

Growing with Purpose, Touching Lives Globally

Sun Pharmaceutical Industries Limited
Annual Report 2024-2025

BIOFRONTERA INC., EXHIBIT 2013
PGR2026-00021
SUN PHARMACEUTICAL INDUSTRIES, INC. v. BIOFRONTERA INC.

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Growing with Purpose, Touching Lives Globally



At Sun Pharma, our journey has always been guided by our keen sense of purpose – to enhance global healthcare standards by making high-quality, medicines more accessible, improving patient care, and driving better health outcomes for millions globally. Every breakthrough we pursue, every market we enter, and every life we touch reflects this enduring commitment.

In FY25, we made meaningful progress across our key growth pillars: Specialty, India and Emerging Markets. We strengthened our Specialty portfolio to address areas of high unmet needs with the US FDA approval of Leqselvi, that offers new hope for people with severe alopecia areata. We prepared to be future-ready through strategic alliances, such as the one with Philogen that strengthens our offer of anti-cancer immunotherapy. We also sought to make our future pipeline more robust with the acquisition of Checkpoint Therapeutics, that brings a commercial stage immuno-oncology asset into our fold.

Across India and other key global markets, we maintained our growth momentum by leveraging our broad portfolio and field strength to support healthcare providers and widen healthcare reach where it matters the most. Our scalable models helped us reinforce our leadership while addressing growing demand across diverse markets.

True to our purpose, we continued to embed sustainability at the core of our long-term strategy by taking decisive action across energy usage, emission reduction, water stewardship, waste management, ethical governance, and community well-being. Our inclusion in the S&P Global Sustainability Yearbook 2025 reflects the recognition of these efforts on a global stage.

Building on this journey, we will continue to deepen our investments in breakthrough innovation, scale our presence in key therapeutic areas, and develop differentiated assets that help us stay agile in our response to a dynamic regulatory landscape over 100 countries where we operate. Through disciplined execution and purposeful action, we aim to continue to grow meaningfully, keeping patients at the heart or our business and touching more lives globally, every day.

Leading

Global Specialty generic company

40

Global manufacturing sites across six continents

100+

Countries reach

43,000+

Global employee base

Sun Pharma at a Glance

Driving Impact through Access and Innovation



We are a leading global specialty generics company with a broad and balanced portfolio spanning innovative therapies, generics, and consumer healthcare products. Backed by large-scale manufacturing, integrated R&D and clinical development capabilities, a dedicated global workforce, and an extensive commercial network, we deliver high-quality medicines across 100+ countries, advancing access to healthcare and improving health outcomes worldwide.

A Diversified Product Portfolio

We have built a comprehensive and complementary portfolio that addresses a broad spectrum of healthcare needs. Our offerings span Innovative medicines, generics, consumer healthcare and APIs, supported by strong R&D capability, and a global commercial presence. This diverse mix enables us to deliver quality medicines across markets and therapeutic categories.

Specialty or Innovative Medicines

Our specialty business continues to grow with patent-protected products targeting dermatology, ophthalmology and onco-dermatology.

26

Innovative products in our portfolio

Backed by Deep Science

We consistently invest 6-8% of our global revenues in R&D to drive scientific advancement and develop complex, differentiated products. Our innovation ecosystem includes a network of formulation scientists, chemists, and analysts working across global R&D centres.

6
Global R&D centres

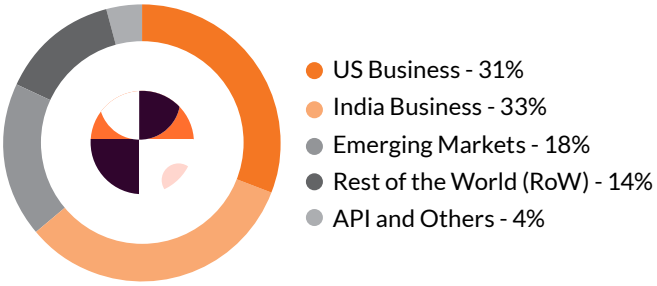
2,900+
Global R&D team

6.2%
R&D spend as percentage of total sales in FY25

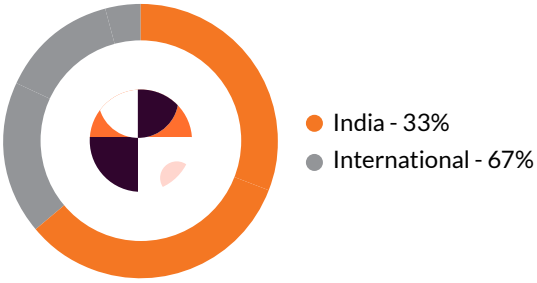
Global and Diversified Revenue Base

Our revenue stream reflects a dynamic mix of global market presence and diversified business segments, ensuring resilience and growth across economies.

Business-wise Revenue Share (FY25) (%)



Business Mix (FY25) (%)



Over the Counter (OTC) Medicines

Our consumer healthcare portfolio includes a wide array of Over-the-Counter (OTC) products across therapeutic segments like cough and cold, sore throat, topical analgesics, vitamins, digestives, and lifestyle products.

25+countries
OTC footprint

Active Pharmaceutical Ingredients (APIs)

Our API portfolio spans several therapeutic areas such as oncology, peptides, steroids, hormones and controlled substances.

400+
Active Pharmaceutical Ingredients (API) portfolio

Generic and Branded Generic Medicines

We are among the leading suppliers of high-quality generic and branded generics globally.
Our formulations cover a wide range of dosage forms, including tablets, capsules, injectables, inhalers, ointments, creams, and liquids.

Largest
Pharmaceutical company in India

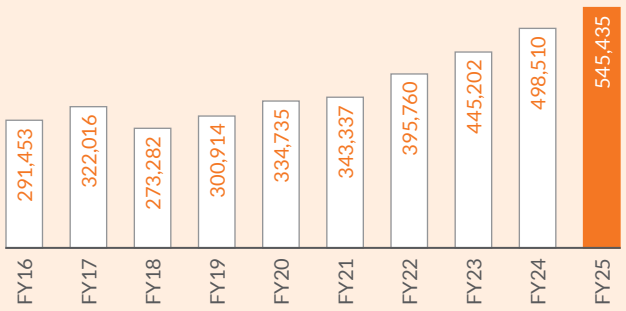
12th
Largest generic pharmaceutical company in the US

Key Performance Indicators

(Consolidated)

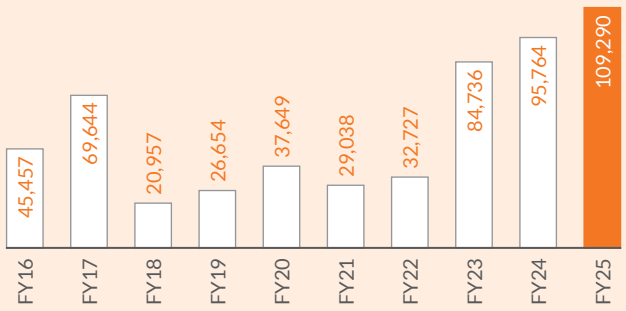
Total income

(₹ Million)



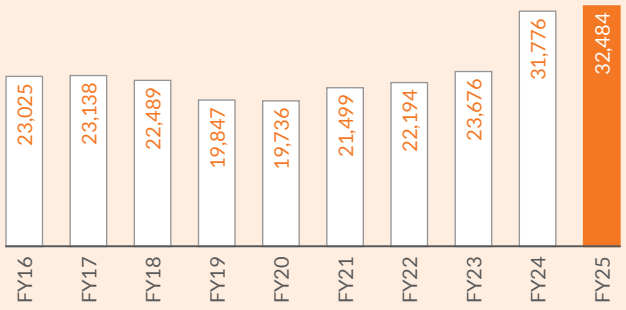
Net profit after minority interest

(₹ Million)



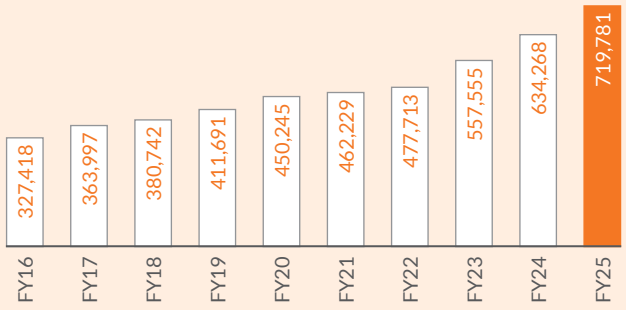
R&D investment

(₹ Million)



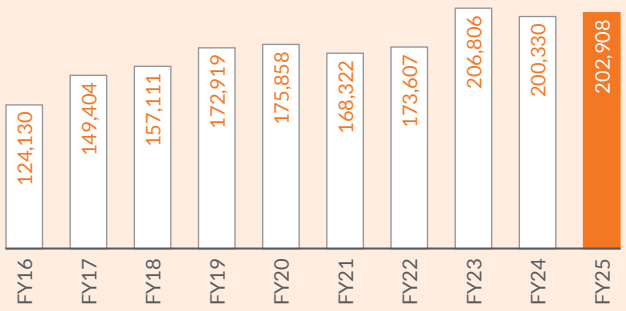
Other equity

(₹ Million)



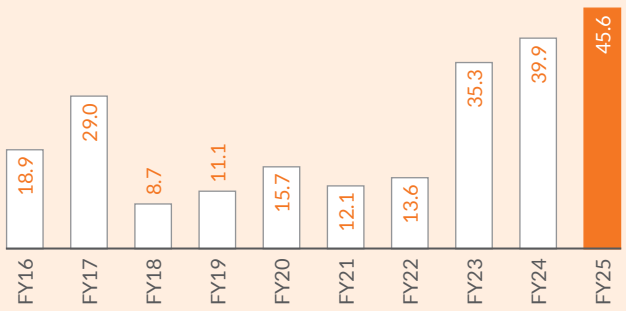
Carrying value of property, plant & equipment and other intangible assets**

(₹ Million)



Earning per share (adjusted for bonus/split)*

(₹ per share)



*During the FY16, the Company's equity shares increased to 2,407 Million due to the merger of erstwhile Ranbaxy Laboratories Ltd. (RLL) with the Company, wherein 0.80 equity share of ₹1 each of the Company have been allotted to the shareholders of RLL for every 1 share of ₹5 each held by them.

