of the Company for a term commencing from November 1, 2022 till March 31, 2025.
2. Mr. Israel Makov retired and ceased to be the Chairman and Director of the Company upon the conclusion of 30th Annual General Meeting held on August 29, 2022.
3. Mr. Kalyanasundaram Subramanian retired and ceased to be the Director of the Company effective from February 13, 2023.

e. Familiarisation Programme

Details of the familiarisation programme of the independent directors are available on the website of the Company, <https://sunpharma.com/policies>.

f. Equity Shares held by Non-Executive Directors as on March 31, 2023:

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

5. Committees of the Board**A. Audit Committee**

Composition of the Audit Committee and the terms of reference are in compliance with the requirements under Section 177 of the Companies Act, 2013 ('Act') and of Regulation 18 of the Listing Regulations.

The terms of reference of the Audit Committee, inter alia, include:

- overseeing Company's financial reporting process, reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval,
- review and monitor the auditor's independence and performance, effectiveness of audit process, and recommendation for appointment, remuneration and terms of appointment of auditors of the company,
- reviewing the adequacy of internal audit function, discussion with internal auditors of any significant findings and follow up there on,
- evaluation of internal financial controls and risk management systems,
- review functioning of Whistle Blower/ Vigil Mechanism,
- approval of appointment of Chief Financial Officer,
- approval of transactions with related parties and reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary based on the threshold limits specified as per the Listing Regulations.

Meetings and Composition:

Six meetings of the Audit Committee were held during the financial year ended March 31, 2023, i.e. May 29, 2022; July 14, 2022; July 28, 2022; October 31, 2022; January 30, 2023 and March 30, 2023. All the meeting(s) were adjourned to the next day for consideration of few agenda items, except the meeting held on July 14, 2022 and March 30, 2023. Details of the composition of the Audit Committee and attendance at meetings are as follows.

Sl. No.	Name of the Director	Designation	Position on the Committee	Number of Meetings entitled to attend	Number of Meetings attended
1.	Mr. Gautam Doshi	Independent Director	Chairman	6	6
2.	Dr. Pawan Goenka	Lead Independent Director	Member	6	6
3.	Mr. Sailesh Desai	Whole-time Director	Member	6	6

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

B. Nomination and Remuneration Committee ('NRC')

Composition of NRC and the terms of reference are in compliance with the requirements under Section 178 of the Act and Regulation 19 of the Listing Regulations.

The terms of reference of NRC, inter alia, include:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board the appointment or removal of such persons and carry out evaluation of every director's performance,
- to devise a policy on Board Diversity,
- to formulate criteria for evaluation of Independent Directors and the Board,
- to review and approve the Remuneration Policy of the Company, specific remuneration packages for executive directors,
- to review, recommend and/ or approve remuneration to Whole-time Directors,
- to recommend to the board, all remuneration, in whatever form, payable to senior management, etc.

Meetings and Composition:

Five meetings of NRC were held during the financial year ended March 31, 2023, i.e. May 27, 2022; June 22, 2022; July 28, 2022; October 31, 2022 and January 30, 2023. Details of the composition of NRC and attendance at meetings are as follows.

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

Notes:

1. Mr. Sudhir Valia was appointed as a member of NRC effective from September 13, 2022.
2. Mr. Israel Makov ceased to be the member of NRC effective from August 29, 2022, consequent to his retirement and cessation as Chairman and Director of the Company effective from that date.

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

Performance Evaluation Criteria for Independent Directors:

NRC has adopted the performance evaluation criteria for Independent Directors which is in-line with the Guidance Note of SEBI on Board Evaluation. The said criteria provide certain parameters like knowledge, competency, fulfillment of functions, availability and attendance, initiative, integrity, contribution, independence and independent views and judgement. The details of the performance evaluation carried out for FY23 is provided in the Boards' Report forming part of this Annual Report.



C. Stakeholders' Relationship Committee ('SRC')

Composition of SRC and the terms of reference are in compliance with the requirements under Section 178 of the Act and Regulation 20 of the Listing Regulations.

The terms of reference of SRC, *inter alia*, include:

- resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company,

Meetings and Composition:

Four meetings of SRC were held during the financial year ended March 31, 2023, i.e. May 27, 2022; July 28, 2022; October 31, 2022 and January 30, 2023. Details of the composition of SRC and attendance at meetings are as follows.

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

Note:

1. Dr. Pawan Goenka was appointed as a member of SRC effective from May 27, 2022.

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

Compliance Officer:

The Board has designated Mr. Anoop Deshpande as the Compliance Officer for the purposes of/ under rules, regulations etc. issued by the SEBI and Stock Exchanges.

Significant measures towards reducing unclaimed dividend:

In its endeavour to facilitate the shareholders, under the guidance of SRC, the Company has walked an extra-mile and has voluntarily processed dividend remaining unclaimed for previous years based on the analysis carried out for the shareholders whose updated Bank details were available with the Company based on the latest dividend paid electronically. It was a one-time significant exercise carried out by the Company as a result of which, unclaimed dividend of more than 7,000 shareholders was paid. This resulted in reduction in the amount of unpaid dividend.

Company shall continue to take various measures in the best interest of the shareholders.

Investor Complaints:

Particulars	No. of Complaints
Pending at the beginning of the year i.e. April 1, 2022	0
Received during the year	34
Resolved during the year	34
Pending at the end of the year i.e. March 31, 2023	0

D. Corporate Social Responsibility Committee

Composition of the Corporate Social Responsibility Committee ('CSR Committee') and the terms of reference are in compliance with the requirements under section 135 of the Companies Act, 2013.

The terms of reference of the CSR Committee, *inter alia*, include:

- to formulate and recommend to the Board, a CSR Policy, which shall indicate the activities/ projects to be undertaken by the Company and recommend revision/ amendments thereof, wherever required;
- to recommend to the Board, an Annual Action Plan in pursuance of the CSR Policy of the Company and the amount of expenditure to be incurred on the CSR activities/projects;
- to review and monitor the applicability of the Impact Assessment of the CSR Projects undertaken by the Company;

Meetings and Composition:

Four meetings of CSR Committee were held during the financial year ended March 31, 2023, i.e. May 27, 2022; July 28, 2022; October 31, 2022 and January 30, 2023. Details of the composition of CSR Committee and attendance at meetings are as follows.

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

Note:

- Ms. Rama Bijapurkar has been appointed as Chairperson of the CSR Committee and Mr. Dilip Shanghvi has been re-designated as Member of the Committee effective from May 26, 2023.
- Dr. Pawan Goenka was appointed as a member of CSR Committee effective from May 27, 2022.

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

E. Risk Management Committee ('RMC')

Composition of RMC and the terms of reference are in compliance with the requirements under Regulation 21 of the Listing Regulations.

The terms of reference of the Risk Management Committee, inter alia, include:

- to formulate a detailed risk management policy which shall include a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, Measures for risk mitigation including systems and processes for internal control of identified risks, Business continuity plan;
- to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

Meetings and Composition:

Three meetings of RMC were held during the financial year ended March 31, 2023, i.e. May 29, 2022; November 1, 2022; March 30, 2023. Details of the composition of RMC and attendance at meetings are as follows.

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

Note:

- Dr. Pawan Goenka was appointed as a member of RMC effective from May 29, 2022.

Mr. Anoop Deshpande, the Company Secretary of the Company is the Secretary of RMC.

F. Corporate Governance and Ethics Committee

The Board has constituted a Corporate Governance and Ethics Committee ('CGEC') as the Company's philosophy on Corporate Governance envisages working towards highest levels of transparency, accountability and consistent value systems.

The terms of reference of committee, inter alia, include:

- to review the ethical standards and best practices in respect of Corporate Governance by the Company in spirit, substance and intent perspective apart from benchmarking wherever possible with the best practices that are comparable across the industry;



- to monitor Company's compliance with the Corporate Governance Guidelines and applicable laws and regulations and make recommendations to the Board on all such matters and on any corrective action to be undertaken, as the Committee may deem appropriate;
- to set forth policies in respect of furtherance of its objectives and recommend changes and monitor and review compliance of such policies by the Company's directors, officers and employees;
- to review, recommend changes and monitor the implementation of the Related Party Transactions Policy of the Company and ensure that the Company is in compliance with the applicable regulations in respect of Related Party transactions from time to time etc. The Corporate Governance and Ethics Committee reports to the Audit Committee.

Meetings and Composition:

Five meetings of CGEC were held during the financial year ended March 31, 2023, viz. May 29, 2022; July 28, 2022; October 31, 2022; January 30, 2023; and March 30, 2023. Details of the composition of CGEC and attendance at meetings are as follows.

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

Notes:

- Mr. Anoop Deshpande was appointed as a member of the Committee effective from January 31, 2023.
- Mr. Ashok Bhuta ceased to be a member of the Committee effective from January 31, 2023.

Mr. Anoop Deshpande, the Company Secretary of the Company is the Secretary of CGEC.

6. Independent Directors' Meeting

A meeting of Independent Directors of the Company was held on March 30, 2023 where performance evaluation of non-independent directors and the board as a whole was discussed, *inter-alia*.

7. Remuneration of Directors

- The Non-Executive Directors of the Company are entitled to sitting fees of ₹ 100,000/- for attending each meeting of the Board and/or of a Committee.
- The Board of Directors from time to time determine payment of Commission to the Independent Directors considering various factors including but not limited to the amount of time spent by each of the Independent Directors considering the attributing factors viz. period of directorship during the year, position as a Lead ID, Chairmanship of the Audit Committee and Chairmanship of other Board Committees.
- The remuneration of the Managing Director and Whole-time Director(s) is approved by the Board, as per recommendation of the Nomination and Remuneration Committee within the overall limit fixed by the shareholders. Remuneration includes salary, bonus, perquisites, contribution to provident and superannuation fund and other benefits as per Company's policy as applicable from time to time. There is no variable / performance linked pay except in case of Mr. Kalyanasundaram Subramanian who was a Director up to February 13, 2023.
- The Agreement with Mr. Dilip Shanghvi, Managing Director for his present term of appointment and remuneration is for a period of 5 years from April 1, 2023 to March 31, 2028. Either party to the agreement is entitled to terminate the Agreement by giving to the other party 30 (Thirty) days' notice in writing.
- The Agreement with Mr. Sailesh Desai, Whole-time Director for his present term is for a period of 5 years from April 1, 2019 to March 31, 2024 and remuneration for period of 2 years from April 1, 2022 to March 31, 2024. Either party to the agreement is entitled to terminate the Agreement by giving to the other party 30 (Thirty) days' notice in writing.
- There is no separate provision for payment of severance fees to Whole-time Director(s).