**Carrying value of property, plant, equipment and other intangible assets includes Capital work-in-progress & Intangible assets under development.

Ten Year Financial Highlights

(Consolidated)

(₹ Million)

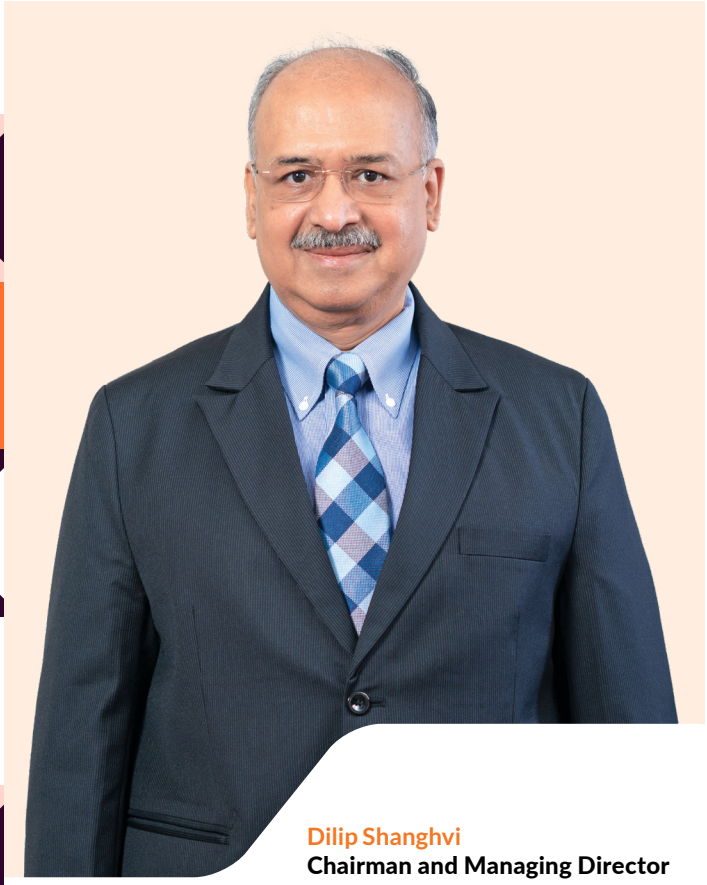
Particulars	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Operating performance										
Revenue from operations	284,870	315,784	264,895	290,659	328,375	334,981	386,545	438,857	484,969	**525,784**
Total income	291,453	322,016	273,282	300,914	334,735	343,337	395,760	445,202	498,510	**545,435**
Net profit for the year (after minority interest)	45,457	69,644	20,957	26,654	37,649	29,038	32,727	84,736	95,764	**109,290**
R&D expenditure	23,025	23,138	22,489	19,847	19,736	21,499	22,194	23,676	31,776	**32,484**
a) Capital	783	1,679	1,819	718	484	471	869	599	499	**943**
b) Revenue (excluding depreciation)	22,242	21,459	20,669	19,129	19,252	21,028	21,325	23,077	31,277	**31,542**
c) % of sales	8.3	7.6	8.6	6.9	6.1	6.5	5.8	5.5	6.7	**6.2**
Financial position										
Equity share capital	2,407	2,399	2,399	2,399	2,399	2,399	2,399	2,399	2,399	**2,399**
Other equity	327,418	363,997	380,742	411,691	450,245	462,229	477,713	557,555	634,268	**719,781**
Property, plant & equipment and other intangible assets (at cost)**	187,212	217,315	238,073	271,424	298,549	308,582	334,029	397,151	411,054	**436,542**
Carrying value of property, plant & equipment and other intangible assets***	124,130	149,404	157,111	172,919	175,858	168,322	173,607	206,806	200,330	**202,908**
Investments	18,299	11,919	71,429	79,025	101,431	96,125	128,486	148,243	150,258	**183,538**
Net current assets	167,973	150,666	117,716	137,296	159,477	142,965	176,562	199,763	264,906	**344,303**
Stock information										
Number of shares (in Million)	2,407	2,399	2,399	2,399	2,399	2,399	2,399	2,399	2,399	**2,399**
Earnings per share (adjusted for bonus/split) (in ₹)*	18.9	29.0	8.7	11.1	15.7	12.1	13.6	35.3	39.9	**45.6**
Earnings per share – Basic (in ₹)*	18.9	29.0	8.7	11.1	15.7	12.1	13.6	35.3	39.9	**45.6**
Earning per share – Diluted (in ₹)*	18.9	29.0	8.7	11.1	15.7	12.1	13.6	35.3	39.9	**45.6**

*During the FY16, the Company's equity shares increased to 2,407 Million due to the merger of erstwhile Ranbaxy Laboratories Ltd. (RLL) with the Company, wherein 0.80 equity share of ₹1 each of the Company have been allotted to the shareholders of RLL for every 1 share of ₹5 each held by them.

**Property, plant, equipment and other intangible assets (at cost) includes Capital work-in-progress & Intangible assets under development.

*** Carrying value of property, plant, equipment and other intangible assets includes Capital work-in-progress & Intangible assets under development.

Chairman and Managing Director's Message



Dilip Shanghvi
Chairman and Managing Director

Dear Shareholders,

Fiscal 2024-25 was marked by robust growth for Sun Pharma as the Company continued to make progress towards its strategic goals and improve its capabilities. As we navigate the evolving landscape of the global pharmaceutical industry, we remain firm in our commitment to growth and profitability while proactively addressing the increasing risks faced by our Company and the industry.

Over the past few years, Sun Pharma's operating environment has undergone a remarkable change, prompting us to evolve in step with the shifting dynamics. Early in the decade, the COVID-19 pandemic disrupted medicine availability during a time of critical need, which led us to redesign our supply chains and strengthen local sourcing. Over time, significant price erosion in parts of generic business, including the US, has led us to adopt a more conservative approach to those markets. As healthcare budgets continue to soar across the world, pharma buyers across both Developed and Emerging Markets are seeking greater value for their medicine purchases.

In response, we are fortifying our branded portfolio with products that enhance the 'standard of care' while remaining strongly cost-competitive in the generics business.

Some of the challenges cited above are likely to remain or even escalate in the future. Due to increasing geopolitical uncertainties, reliable supply of safe medicines has become high priority for nations worldwide, leading to demand for on-shoring or near-shoring of pharma manufacturing. It is likely that price pressures on drug manufacturers may further increase. In this dynamic environment, our endeavour has been to stay competitive by continuously offering compelling value to our patients, prescribers and buyers.

A characteristic feature of the pharma industry is that it is highly regulated, with varied regulations across countries adding to the complexity of operations. Regulatory changes can impact the way we operate in any geography, making it imperative for us to remain agile. Given that we operate over 100 countries, with a portfolio comprising both innovative and generic products, our readiness to adjust to changes in the external environment is a distinct advantage that has served us well and should remain a source of competitive advantage in future.

The Company has evolved alongside its expanding operations, with a demonstrated ability to manage and grow multiple pharma businesses simultaneously. This diversification has made us less dependent on any geography, event or specific product. Further, within each of our businesses, our focused efforts to minimise risks have positioned us for sustainable growth.

During FY25, our global consolidated revenues grew by 9.0% to ₹ 520 Billion, while EBITDA grew by 17.3% to ₹ 153 Billion. Adjusted net profit was up by 19.0% to ₹ 120 Billion. Our return ratios also continued their upward trend.

Our Global Specialty or Innovative Therapies business continued on its growth trajectory during the year. The contribution of Global Specialty to the consolidated revenue increased from 18% in FY24 to 20% in FY25.

Over the last few years, we have made substantial investments to enhance our capabilities in the Global Specialty business. This includes senior-level hires across various functions and the strengthening of our in-house clinical development capabilities. Our Specialty R&D spend increased to US$ 154 Million in FY25, reflecting our commitment to innovation. Having reached a critical mass, we are poised to increase our investments to scale up in the Innovative Therapies segment.

During the year, our market share continued to improve across geographies, including in India. We remain dedicated to serving patients and prescribers, a principle that has guided us since inception. Our recent initiatives include expanding our Global Specialty pipeline with new product introductions and increasing our field force in India and other Emerging Markets.

Operational Performance

We lead the Pharmaceutical market in India in value as well as prescription volumes as per AIOCD-AWACS data. In FY25, our India Formulation sales reached ₹ 169 Billion, up by 13.7% and accounting for about 33% of overall revenues. According to AIOCD-AWACS, our market share improved to 8.3% on a Moving Annual Total (MAT) basis ending March 2025 against 8.0% during the previous period ending March 2024. Our growth in India is primarily driven by higher volumes and new product launches. We have consistently demonstrated volume-led growth in comparison to the industry, which in turn, is primarily growing through price increases.