The details of Remuneration paid/payable to the Directors of the Company for the year ended March 31, 2023 are as follows:

Directors	Salary ¹	Bonus	Perquisites/ Benefits ²	Sitting fees	Commission ³	Amount in ₹
						Total
Israel Makov	-	-	-	500,000	-	500,000
Dilip Shanghvi	41,008,680	8,201,736	5,324,493	-	-	54,534,909
Sailesh Desai	14,397,816	2,879,563	2,447,980	-	-	19,725,359
Kalyanasundaram Subramanian ¹	58,704,217	4,034,673	2,559,983	-	-	65,298,873
Sudhir Valia	-	-	-	1,900,000	-	1,900,000
Gautam Doshi	-	-	-	2,800,000	4,800,000	7,600,000
Pawan Goenka	-	-	-	3,400,000	5,100,000	8,500,000
Rama Bijapurkar	-	-	-	800,000	4,000,000	4,800,000
Sanjay Asher	-	-	-	500,000	1,666,667	2,166,667

Notes:

- Salary includes Special Allowance. Salary of Mr. Kalyanasundaram Subramanian also includes variable pay of ₹ 8,175,213/-.
- Perquisites include House Rent Allowance, if any, Leave Travel Assistance, Medical Reimbursement, contribution to Provident Fund and such other perquisites, payable to Directors, as per Company Policy.
- The Board of Directors at their meeting held on May 26, 2023 has approved Commission which is to be paid subsequently.

8. Material Subsidiaries

Details of Material Subsidiaries of the Company, identified as per the criteria prescribed under Regulation 16 and Regulation 24 of the Listing Regulations, for the year ended March 31, 2023 are as follows.

Sl. No.	Name of the Material Unlisted Subsidiary Company	Date of Incorporation/ Acquisition	Place of Incorporation	Name and Date of appointment of the Statutory Auditors	Company's Independent Director on the material unlisted Subsidiary*
1.	Sun Pharma Laboratories Limited	March 9, 2012	India	Name: SRBC & Co. LLP Date: August 24, 2022	Gautam Doshi
2.	Sun Pharma Distributors Limited	March 19, 2019	India	Name: SRBC & Co. LLP Date: September 30, 2019	Rama Bijapurkar Gautam Doshi
3.	Sun Pharma Holdings	October 29, 2013	Mauritius	Name: Lancasters Chartered Accountants Date: February 26, 2014	Gautam Doshi
4.	Sun Pharmaceutical Industries, Inc.	June 14, 2011	USA	Name: SRBC & Co. LLP Date: October 20, 2022	Gautam Doshi
5.	Taro Pharmaceuticals Inc.	September 20, 2010	Canada	Not Applicable	Not Applicable

Note: *Independent Directors are appointed pursuant to obligation under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.

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

9. Related Party Transactions

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

10. Prevention of Insider Trading

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

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

11. Other Disclosures

- No transaction of a material nature has been entered into by the Company with its related parties that may have a potential conflict with the interests of the Company. Register of contracts containing transactions, in which directors are interested, is placed before the Board of Directors regularly, as may be applicable. The transactions with the related parties as per Ind AS-24, are disclosed in Note 50 of the Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023.
- There were no instances of non-compliance by the Company on any matters related to the capital markets or penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.



- The Company has laid down procedures to inform Board members about the risk assessment and its minimisation, which is periodically reviewed to ensure that risk control is exercised by the management effectively.
- The Company has a Global Whistle Blower Policy/ Vigil Mechanism to monitor the actions taken on complaints received under the said policy. This policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee or external stakeholders blows the whistle for any wrong-doing in the Company. The policy is available on the website of the Company, <https://sunpharma.com/policies>. No personnel have been denied access to the Audit Committee.
- During the year, there were pecuniary transactions with the Companies in which Non-Executive Directors are interested as follows: a) Transaction of receiving of services from Makov Associates Limited upto August 29, 2022 of ₹ 61.3 Million in which Mr. Israel Makov, Non-Executive and Non-Independent Chairman upto August 29, 2022 was interested; b) Transactions with Sun Petrochemicals Private Limited for lease rent received – ₹ 11.0 Million, Other operative income/ other income – ₹ 5.2 Million, Reimbursement of Expenses – Received ₹ 3.6 Million; and with Sun Pharma Advanced Research Company Limited for Revenue from contracts with customers – net of returns, purchase and sale of property plant and equipment, receiving of service expenses, reimbursement of expenses paid, rendering of service income, reimbursement of expenses received and lease rent received – ₹ 642.1 Million; and with Alfa Infraprop Private Limited for Other operative income/ other income – ₹ 9.5 Million and reimbursement of expenses paid – ₹ 24.9 Million; Corporate Social Responsibility contribution to Shantilal Shanghvi Foundation – ₹ 150 Million, in which Mr. Sudhir Valia, Non-Executive and Non-Independent Director is interested except for the subsidiaries of the Company wherein it is deemed that he does not have any personal/ pecuniary interest. c) Transactions with Anshul Speciality Molecules Private Limited for Purchase of Goods/ services – ₹ 26.3 Million in which Mr. Gautam Doshi, Non-Executive and Independent Director is interested.
- All the transactions with entities in which the Independent Directors are/were interested constitute negligible percent of the revenue of the Company.
- Apart from the above and sitting fees paid to Non-Executive Directors and Commission paid to Independent Directors, there are no pecuniary transactions with Non-Executive directors of the Company or the companies in which they are interested which had potential conflict of interest with the Company.
- Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority has been annexed as Annexure 'B' to the Corporate Governance Report.
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part was ₹ 179.9 Million for the year under review.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are provided in the Boards' Report.

Following is the details required for the financial year ended March 31, 2023:

Particulars	Information
Number of complaints filed during the financial year	Four
Number of complaints disposed of during the financial year	Four
Number of complaints pending as on end of the financial year	Nil

- Details of compliance and Adoption/Non-Adoption of the non-mandatory requirements for the year ended March 31, 2023:
 - The Company complies with all the mandatory requirements specified under Listing Regulations.
 - The Company sends on quarterly basis, the quarterly financial results along with summary of significant events to the shareholders whose e-mail IDs are available with the Company/Registrar.
 - The auditors have issued an unmodified opinion to the financial statements of the Company.
 - The Lead Independent Director presides over the meetings of the Board in absence of the Chairman.
 - The Internal Auditor reports their findings to the Audit Committee.

- No loans and/ or advances in the nature of loans are given to the firms/companies in which directors are interested.
- **Disclosure of commodity price risk or foreign exchange risk and commodity hedging activities**
The Company is exposed to foreign exchange risks emanating from our business, assets and liabilities denominated in foreign currency. In order to hedge this risk, the Company proactively uses hedging instruments e.g. forward contracts, options and other simple derivatives from time to time. The Company does not have any significant exposure on commodities directly.
- During the year under review, the Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) and (t) of Regulation 46(2) of SEBI Listing Regulations, as applicable.
- During the year under review, the recommendations made by the Board Committees to the Board, were accepted by the Board.

12. General Shareholder Information

1. General Meetings

A. Annual General Meeting:

Day, Date and Time	Monday, August 28, 2023 at 03:00 p.m. IST
Venue	Through Video Conferencing/Other Audio Visual means

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

Year	Meeting	Location	Date and time	Details of Special Resolution Passed
2019-20	Twenty-Eighth AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara - 390012. (Registered Office of the Company)	August 27, 2020 at 3:30 p.m.	1. Approval of maximum remuneration of Mr. Dilip Shanghvi (DIN:00005588), Managing Director, for further period of two years i.e. from April, 2021 to March 31, 2023.
2020-21	Twenty-Ninth AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara - 390012. (Registered Office of the Company)	August 31, 2021 at 3:00 p.m.	1. Approval of re-appointment and maximum remuneration of Mr. Kalyanasundaram Subramanian (DIN: 00179072) as the Whole-time Director of the Company for a further period of 2 (Two) years effective from February 14, 2021 upto February 13, 2023. 2. Approval of maximum remuneration of Mr. Sailesh T. Desai Whole-time Director (DIN: 00005443) for a period of 2 (Two) years with effect from April 1 2022 to March 31 2024 i.e. upto the expiry of his present term of office.
2021-22	Thirtieth AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara - 390012. (Registered Office of the Company)	August 29, 2022 at 3:00 p.m.	1. Payment of commission of ₹ 40,00,000/- (Rupees Forty Lakh only) each to Dr. Pawan Goenka, Mr. Gautam Doshi and Ms. Rama Bijapurkar, Independent Directors of the Company, for the financial year ending on March 31, 2022. 2. Re-appointment of Mr. Gautam Doshi (DIN: 00004612) as an Independent Director of the Company for a second term of 5 (five) years commencing from May 25, 2023 to May 24, 2028. 3. Re-appointment of Mr. Dilip Shanghvi (DIN: 00005588) as Managing Director of the Company for a further period of 5 (five) years effective from April 1, 2023 to March 31, 2028 and approve his remuneration for the aforesaid period, on the terms and conditions (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period).

**C. Resolution Passed Through Postal Ballot:**

During the year the Special Resolution for Appointment of Mr. Sanjay Asher (DIN: 00008221) as an Independent Director of the Company, was passed by way of Postal Ballot on January 27, 2023.

Mr. Chintan Goswami, Partner KJB & Co. LLP was the scrutiniser for the Postal Ballot.