As per Specialty Market and Sales Resource Centre (SMSRC) data for MAT February 2025, Sun Pharma ranks #1 by prescriptions across 13 different classes of doctors. We sustained our momentum in India with 42 new product launches during FY25. We undertook field force expansion in India during the reporting year, adding 8% to our existing field strength. Our India field force expansion, implemented in successive rounds over the last five years, has helped us declutter our portfolio and expand our presence in Tier II and Tier III towns.

In the US, our revenue grew by 5.8% to ₹ 162 Billion, accounting for approximately 31% of our consolidated revenues. Our growth in the US has been driven by Specialty sales, with several products gaining sustained traction. The Generics business in the US, on the other hand, was adversely affected by the ongoing compliance issues at our manufacturing facilities, as well as additional competition in certain products.

Our sales in Emerging Markets grew by 9.2% to ₹ 94 Billion, contributing ~18% to our consolidated revenues. Our core markets, including Romania and Brazil, have continued to do well, recording strong double-digit growth in local currency terms.

Sales in the Rest of World (RoW) markets grew by 6.7% to ₹ 72 Billion, contributing ~14% to the consolidated revenues. Our performance was impacted by price cuts in Japan in the early part of the year. In RoW, growth in the Specialty business compensated for pricing pressure in the Generics business.

Global Specialty Business Performance

The Global Specialty revenue recorded a strong 17.1% growth to reach US$ 1,216 Million during FY25. Key products such as Ilumya, Winlevi, Cequa and Odomzo continued to perform well globally. FY25 also proved to be an eventful year in terms of enhancing our Specialty pipeline.

At present, a significant portion of our investment in the Specialty business has not started to yield revenues. Our spend on the acquisition of Concert Pharmaceuticals and Checkpoint Therapeutics will only provide commensurate returns over a longer time-frame. These long-term returns are not assured merely by paying up the transaction value, as these investments have given us ownership of pre-revenue assets. We believe that when such long-term bets pay off, they have the potential to transform the business at scale. We shall therefore continue to allocate capital for such investments while remaining focused on driving growth in our core businesses and retaining our competitive advantage across each of them.

In May 2025, our Company announced completion of the acquisition of Checkpoint Therapeutics, Inc., which is a focused on developing novel treatments for patients with solid tumour cancers. With the acquisition, Sun Pharma has added Unloxcyt™ (cosibelimab-ipdl) – the first and only US FDA-approved anti-PD-L1 treatment for metastatic or locally advanced cutaneous squamous cell carcinoma (cSCC) – to the Company's global onco-dermatology franchise.

In October 2024, Sun Pharma announced a globally exclusive agreement with Philogen for the commercialisation, licensing, and supply of Fibromun (L19TNF), an innovative anti-cancer immunotherapy. Sun Pharma will be responsible for the global commercialisation of Fibromun, currently in registration trials for the treatment of soft tissue sarcoma and glioblastoma.

In July 2024, US FDA approved Leqselvi, an oral Janus Kinase (JAK) inhibitor for the treatment of severe alopecia areata. In April 2025, the US Court of Appeals for the Federal Circuit vacated the preliminary injunction that had restricted the medicine's market launch.

In June 2024, the European Medicines Agency (EMA) validated the submission of the Marketing Authorisation Application (MAA) for Nidlegy (melanoma and non-melanoma skin cancers).

Chairman and Managing Director's Message

Key Products from our Global Specialty-marketed Portfolio

ILUMYA/ILUMETRI is an IL-23 inhibitor used in the treatment of adults with moderate-to-severe plaque psoriasis, who are also candidates for systemic therapy or phototherapy. We market the product ourselves in several countries, including the US, Canada, Australia, Japan, and through our partners in Western Europe and China.

WINLEVI is a first-in-class topical androgen receptor inhibitor, approved by the US FDA, for the topical treatment of acne vulgaris in patients above the age of 12.

CEQUA, indicated for topical ophthalmic use, is the first and only US FDA-approved cyclosporine treatment delivered with NCELL™ technology. This product offers the highest concentration of cyclosporine for ophthalmic use approved by the US FDA, and is indicated to increase tear production in patients with dry eye, an inflammatory disease that afflicts more than 16 Million people in the US.

ODOMZO, a hedgehog pathway inhibitor, is indicated for the treatment of adult patients with locally advanced basal cell carcinoma (laBCC) that has recurred following surgery or radiation therapy, or for those who are not candidates for surgery or radiation therapy. Odomzo is available in the US and several other international markets.

LEVULAN KERASTICK+BLU-U combines a powerful 20% aminolevulinic acid HCl (ALA) topical treatment with blue-light precision while limiting exposure to the deeper tissue. It is the only Photodynamic Therapy indicated for the treatment of minimally-to-moderately thick actinic keratoses of the face or scalp, or actinic keratosis of the upper extremities.

Research & Development (R&D)

Our R&D investment for FY25 stood at ₹ 32 Billion, or 6.2% of the overall sales. During the year, we filed approximately 280 formulation dossiers globally.

Out of total R&D spend, Sun Pharma spent 40% on Specialty or Innovative R&D. Sun Pharma's Specialty R&D pipeline comprises seven candidates in various stages of clinical trials. Our pipeline in advanced clinical stage or post-approval stage is made up of the following products:

- **LEQSELVI**, a US FDA-approved JAK inhibitor indicated for the treatment of adults with severe alopecia areata. Open Label Extension studies for Leqselvi are ongoing.
- **UNLOXCYT**, a US FDA-approved anti-PD-L1 treatment for advanced cutaneous squamous cell carcinoma. Unloxcyt further bolsters our innovative portfolio in onco-derm therapy.
- **NIDLEGY™** is filed with EMA for the treatment of locally advanced fully resectable melanoma. NIDLEGY™ is also being investigated for the treatment of locally advanced melanoma and for the treatment of high-risk basal cell carcinoma and other non-melanoma skin cancers. Sun Pharma is the partner for commercialisation of the candidate in EU, Australia and New Zealand.
- Our currently marketed product, **ILUMYA**, is undergoing Phase-3 clinical trials for additional indication of treatment of psoriatic arthritis. Topline data for the studies is expected during the second half of CY25.
- **FIBROMUN** consists of the L19 antibody fused to tumour necrosis factor (i.e.L19TNF). Late-stage clinical trials with registration potential are going on in soft tissue sarcoma and glioblastoma.

cGMP Compliance

Adherence to global cGMP standards is a key priority for us, and we keep a relentless focus on 24x7 compliance to ensure uninterrupted supplies to our customers and patients worldwide.

We are facing US FDA compliance-related issues at three of our facilities. These include an import alert at the Halol facility, receipt of non-compliance letter for the Mohali facility, both during FY23. Additionally, our Dadra facility was accorded an Official Action Indicated (OAI) status in FY24 . Besides these three, all our facilities remain compliant with global regulatory standards, including those of US FDA. We have completed the implementation of Corrective and Preventive Action (CAPA) in the Halol facility, which is currently awaiting US FDA inspection, and we are in the process of implementing CAPA at the Mohali and Dadra facilities.

Sustainability

Sustainability has become pivotal in building a more equitable, environmentally conscious, and sustainable future for all. Sustainability is not just a commitment but a shared responsibility that calls for decisive action. Our approach focuses on embedding sustainable practices into our operations to deliver long-term value for all stakeholders.

I am happy to let you know that Sun Pharma has been included in the S&P Global Sustainability Yearbook 2025, earning its place among the top 5% of pharmaceutical companies assessed by S&P globally for this Yearbook, which recognises companies within their respective industries that have demonstrated strong performance in corporate sustainability.

We have an unwavering focus on combating climate change. Key focus areas include improving energy efficiency, increasing the share of renewable energy, strengthening

water conservation, and advancing sustainable waste management. Attracting, retaining and nurturing a highly diverse and skilled workforce are also key focus areas for us. Our Corporate Social Responsibility (CSR) initiatives for the local communities are centred around areas like healthcare, education, water & sanitation, rural development, and environmental conservation. We implement focused and socially responsible initiatives with the objective of promoting the holistic development of our local communities. Our comprehensive corporate governance framework underpins our commitment to upholding the highest standards of ethical governance and enabling sustainable outcomes for all our stakeholders.

We are conscious of our responsibility towards the future of our planet, and it demands increased focus on climate resilience and responsible business practices. We will continue to endeavour to integrate ESG into our business strategy.

Enhancing Efficiency and Impact

Our focus has always been on sustainable cost reduction via technology interventions and process enhancements. We are also directing our efforts towards reducing working capital deployment across our businesses. Sustained efforts are being made to further improve our manufacturing efficiency, optimise our production footprint, and reduce overall fixed costs.

Net Cash and Deployment Opportunities

With a strong net cash position of approximately US$ 3.1 Billion as of March 31, 2025, we are well-positioned to explore inorganic growth opportunities, including but not limited to strengthening our Global Specialty portfolio.

Overall Outlook

We anticipate mid to high single-digit consolidated topline growth in FY26, and expect our Global Specialty business to continue on its growth path. Our R&D spend in FY26 is likely to be in the range of 6%-8% of sales, with increased spending expected on Specialty products.

Top Priorities for FY26

- Enhance compliance across our manufacturing operation, and work towards achieving full regulatory resolution at the three facilities facing US FDA action
- Ensure the readiness for our upcoming launches, namely LEQSELVI and UNLOXCYT
- Advance our pipeline of Global Specialty products
- Prepare the business for potential disruptions arising from tariffs and geopolitical issues
- Ensure supply chain continuity and simultaneously focus on inventory optimisation
- Enhance IT systems to facilitate business operations and ensure security and digital transformation
- Embed sustainability practices across our operations as per our clear and actionable targets to achieve our sustainability goals
- Continued focus on cost and operational efficiency
- Sustain the positive momentum in improving overall return ratios

Our growth over the past four decades would not have been possible without the Company's dedicated workforce. In FY25, Sun Pharma employed more than 43,000 people worldwide. We continue to work towards ensuring that our Human Resource management systems keep pace with this expansion. It is our constant endeavour to treat all our employees in a fair and equitable manner.