Voting Results for Postal Ballot:

Particulars	No. of shares	% of total votes	Result
Votes in favour of the resolution			
Promoter and Promoter Group	1,307,122,535	62.40	
Public institution	323,869,597	15.46	
Public non-institution	51,374,950	2.45	
Total	1,682,367,082	80.31	Resolution passed with requisite majority
Votes against the resolution			
Promoter and Promoter Group	0	0.00	
Public institution	412,484,128	19.69	
Public non-institution	22,038	0.00	
Total	412,506,166	19.69	

2. Dividend

- A.** Record Date for payment of Dividend to Equity Shareholders: July 28, 2023
- B.** Dividend Payment Date: On or before September 8, 2023

3. Means of Communication

- **Website:** The Company's website www.sunpharma.com contains a separate dedicated section 'INVESTORS' where shareholders' information is available. The Annual Report for 2022-23 and Annual Reports for the past years are also available on the website in a user friendly and downloadable form. Apart from this, official news releases, detailed presentations made to media, analysts etc., and the transcript of the conference calls are also displayed on the Company's website.
- **Financial Results:** The quarterly results are regularly posted by the Company on its website www.sunpharma.com and are also submitted to the Stock Exchanges on which the securities of the Company are listed in accordance with the requirements of the Listing Regulations.
- The quarterly financial results along with summary of significant events is also sent to the shareholders whose e-mail IDs are registered with the Company and also published in all English Editions of 'Financial Express' and Gujarati Edition of 'Financial Express' which is published in Ahmedabad.
- **Annual Report:** Annual Report containing inter alia Audited Annual Accounts, Consolidated Financial Statements, Board's Report, the Management Discussion and Analysis Report, Auditor's Report, and other important information is available on the website of the Company at www.sunpharma.com. Pursuant to SEBI Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and MCA Circular dated December 28, 2022, the Annual Report for FY 2022-23 is being sent electronically to the shareholders whose e-mail IDs are registered. Hard copies shall be sent to those shareholders who request for the same.
- **Investors Presentation:** The presentations made at the analyst/ institutional investors' meetings are filed with the stock exchanges and hosted on the Company's website, <https://sunpharma.com/investors-investor-presentations>.

4. Shares Related Information

A. Listing Details

Particulars	Details
(a) Trading Symbol at BSE Limited	524715
(b) Trading Symbol at National Stock Exchange of India Limited	SUNPHARMA
(c) Demat ISIN	INE044A01036

The Company has paid the Listing fees for the FY23 and 2023-24, to BSE Ltd. and National Stock Exchange of India Ltd.

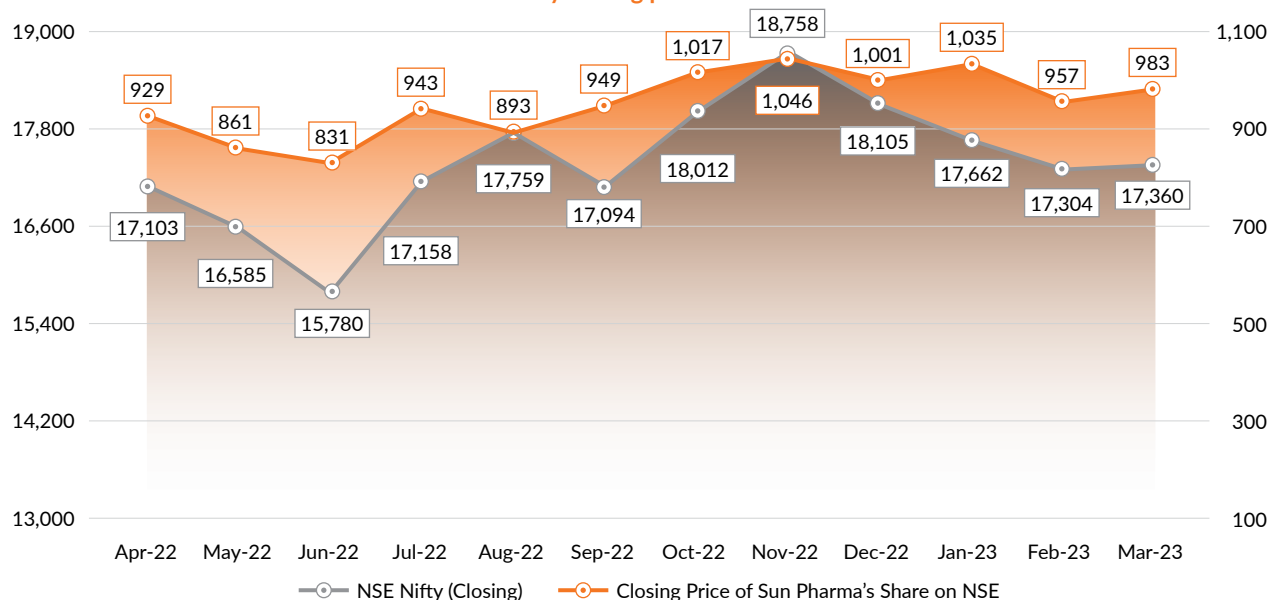
B. Stock Market Data - Monthly High-low

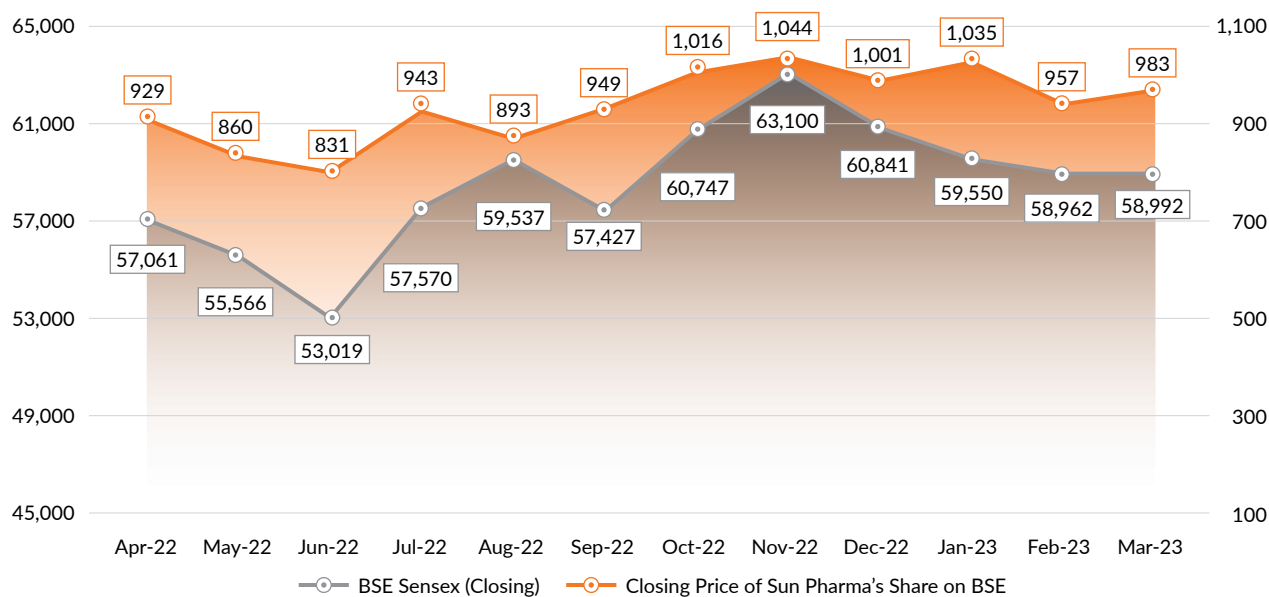
Particulars	BSE Ltd. (BSE) (in ₹)		National Stock Exchange of India Ltd. (NSE) (in ₹)	
	High Price	Low Price	High Price	Low Price
April, 2022	966.90	897.00	967.05	896.60
May, 2022	931.00	835.25	931.30	835.20
June, 2022	878.80	789.75	875.00	789.90
July, 2022	951.25	821.95	951.95	821.90
August, 2022	942.95	855.85	939.95	865.00
September, 2022	955.40	856.85	955.50	856.80
October, 2022	1,027.10	922.45	1,027.30	935.25
November, 2022	1,070.80	993.55	1,070.95	993.50
December, 2022	1,057.55	973.80	1,057.85	973.70
January, 2023	1,071.90	987.00	1,072.15	987.20
February, 2023	1,042.30	954.15	1,043.95	954.00
March, 2023	996.65	942.05	996.50	946.10

(Source: BSE and NSE website)

C. Share Price Performance in Comparison to Broad-based Indices

Sun Pharmaceutical Industries Limited & NSE Nifty closing price:



**Sun Pharmaceutical Industries Limited & BSE Sensex closing price:****D. Share Price Performance Relative to NIFTY and BSE Sensex based on Share Price on March 31, 2023**

Period	% change in		% change in	
	Sun Pharma Share Price	Nifty	Sun Pharma Share Price	BSE Sensex
Y-o-Y	7.47%	-0.60%	7.47%	0.72%
2 Years	64.45%	18.17%	64.51%	19.15%
3 Years	179.05%	101.91%	179.13%	100.19%
5 Years	98.57%	71.65%	98.45%	78.93%
10 Years	140.09%	205.49%	140.26%	213.19%