We are grateful to our Board of Directors for their guidance and support.

Your support to us as a shareholder is of vital importance, and we hope that you will continue to repose your confidence in us in the future.

Regards,

Dilip Shanghvi
Chairman and Managing Director
Sun Pharmaceutical Industries Limited

Board of Directors



Dilip S. Shanghvi
Chairman and Managing Director



Dr. Pawan Goenka
Lead Independent Director



Rolf Hoffmann
Independent Director



Sudhir V. Valia
Non-Executive and Non-Independent Director



Gautam Doshi
Independent Director



Rama Bijapurkar
Independent Director



Aalok D. Shanghvi
Whole-time Director and Chief Operating Officer



Vidhi D. Shanghvi
*Whole-time Director**

* (Appointed with effect from May 22, 2025)

Leadership Team



Aalok D. Shanghvi
Whole-time Director and Chief Operating Officer



Abhay Gandhi
CEO - North America



Kirti Ganorkar
Head - India Business



C. S. Muralidharan
Chief Financial Officer



S. Damodharan
CEO – API Business



Suresh Rai
Chief Human Resource Officer



Dr. Meeta Chatterjee
Chief Strategy Officer



Reem Malki
Chief Quality Officer



Dheeraj Sinha
Chief Information Officer



Hellen de Kloet
Head - Western Europe, Australia and New Zealand



Dr. Azadar H. Khan
Head - India Regulatory, Corporate Relations & CSR



Jayashree Satagopan
*EVP, Chief Financial Officer (Designate)**



Sreenivas Rao
Head - Global Supply Chain



Dr. Marek Honczarenko
Head - Clinical Development



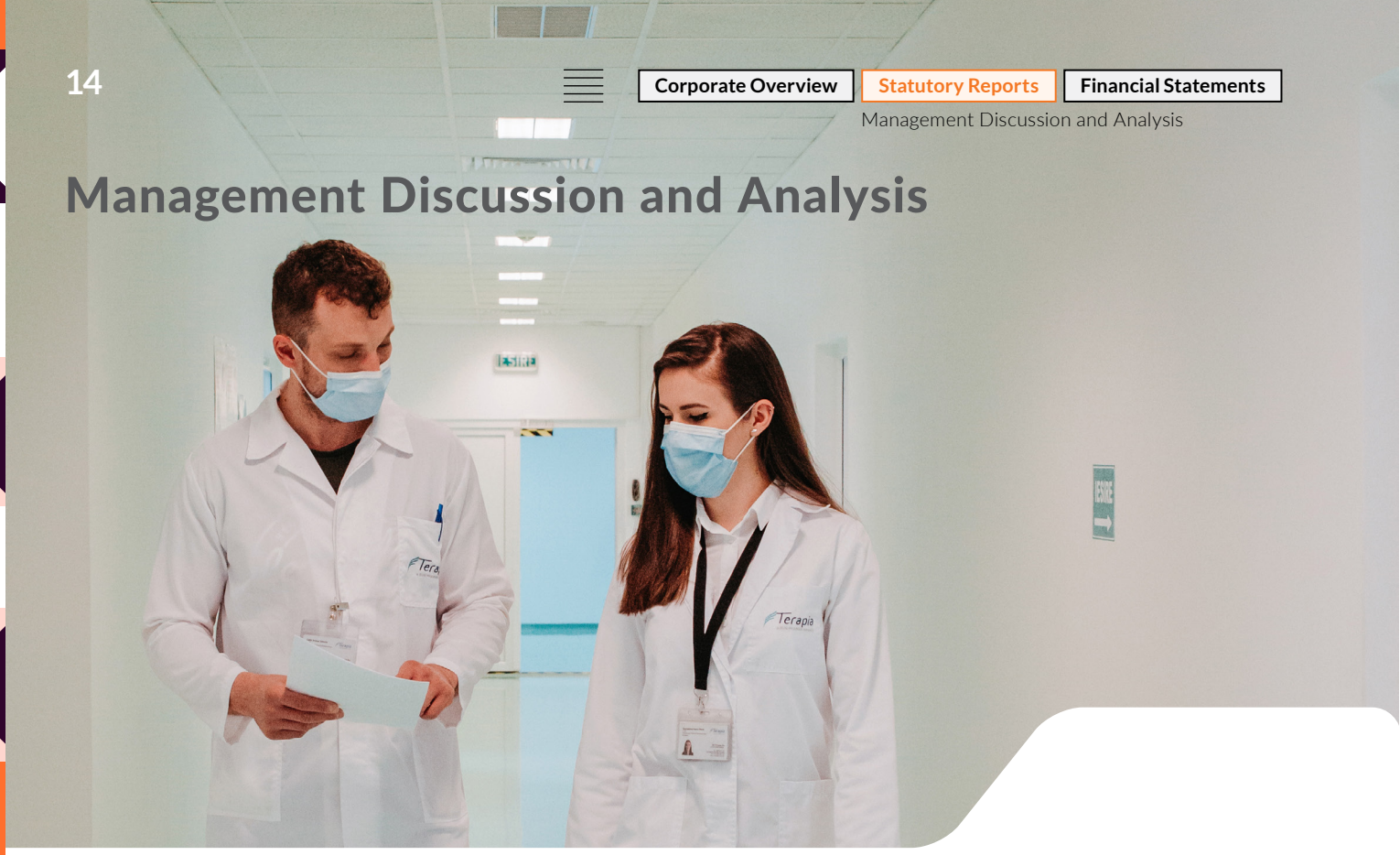
Sridhar Shankar
Head - Centre for Global Product and Innovation



Rahul Awasthi
SVP, Sun Global Operations

* (Appointed as CFO with effect from July 1, 2025)

Management Discussion and Analysis



Global Pharmaceutical Industry[1]

The global pharmaceutical industry witnessed a transformative phase in the past year, driven by scientific breakthroughs, demographic shifts, evolving patient needs and rapid digitalisation. Amidst evolving global health demands and economic pressures, the industry strengthened its foundation for long-term growth while adapting to structural changes across regions and therapeutic segments.

In 2024, global medicine spending continued its upward trajectory, reflecting a growing demand for chronic care, specialty treatments and innovative therapies. Total pharmaceutical spending remains on course to exceed US$ 2.3 Trillion by 2028, supported by a projected CAGR of 5–8%. While volume growth plateaued in 2023, it is expected to grow at an average rate of 2.3% through 2028, driven by emerging markets such as China, India, Southeast Asia and Latin America. These regions are poised to drive the next phase of global demand, in contrast to mature markets such as North America, Western Europe and Japan, where per capita consumption levels are already high and future growth is expected to moderate.

Therapeutic innovation has remained a key driver with increased use of specialty medicines for chronic and rare conditions, along with growing adoption of novel biologics and small molecule therapies. Oncology and immunology have continued to lead growth in therapy areas, while new developments in neurology and mental health treatments have added momentum. In particular, the rapid uptake of GLP-1 agonists for diabetes and obesity are signalling a paradigm shift in metabolic care, further reshaping usage trends.

Despite lower manufacturer net sales due to confidential rebates and pricing pressures, last few years have seen robust spending across key regions, driven by the launch of new brands and the expansion of innovative treatment options. Developed economies, while mature in terms of volume, have continued to invest in high-value therapeutics, contributing to a more diverse and innovation-led portfolio mix.

Digital transformation has advanced across the pharmaceutical value chain in last few years. Companies are adopting data-driven tools to optimise clinical trials, enhance patient targeting and strengthen supply chains. AI-enabled drug discovery, real-world evidence platforms and integrated digital health solutions are redefining how pharmaceutical organisations engage with patients and deliver care outcomes. Operational agility has also improved, supported by advancements in modular manufacturing and predictive analytics.

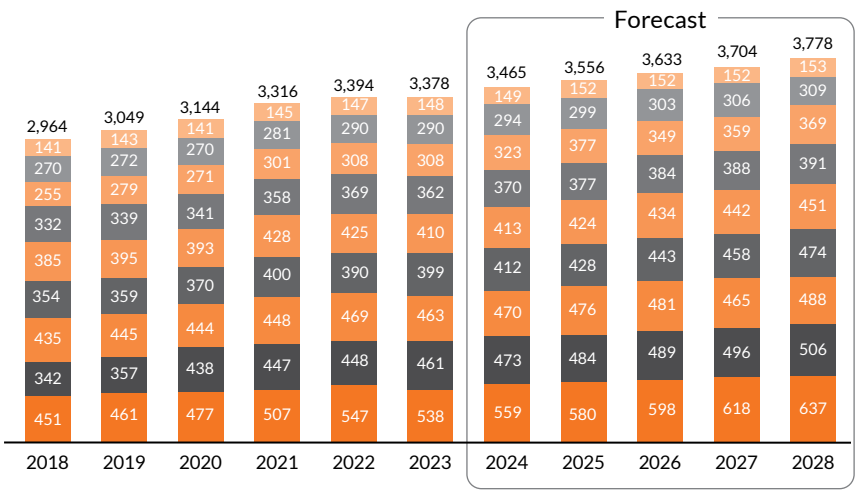
Global disparities in per capita consumption have persisted through last few years. High-income countries like Japan and Western Europe have recorded usage levels more than twice that of lower-income regions. While consumption is gradually rising in Africa and the Middle East, challenges in infrastructure, affordability and access continue to limit growth. These persistent gaps underscore the critical need for inclusive access strategies.