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

E. Share Transfer System

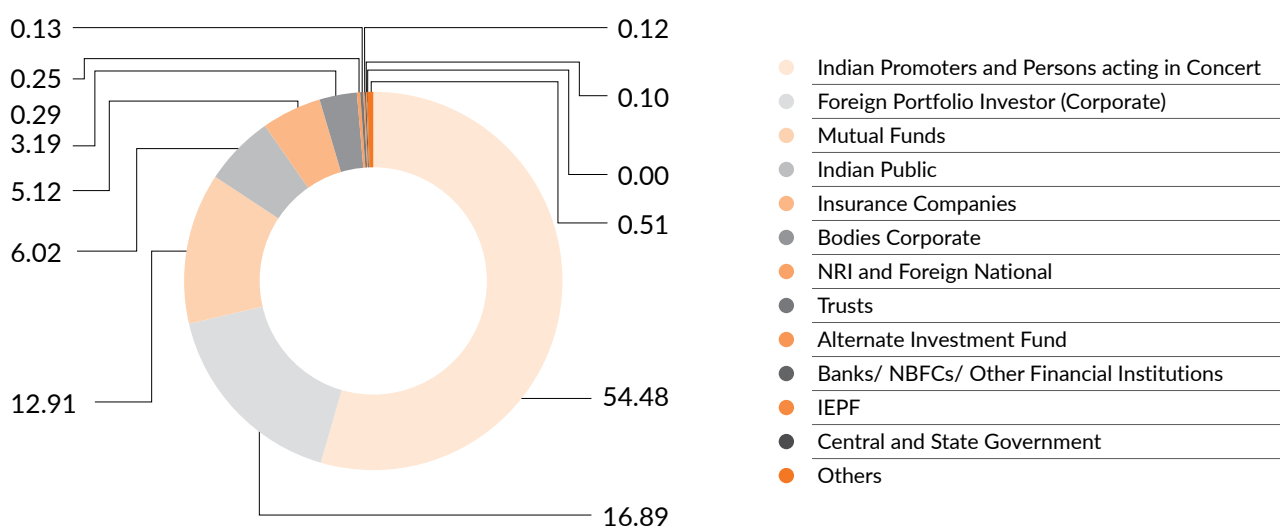
Effective from April 1, 2019, SEBI has mandated that shares can be transferred only in Demat. Hence no transfer of shares in physical form can be lodged by the shareholders.

F. Distribution of Shareholding as on March 31, 2023

No. of Equity Shares held	No. of folios		Shares of face value Re. 1/- each	
	Numbers	% to total folios	Numbers	% to total folios
Upto 5,000	638,916	99.12	74,935,972	3.12
5,001 - 10,000	2,360	0.36	16,890,311	0.70
10,001 - 20,000	1,591	0.25	20,587,229	0.86
20,001 - 30,000	311	0.05	7,685,424	0.32
30,001 - 40,000	168	0.02	5,898,442	0.25
40,001 - 50,000	116	0.02	5,318,829	0.22
50,001 - 100,000	305	0.05	22,437,071	0.94
100,001 and above	812	0.13	2,245,581,692	93.59
Total	644,579	100.00	2,399,334,970	100.00

G. Category-wise Shareholding as on March 31, 2023 of Equity Shares

Sr. No.	Particulars	No. of Shares	Percentage
1.	Indian Promoters and Persons acting in Concert	1,307,134,535	54.48
2.	Foreign Portfolio Investor (Corporate)	405,257,237	16.89
3.	Mutual Funds	309,659,889	12.91
4.	Indian Public	144,483,861	6.02
5.	Insurance Companies	122,810,617	5.12
6.	Bodies Corporate	76,532,986	3.19
7.	NRI and Foreign National	6,907,146	0.29
8.	Trusts	5,948,158	0.25
9.	Alternate Investment Fund	3,028,340	0.13
10.	Banks/ NBFCs/ Other Financial Institutions	2,844,317	0.12
11.	IEPF	2,499,580	0.10
12.	Central and State Government	6,430	0.00
13.	Others	12,221,874	0.51
	Total	2,399,334,970	100.00

Shareholding Pattern as on March 31, 2023:**H. Dematerialisation of Shares**

About 99.78% of the outstanding Equity shares have been dematerialised up to March 31, 2023. Trading in Shares of the Company is permitted only in dematerialised form.

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

The Company does not have any outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments as on March 31, 2023.

J. Outstanding Stock Options

There are no Stock Options outstanding as on March 31, 2023.

**K. Outstanding Unclaimed Shares**

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

Particulars	No. of Shareholders	No. of equity shares of ₹ 1/- each
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on April 1, 2022.	284	125,516
Shareholders who approached the Company for transfer of shares from the said Unclaimed Suspense Account during the period from April 1, 2022 up to March 31, 2023	8	8,461
Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the said period from April 1, 2022 up to March 31, 2023.	8	8,461
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2023.	276	117,055

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

5. Investor Correspondence:

Registrars & Transfer Agent:	Link Intime India Private Limited, Unit: Sun Pharmaceutical Industries Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400083 Tel. No.: +91 22 49186270/ +91 22 49186000 Fax No.: +91 22 49186060 E-Mail: rnt.helpdesk@linkintime.co.in
Individual Investors & Queries Related to Shares/ Dividend, etc. Secretarial Department	Sun Pharmaceutical Industries Limited Sun House, Plot No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai - 400063 Telephone: (+91 22) 4324 4324 Email : secretarial@sunpharma.com
Institutional Investors: Dr. Abhishek Sharma	Sun Pharmaceutical Industries Limited Telephone: (+91 22) 4324 4324 Email: Investor.Relations@sunpharma.com
Nodal Officer (for the purpose of IEPF): Mr. Anoop Deshpande	Sun Pharmaceutical Industries Limited Telephone: (+91 22) 4324 4324 Email: secretarial@sunpharma.com