As cost pressures mount, particularly in developed economies, payers are recalibrating reimbursement models to ensure value-based outcomes. Efforts to moderate spending include greater emphasis on generics and biosimilars, performance-linked pricing mechanisms and cost-sharing arrangements with patients. Striking the balance between affordability and innovation remains a core priority for healthcare systems worldwide.

Graph 1

Global Pharmaceutical Industry Growth: 2018-2028[1]

(Defined Daily Doses in Billions)



CAGR % 2024-2028

Global	2.3
Japan	0.6
North America	1.3
China	3.7
Africa and Middle East	1.6
Eastern Europe	1.9
Western Europe	3.5
Latin America	1.1
India	1.9
Asia-Pacific	3.4

Source: IQVIA Institute, December 2023

Global Pharmaceutical Market

Table 1

(US$ Billion)

Regions	2023	2019-2023 CAGR	2028	2024-2028 CAGR
Developed Markets	1,276	7.2%	1,775-1,805	5-8%
Pharmerging Markets	304	7.8%	400-430	10-13%
Other Markets	28	5.6%	33-37	3-6%
Global Pharmaceutical Market	**1,607**	**7.3%**	**2,225-2,255**	**6-9%**

Global Pharmaceutical Market - Share by Product Type[1]

Table 2

(% of Total)

Region	Original Brands (%)		Non-original Brands (%)		Unbranded Generics (%)		OTC, Vaccines & Others (%)		Total (US$ Billion)	
Year	2023	2028	2023	2028	2023	2028	2023	2028	2023	2028
Developed Markets	76	78-79	10	9-10	9	7-8	5	4-5	1,276	1,775-1,805
Pharmerging Markets	27	28-30	35	33-35	14	13-17	24	21-24	304	400-430
Other Markets	32	27-35	49	45-51	6	5-7	13	11-12	28	33-37
Global Markets	**66**	**68-69**	**15**	**14-15**	**10**	**8-9**	**9**	**7-8**	**1607**	**2,225-2,255**



Key Trends and Growth Drivers Shaping the Future

Global Demographic Dynamics

Demographic shifts are playing a key role in shaping future demand. Ageing populations and evolving disease burdens are increasing the need for advanced and long-term therapies, pushing companies to innovate around patient-centric solutions. Regions with younger populations and rising incomes are contributing to new consumption patterns.

Per Capita Consumption Disparities

Over the past couple of years, countries including Japan and Western Europe have continued to report more than double the usage compared to developing regions. While consumption is expected to rise gradually across all geographies, growth in Africa and parts of the Middle East remains constrained by access-related challenges. Efforts to close this gap are likely to shape access and pricing strategies going forward.

Shifting Therapeutic Area Landscape

There has been continued expansion in advanced therapy areas, particularly oncology, immunology and endocrinology. These segments benefited from broader access to targeted treatments and innovation in clinical development.



Rise of Innovative Therapies

Biologics, small molecule therapies and precision treatments are increasingly gaining prominence in clinical practices. Their targeted approach, better efficacy and reduced side effects have made them popular among patients and physicians, especially in developed markets.

Digital Health and Advanced Analytics

AI, machine learning and data-driven tools are transforming drug discovery, clinical trials and patient engagement.
The growing adoption of digital health solutions is improving the speed, efficiency and personalisation of care delivery.

Supply Chain and Operational Agility

In response to economic and geopolitical shifts, companies continued to invest in building more resilient supply chains. The use of real-time analytics, AI-led forecasting and modular production models helped enhance responsiveness and efficiency.

Budget Pressures and Cost Containment

Developed markets are under pressure to manage rising drug expenditures. Strategies include broader adoption of generics and biosimilars, value-based reimbursement and stricter cost control measures; all of which influence product launches and market access planning.

Developed Markets

In developed markets, medicine spending growth is projected to range from US$ 1.775 Trillion to US$ 1.805 Trillion by 2028. This growth trajectory is driven by innovative therapeutics despite challenges from generic and biosimilar competition. Immunology treatments exhibit steady utilisation rises, with nearly half facing biosimilar competition, thereby driving increased usage. Over the forecast period, spending in developed markets is expected to accelerate, led by existing branded medicines and new products.

Developed Markets - Pharmaceutical Spending and Growth[1]

Table 3

(US$ Billion)

Region	2023	2019-2023 CAGR	2028	2024-2028 CAGR
Top 10 Developed Markets	1,082	7.0%	1,505-1,535	5-8%
Other Developed Markets	194	8.5%	255-285	5-8%
Total Developed Markets	**1,276**	**7.2%**	**1,775-1,805**	**5-8%**

US[1]

Pharmaceutical spending in the US is projected to continue its steady growth through 2028, with invoice-level spending expected to increase by approximately US$ 299 Billion over this period. This growth will be primarily driven by higher usage of existing protected branded products, which are estimated to contribute around US$ 322 Billion in additional spending. A strong pipeline of innovation is also anticipated, with more than 250 new active substances (NASs) expected to launch, collectively adding around US$ 119 Billion to overall spending. Notably, areas such as oncology, immunology, diabetes and obesity are expected to see significant advances, supported by a robust wave of next generation biotherapeutics.

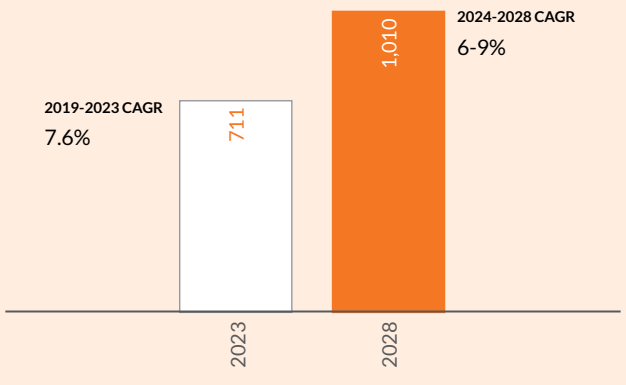
However, the market will also face headwinds. Loss of exclusivity for both small molecules and biologics is expected to result in US$ 145 Billion in reduced brand spending through 2028. This marks a significant increase compared to the previous five-year period. Additionally, the growing influence of biosimilars is expected to further moderate brand growth, although the uptake of interchangeable biosimilars has so far been slower than initially expected.

At the same time, broader market dynamics including expanded off-invoice discounts and rebates, shifting usage patterns, and increased generic and biosimilar competition are expected to shape overall net spending trends. As a result, while spending at invoice prices is forecast to reach US$ 1,010 Billion by 2028, net spending is projected to increase more modestly by US$ 91 Billion over the five years. The gap between invoice and net spending is also set to widen discounts and rebates were estimated to lower net spending by 37% compared to invoice levels in 2023, expanding to 47% by 2028, particularly under the provisions of the Inflation Reduction Act (IRA).

Overall, while the U.S. pharmaceutical market remains on a growth trajectory driven by innovation and continued brand strength, pricing pressures and competitive dynamics are expected to intensify over the period.

Graph 2

US Pharmaceutical Spending and Growth (US$ Billion)





Top 5 Western European Markets (WE5)[1]

Medicine spending in the top five European markets — Germany, France, Italy, Spain, and the UK — is projected to increase by US$ 70 Billion over the next five years, compared to US$ 65 Billion in the prior period. While growth continues, underlying dynamics are shifting, with budgetary constraints and evolving payer behaviour playing a more central role in shaping outcomes.

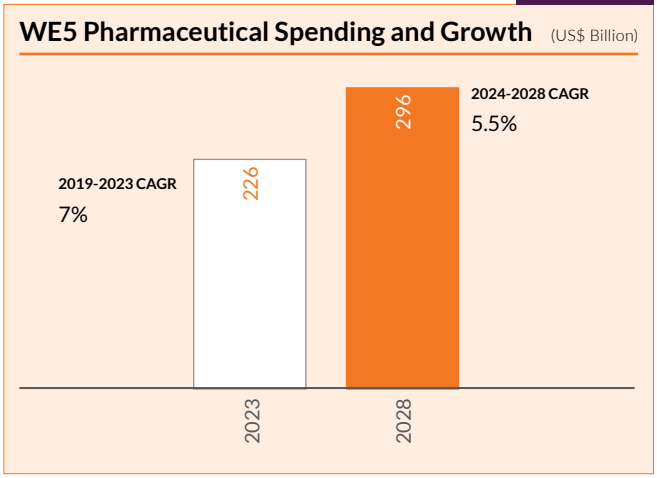
Spending growth will continue to be led by new brand launches, which contributed significantly between 2018 and 2023 and are expected to add US$ 50 Billion through 2028. However, growth from new products may be tempered in the early years by residual pandemic-related challenges in commercialisation and later by increased scrutiny from health technology assessments and constrained reimbursement decisions as healthcare systems face broader inflationary and fiscal pressures.

Despite a substantial expected loss of exclusivity (LOE) impact of US$ 32.2 Billion, net growth will remain positive. Over half of the LOE impact is anticipated to come from biologics, with biosimilars continuing to play a key role in cost savings. Europe's leadership in biosimilar adoption supported by an established regulatory framework since 2004; reinforces its ability to realise value from patent expiries, although increased biosimilar uptake will exert downward pressure on net spending.

Generics and biosimilars are expected to contribute US$ 18 Billion to growth over the next five years, in line with the past five years, as volume gains from LOEs are largely offset by continued price erosion and deflationary trends.

Over 175 new active substances (NASs) are expected to launch across the five leading markets by 2028, with new launches averaging 35–40 annually and contributing over US$ 9 Billion per year in spending. Oncology will remain the dominant therapy area, accounting for nearly one-third of new products, alongside notable activity in neurology and rare diseases, and a growing pipeline of next-generation biotherapeutics, including cell and gene therapies and RNA-based treatments. While these innovations signal strong scientific progress, high upfront costs and limited patient populations are expected to prompt rigorous value assessments by national authorities.

Graph 3



Japan[1]

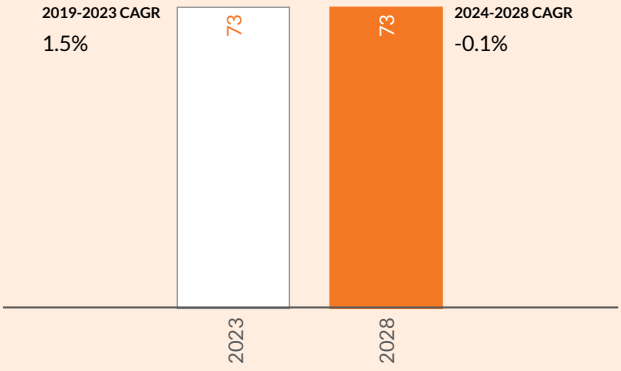
Japan's medicine spending is expected to remain nearly flat, with annual growth projected between –2% and 1% from 2023 to 2028. This outlook reflects a combination of structural pricing policies and ongoing shifts in market composition. Annual price revisions are set to continue throughout the forecast period. While price cuts in non-biennial years may be less pronounced, the shift to yearly revisions continues to weigh on overall spending. These pricing mechanisms are a key factor limiting growth, despite the steady introduction of new therapies.

Over the past decade, the share of protected brands in total spending has increased from 48% to 54%, indicating a shift in focus toward earlier launches of innovative medicines in Japan. Policy support has improved access to novel therapies, encouraging manufacturers to prioritise the market.

Spending on long-listed products, including older medicines that remain available despite the loss of exclusivity, has steadily declined, from 24% in 2014 to 11% in 2023, and is expected to fall further to 7% by 2028. This trend reflects a gradual move toward newer, more cost-effective treatment options.

Spending on generics is also expected to rise, supported by longstanding government policies aimed at increasing adoption. These include a combination of prescriber incentives and penalties for underuse, reinforcing the system-wide push for cost efficiency.

Graph 4



Pharmerging Markets[1]

Medicine spending in pharmerging markets is expected to continue expanding through 2028, largely driven by increased use of generic and non-originator branded medicines. These markets remain price-sensitive and focus on improving access to basic healthcare needs, with growth primarily coming from higher volume rather than adoption of high-cost therapies.

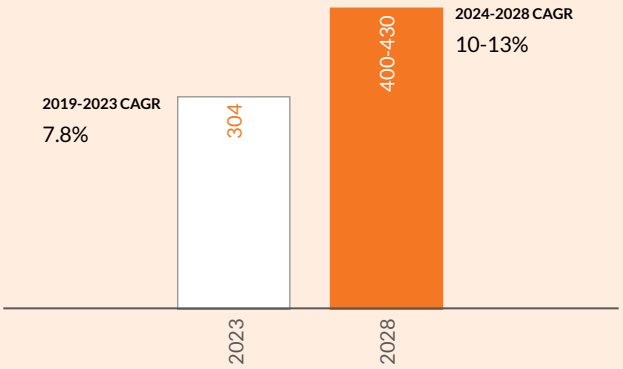
Although some countries such as Russia and Turkey have transitioned into the 'other developed' category due to rising healthcare spending and improvements in GDP per capita, most pharmerging markets continue to operate under constrained healthcare budgets. As a result, specialty medicines accounted for just 13% of total pharmaceutical spending in 2023, and this share is not expected to change meaningfully over the next five years.

The lower spending share on originator products reflects the broader market reliance on generics and cost-effective alternatives. Pricing levels for pharmaceutical products in these regions remain well below those in developed markets, shaped by a combination of affordability challenges and policy emphasis on essential medicines.

While the overall outlook is positive in terms of access and volume growth, limitations in infrastructure, reimbursement frameworks, and access to advanced therapies continue to constrain the broader uptake of innovation. Nonetheless, sustained efforts to expand healthcare coverage and the role of local manufacturing are likely to support continued growth across these markets.

Graph 5

Pharmerging Markets – Pharmaceutical Spending and Growth (US$ Billion)



India[1]

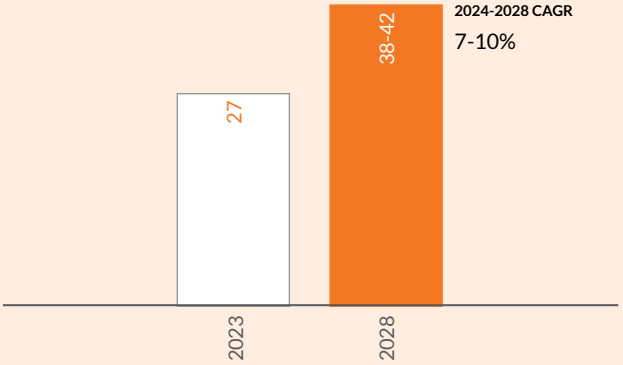
India's pharmaceutical market is projected to see strong growth, with medicine spending expected to reach US$ 38-42 Billion by 2028, with a CAGR of 7–10% from 2024 to 2028. This growth is driven by a combination of expanding access, growing demand for treatments across both acute and chronic conditions, and continued reliance on affordable generic medicines.

In 2023, acute therapies such as anti-infectives and vitamins/minerals recorded notable volume increases, indicating a recovery in demand patterns. At the same time, chronic therapy areas like cardiac and respiratory treatments have sustained robust performance, supported by the rising burden of non-communicable diseases and improved diagnosis rates.

India's cost-sensitive market continues to favour high-volume, lower-cost products, with generics dominating the therapeutic landscape. However, ongoing investments in domestic manufacturing, greater healthcare outreach, and increasing insurance coverage are expected to further support growth across therapy areas.

Graph 6

Indian Pharmaceutical Spending and Growth (US$ Billion)



Growth Drivers

Growing Population
India's growing population provides a larger consumer base for pharmaceutical products, driving demand.

Expertise in Low-Cost Manufacturing
India's proficiency in cost-effective end-to-end manufacturing processes enables competitive pricing of pharmaceutical products, both domestically and globally.

Demographic and Lifestyle Changes
Shifts in demographics and lifestyle patterns, such as an aging population and increasing prevalence of chronic diseases, lead to higher consumption of medications, particularly chronic medications.

Improving Affordability
Rising per capita incomes contribute to improved affordability of healthcare and pharmaceuticals, making them more accessible to a broader segment of the population.

Government Support and Incentives
Various government schemes and incentives, such as the Production Linked Incentive (PLI) scheme, bolster the pharmaceutical industry, encouraging investment and growth.

Increasing Access to Modern Medicines
Efforts to enhance healthcare infrastructure and distribution networks are expanding access to modern and innovative medicines across the country.

Specialty Medicines[1]

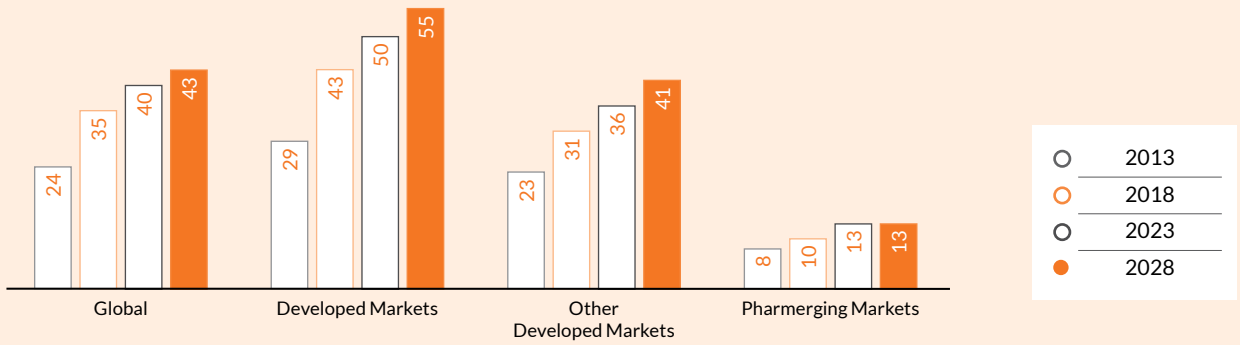
Specialty medicines are set to become an increasingly prominent segment of global pharmaceutical spending, with their share projected to reach 43% by 2028. In developed markets, this share is expected to exceed 55%, reflecting a continued shift toward therapies targeting chronic, complex and rare conditions. This trend highlights a growing focus on precision treatment and unmet medical needs.

In contrast, specialty medicines account for a much smaller share of spending in pharmerging markets around 13%, which is likely to remain stable through 2028. Cost remains a key barrier, limiting broader access to these high-value therapies in lower-income settings.

While specialty medicines are typically used by a small portion of the population (2–3%), they play a critical role in managing serious diseases. Their continued growth underscores the evolving landscape of global healthcare, where treatment effectiveness and patient outcomes are increasingly prioritised despite higher unit costs.

Graph 7

Share of Specialty Medicines in Overall Pharmaceutical Spending – By Market (%)



Active Pharmaceutical Ingredients (APIs)[2]

The global Active Pharmaceutical Ingredients (API) market was valued at US$ 216.5 Billion in 2024 and is projected to grow at a CAGR of 6.7%, reaching US$ 422.8 Billion by 2034.