6. Credit Ratings

Rating Agency	Instrument Type	Rating	Remarks
ICRA Limited	Bank Facility (Short-Term Scale)	A1+	No revisions in credit rating during FY23
	Long-Term/Short-Term Borrowing	AAA (Stable)/ A1+	
	Commercial Paper	A1+	
CRISIL Limited	Bank Facility (Short-Term)	A1+	No revisions in credit rating during FY23
	Bank Facility (Long-Term)	AAA/ Stable	
	Commercial Paper	A1+	

7. Plant Locations As On March 31, 2023:

Sr. No.	Location	Address
1.	Ahmednagar	A-7 & A-8, MIDC Ind. Area, Ahmednagar, Maharashtra - 414 111.
2.	Ankleshwar	Plot No. 4708, GIDC. Ankleshwar, Gujarat - 393 002.
3.	Baddi	Khasra No.- 1335-1340, Near EPIP Phase-1, Hill Top Industrial Area, Village-Bhatolikalan, P.O. Barotiwala, Tehsil Nalagarh, Distt-Solan, BADDI, Himachal Pradesh - 174 103
4.	Dadra	Survey No. 1012, Dadra - 396 193 (U.T. of D. & N.H & Daman & Diu)
5.	Dahej	Spil, Plot No.Z/15, Sez-1, Po.Dahej, Taluko Vagra, Dist. Bharuch, Gujarat - 392 130.
6.	Dewas	Industrial Area 3, A.B.Road, Dewas, Madhya Pradesh - 455 001.
7.	Halol	Halol-Baroda Highway, Halol, Dist. Panchmahal, Gujarat - 389 350.
8.	Karkhadi	Plot No. 817/A, Karkhadi, Taluka Padra, Dist. Vadodara, Gujarat - 391 450.
9.	Maduranthakam	Sathammai Village, Karunkuzhi Post, Maduranthakam TK, Kanchipuram District, Tamil Nadu - 603 303.
10.	Malanpur	K-5, 6,7,10 Ghirongi Malanpur, Distt. Bhind, Madhya Pradesh - 477 116.
11.	Mohali	Sun Pharmaceutical Industries Limited, SEZ Unit-I, Plot A-41, Industrial Area, Phase-VIIIA, S.A.S Nagar, Mohali, Punjab - 160 071.
12.	Panoli	Plot No. 24/2 & 25, GIDC, Phase-IV, Panoli, Dist. Bharuch, Gujarat - 394 116.
13.	Paonta Sahib	Village & P.O. Ganguwala, Tehsil. Paonta Sahib, Distt. Sirmour, Himachal Pradesh - 173 025.
14.	Ponda	B-2, Madkai Industrial Estate Madkai, Ponda, Goa- 403404.
15.	Silvassa	Survey No. 214, Plot No. 20, Govt. Industrial Area, Phase II, Piparia, Silvassa - 396 230, (U.T. of D & NH)
16.	Toansa	Village Toansa P.O. Railmajra Distt. Nawansahar, Punjab - 144 533

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 26, 2023**Mr. Dilip Shanghvi**
Managing Director
(DIN: 00005588)**Mr. Sailesh Desai**
Whole-time Director
(DIN: 00005443)**Annexure 'A' to Corporate Governance Report****Declaration of Compliance with Code of Conduct for the year ended March 31, 2023**

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

For Sun Pharmaceutical Industries Limited

Date: May 26, 2023

Dilip Shanghvi
Managing Director
(DIN: 00005588)



Annexure 'B' to Corporate Governance Report

CERTIFICATE

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company as stated below for the financial year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange and Board of India, Ministry of Corporate affairs or any such other Statutory Authority.

Sr. No.	Name of the Directors	Director Identification Number (DIN)	Date of Appointment in the Company
1.	Dilip S. Shanghvi	00005588	March 1, 1993
2.	Sudhir V. Valia	00005561	January 31, 1994
3.	Sailesh T. Desai	00005443	March 25, 1999
4.	Rama Bijapurkar	00001835	May 21, 2021
5.	Pawan Goenka	00254502	May 21, 2021
6.	Gautam Bhailal Doshi	00004612	May 25, 2018
7.	Sanjay Khatau Asher	00008221	November 1, 2022

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

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

Alpeshkumar Panchal
Partner
ACS No.: 49008
C P No.: 20120
UDIN: A049008E000393209
Date: Jyeshtha 5, 1945 / May 26, 2023
Place: Vadodara

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

The Members of Sun Pharmaceutical Industries Limited

1. The Corporate Governance Report prepared by Sun Pharmaceutical Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

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

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2022 to March 31, 2023:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Risk Management Committee;
 - (g) Corporate Social Responsibility Committee;
 - (h) Corporate Governance and Ethics Committee;
 - v. Obtained necessary declarations from the directors of the Company;



- vi. Obtained and read the policy adopted by the Company for related party transactions;
 - vii. Obtained the schedule of related party transactions during the year and balances at the year- end; Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee;
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Paul Alvares**

Partner

Membership Number: 105754

UDIN: 23105754BGQUON9970

Place of Signature: Mumbai

Date: May 26, 2023