This growth is driven by several factors, including the increasing prevalence of chronic diseases, the rising demand for generic and biosimilar drugs and advancements in drug manufacturing technologies. Additionally, the expansion of healthcare infrastructure in developing economies and the adoption of advanced technologies like artificial intelligence (AI) and machine learning (ML) in API development and manufacturing are contributing to the market's expansion.

Consumer Healthcare (CHC) Market[3]

The global consumer healthcare market is experiencing significant growth, with projections indicating a substantial increase in market size and evolving consumer behaviours. According to a report by The Business Research Company, the global consumer healthcare market is expected to grow from US$ 537.77 Billion in 2023 to US$ 663.81 Billion in 2024, reflecting a CAGR of 23.4%. This growth is attributed to factors such as an aging population, increased reliance on over the counter (OTC) medications, a focus on wellness and prevention, the expansion of e-commerce and online pharmacies and heightened health and fitness trends.

Looking further ahead, the market is projected to reach US$ 1,476.45 Billion by 2028, maintaining a CAGR of 22.1%. This anticipated growth is driven by advancements in personalised health and genetics, the proliferation of digital health and telemedicine services, increased use of remote patient monitoring, the popularity of health apps and wearables and a rising demand for nutraceuticals and dietary supplements.

Sun Pharma: A Leading Global Pharmaceutical Company

Sun Pharmaceutical Industries Ltd. (hereinafter referred to as 'Sun Pharma', 'our Company' or 'we'), along with our subsidiaries and associates, is a global pharmaceutical company and the largest in India by market share. With a presence in over 100 countries, we offer medicines that address a wide range of healthcare needs across both chronic and acute therapies.

Building on this global reach, our diversified portfolio comprises specialty medicines, branded generics, generics and active pharmaceutical ingredients (APIs). We follow a therapy-focused approach, particularly in chronic and complex disease areas, to ensure relevance and impact across varied healthcare systems.

To support this diverse portfolio, we draw on strong R&D capabilities, scaled-up manufacturing and an extensive commercial network. Our products span multiple dosage forms, including tablets, capsules, injectables, sprays, ointments, creams and liquids, enabling us to serve diverse markets effectively.

Our manufacturing infrastructure includes 40 facilities approved by leading global regulatory authorities. These are complemented by integrated R&D capabilities that encompass both early-stage novel research and generic development, backed by global clinical trial operations.

Driving these efforts is a committed workforce of over 43,000 employees, representing more than 50 nationalities. Their expertise and dedication underpin our innovation, quality and operational excellence across the value chain.

Guided by our purpose of Reaching People and Touching Lives Globally, we remain focused on expanding access to high-quality healthcare and creating long-term value through operational discipline, scientific progress and strategic growth.

Strong Global Positioning[4,5]



Largest
Pharmaceutical company in India

Among the
Largest
Indian pharmaceutical companies in Emerging Markets

100+
Countries reach

43,000+
Global employee base

Leading
Global Specialty generic company

12th
Largest generic pharmaceutical company in the US

40
Global manufacturing sites across six continents

50+
Employee nationalities

Major Deals

Year	Deals	Country	Rationale
2025	Checkpoint Therapeutics Inc.	Global	First and only US FDA approved anti-PD-L1 treatment for metastatic or locally advanced cutaneous squamous cell carcinoma (cSCC)
2024	Completed Taro merger	Israel	Acquired outstanding shares of Taro, now a 100% subsidiary of Sun
2024	In-licensed Fibromun	Global	Innovative anti-cancer immunotherapy for the treatment of soft tissue sarcoma and glioblastoma
2023	In-licensed Nidlegy™	Europe, ANZ	New anti-cancer biopharmaceutical for the treatment of melanoma and non-melanoma skin cancers
2023	In-licensed Sezaby	US	Addition to portfolio of specialty branded products. Treatment of neonatal seizures
2023	Acquired Concert Pharma in the US	US	Adding a late-stage specialty product to dermatology franchise. Treatment of alopecia areata
2022	Acquired Uractiv™ Portfolio from Fiterman Pharma	Romania	Expand non-prescription product basket in Romania and neighbouring markets
2022	In-licensing agreement to expand Winlevi®	Japan, Australia, New Zealand, Brazil, Mexico and Russia	Increasing access to new markets for Winlevi®
2022	Taro (Sun's subsidiary company) acquired Alchemee Business from Galderma	US, Japan and Canada	Acquired the 'Proactiv', 'Restorative Elements' and 'In Defense of Skin' brands. Strengthens Taro's OTC portfolio
2021	In-licensed agreement for Winlevi®	US and Canada	Topical treatment of acne vulgaris
2020	Exclusive out-licensing agreement with Hikma for Ilumya	Middle East and North Africa	Registration and commercialisation of the product in all Middle East & North Africa (MENA) markets
2020	In-licensing agreement with SPARC for SCD-044	Global	Potential indication in psoriasis, atopic dermatitis and other auto-immune disorders
2019	Out-licensing agreement with AstraZeneca UK for ready-to-use infusion oncology products	Mainland China	Access to oncology market in Mainland China
2019	Licensing agreement with CMS for tildrakizumab, Cequa and 8 generic products	Greater China	Access to Greater China market
2018	Acquired Pola Pharma in Japan	Japan	Access to Japanese dermatology market
2016	Acquired global rights for Cequa and Odomzo	Global	Enhances specialty pipeline
2016	Acquired Biosintez	Russia	Local manufacturing capability to enhance presence in Russian market
2016	Out-licensing agreement with Almirall for tildrakizumab	Europe	Access to European market for tildrakizumab
2016	Acquired 14 brands from Novartis	Japan	Entry into Japan
2015	Acquired InSite Vision Inc.	US	Strengthens branded ophthalmic portfolio in the US
2015	Sun Pharma-Ranbaxy merger	Global Markets	Strengthen position in the Global Generic Pharma Industry. #1 Pharma Company in India and strong positioning in emerging markets
2014	In-licensing agreement with Merck for tildrakizumab	Global Markets	Strengthening the specialty product pipeline
2014	Acquired Pharmalucence	US	Access to sterile injectable capacity in the US
2012	Acquired DUSA Pharma, Inc.	US	Access to specialty drug-device combination in dermatology segment
2010	Acquired Taro Pharmaceutical Industries Ltd.	Israel	Access to dermatology generics portfolio, manufacturing facilities at Israel & Canada
1997	Acquired Caraco	US	Entry into the US market

Global Specialty Business

Specialty medicines represent the latest generation of pharmaceuticals designed to treat chronic, complex and rare diseases. By 2023, specialty medicines constituted approximately 40% of global pharmaceutical spending, a notable increase from 35% in 2018. This upward trajectory is evident in the top 10 developed markets, where specialty medicines accounted for 50% of pharmaceutical spending in 2023 and are projected to reach 55% by 2028. This highlights the sustained growth momentum of specialty medicines in addressing the unmet medical needs of patients worldwide.

Share of Speciality Medicines in Overall Pharmaceutical Spending – By Market[1]

Table 4

(US$ Billion)

Year	2013	2018	2023	2028
Top 10 Developed Market	29	43	50	55
Other Developed Market	23	31	36	41
Pharmerging Market	8	10	13	13
Global Market	**24**	**35**	**40**	**43**

Sun Pharma's Specialty Portfolio and Highlights

Since the acquisition of DUSA in 2012, we have steadily built a differentiated Global Specialty business, with a focused approach in dermatology, ophthalmology and onco-dermatology. These therapy areas continue to present unmet patient needs and we remain committed to addressing them through targeted innovation and strategic execution.

Our investments in the specialty segment are anchored in three core pillars:

Product Access	We continue to strengthen our portfolio through a combination of internal R&D, strategic acquisitions and in-licensing arrangements, enabling us to bring differentiated therapies to market.
Clinical Development	We are actively investing in the clinical development of specialty assets, aiming to introduce effective treatment options backed by strong scientific data.
Commercial Infrastructure	To support our growing specialty presence, we have built a dedicated front-end infrastructure in key markets, including the US and other global markets. This includes our own sales force, marketing capabilities and distribution channels to ensure efficient product availability and physician engagement.

Global Specialty revenues are tracked and reported separately, while also being integrated into the Company's geographical business segments, including the US market and other key regions.



FY25 Highlights

As of FY25, we have marketed 26 specialty products across global markets, with the majority of revenues coming from the US market. These products contributed ~20% to our consolidated revenues in FY25, a significant rise from ~9% in FY20, showcasing the success of our focused and long-term investment in the specialty business.

Currently Marketed Specialty Portfolio

Table 5

Product	Description
Ilumya/Ilumetri	For treatment of adults with moderate-to-severe plaque psoriasis who are candidates for systemic therapy or phototherapy • Long-term clinical data shows that the significant response rate seen in 52 and 64 weeks were maintained over five years[1] • Ongoing Phase-3 trials for Psoriatic Arthritis • Current Markets: US, Australia, Japan, Canada, Europe (by partner) China (by partner) • Out licensed to Hikma for Middle East & North Africa
Cequa	To increase tear production in patients with keratoconjunctivitis sicca (dry eye) • Phase 3 confirmatory study observed clinically and statistically significant improvements in tear production and ocular surface integrity in patients[6] • Current Markets: US, Canada • Out licensed to CMS for Greater China in June 2019
Odomzo	Treatment of adult patients with locally advanced basal cell carcinoma (BCC) that has recurred following surgery or radiation therapy, or those who are not candidates for surgery or radiation therapy. • ODOMZO was shown to shrink laBCC in almost 6 out of 10 patients (56%) in a clinical study. laBCC Patients were treated with ODOMZO® and followed for at least 18 months[5] • Currently marketed in US, Canada, EU, Australia and Israel
Levulan Kerastick + BLU-U	For photodynamic therapy (treatment) of minimally to moderately thick actinic keratoses of the face or scalp, or actinic keratoses of the upper extremities • First and only PDT-approved to treat the face and scalp as well as the upper arms, forearms and hands[3] • Current Markets: US
Winlevi	Topical treatment of acne vulgaris in patients 12 years of age and older • Results from two pivotal clinical trials showed favourable safety and efficacy data for WINLEVI in patients with acne aged 12 years and older[2] • Current Markets: US, Canada and Australia
Absorica LD	Treatment of severe recalcitrant nodular acne in non-pregnant patients 12 years of age and older with multiple inflammatory nodules with a diameter of 5 mm or greater • After one 20-week course of ABSORICA therapy, 95% of patients didn't require additional isotretinoin treatment up to two years post treatment[4] • Current Markets: US
Yonsa	In combination with methylprednisolone for the treatment of patients with metastatic castration resistant prostate cancer (CRPC). • YONSA® was shown in clinical studies to be an effective form of abiraterone acetate and can be taken with or without food, in combination with methylprednisolone[9] • Current Markets: US
Sezaby	First and only product approved in the US for treating seizures in neonatal patients • NEOLEV2 study compared phenobarbital to levetiracetam in the first-line treatment of neonatal seizures. 24 hours following the administration, 73% vs. 25% were seizure-free in the respective groups[10] • Current Markets: US
Sprinkle portfolio	For therapeutic solutions for long-term care (LTC) patients • Products using sprinkle technology for patients who have difficulty swallowing • Sprinkle versions of metoprolol (cardiology), rosuvastatin (cardiology) & duloxetine (neuropsychiatry) • Current Markets: US

Source: (1,2,4, 6, 9 & 10 - Sun press release), (3 - Levulan website), (5 - Product label),

Specialty Pipeline

Sun Pharma has a pipeline of seven specialty molecules undergoing clinical trials:

Global Specialty Pipeline

Table 6

Candidate	Mechanism of action	Indication	Preclinical	Phase 1	Phase 2	Phase 3	Registration
Leqselvi	JAK Inhibitor	severe alopecia areata					
Unloxcyt	anti-PD-L1	metastatic cutaneous squamous cell carcinoma (cSCC) or locally advanced cSCC					
Nidlegy™	Immunocy-tokines	melanoma & non-melanoma skin cancers					
Ilumya	IL-23 Antagonist	psoriatic arthritis					
Fibromun	Innovative anti-cancer immunotherapy	soft tissue sarcoma					
		glioblastoma					
GL0034	GLP-1R Agonist	Type 2 diabetes					
MM-II	Liposomal intra-articular lubrication	pain in osteoarthritis					

All candidates for global markets except Nidlegy™ where Sun is commercial partner for Europe, Australia & New Zealand.Nidlegy™ is a trademark of Philogen.



Business Model

At Sun Pharma, we aim to drive sustainable growth, reinforce global leadership, and improve patient outcomes through a well-defined strategy delivered through our business model. Innovation enables us to bring differentiated therapies to market, addressing critical healthcare needs. We pursue cost leadership with a focus on affordability and access, reaching millions of patients across the world every day. Our business development efforts enhance capabilities and accelerate access to novel treatments. With a balanced approach to profitability and investment, we remain committed to delivering value while advancing patient care.

Our Businesses

US	India	Emerging Markets	Rest of the World (RoW)	Global Specialty*	Global Consumer Healthcare**	Active Pharmaceutical Ingredients (API)

*Global Specialty revenues are separately reported but also are a part of geographical businesses, included US and others

**Global Consumer Healthcare revenues are reported as part of geographical businesses, included India and others

Growth Strategies

Sustainable Growth	• Achieve critical mass in key markets • Clear and actionable targets on sustainability • Embed sustainability practices in businesses
Cost Leadership	• Optimise operational costs • Leverage benefits of vertically integrated operations
Business Development	• Use acquisitions to bridge critical capability gaps while yielding target ROI • Focus on access to novel products, technology, market presence
Balance Profitability and Investments	• Increase contribution of specialty and complex products • Direct future investments towards differentiated products

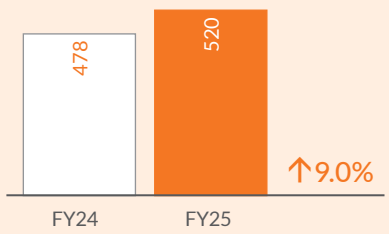
Focus Areas

- Enhance share of specialty products in overall business
- Develop and commercialise differentiated and difficult-to-manufacture products
- Maintain market leadership and high brand equity in India – leverage strengths for in-licensing latest generation innovative products for the domestic market
- Gain critical mass across key international markets
- Focus on improving return ratios

Key Performance Indicators

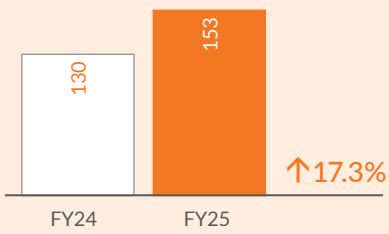
Graph 8

Gross sales
(₹ in Billion)



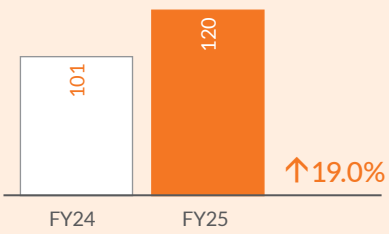
Graph 9

EBITDA
(₹ in Billion)



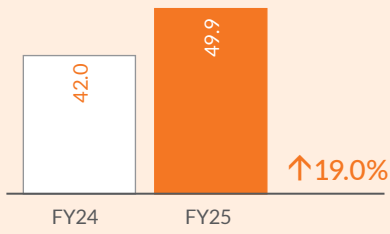
Graph 10

Adjusted net profit after minority interests#
(₹ in Billion)



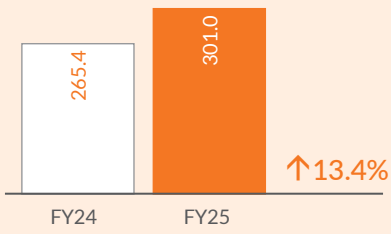
Graph 11

Adjusted earnings per share#
(₹ per share)



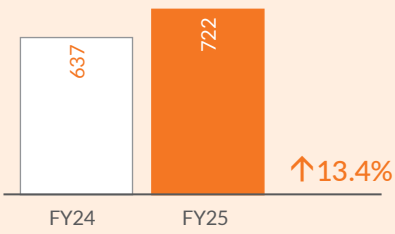
Graph 12

Book value per share
(₹ per share)



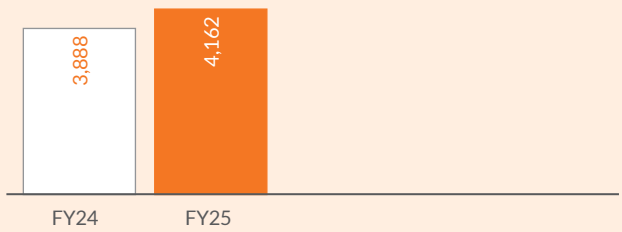
Graph 13

Net Worth
(₹ in Billion)



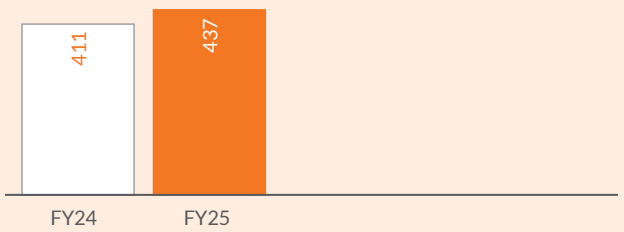
Graph 14

Market capitalisation as on March 31*
(₹ in Billion)



Graph 15

Property, plant and equipment and other intangible assets (at cost) **
(₹ in Billion)



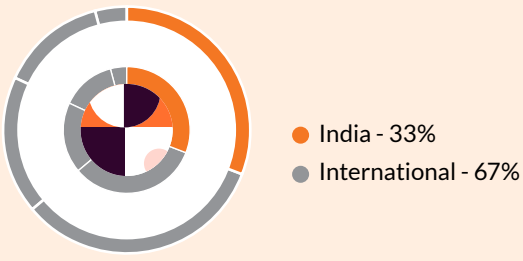
Graph 16

Business-wise Revenue Share (FY25)
(%)



Graph 17

Business Mix (FY25)
(%)



EBITDA = (Revenue from contracts with customers + Other operating income) - (cost of material consumed + purchase of stock-in-trade + changes in inventories of finished goods, stock-in-trade and work-in-progress + employee benefits expense + other expenses + Net gain/loss on foreign currency transactions)

*As on March 31 of the respective year

**Property, plant, equipment and other intangible assets (at cost) includes capital work-in-progress & intangible assets under development

#Adjusted net profit after minority interests and adjusted earnings per share exclude the impact of exceptional items

##RoW includes Western Europe, Canada, Israel, Japan, Australia, New Zealand and other markets

Financial Ratios

Consolidated

Table 7

Ratio	FY25	FY24	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	15.1	15.0	0.7	
Debtors Turnover (times)	4.0	4.2	(4.8)	
Inventory Turnover (times)	1.0	1.1	(9.1)	
Interest Coverage	63.4	49.6	27.8	Increase in Profit before interest and tax and reduction in debt
Current Ratio (times)	2.9	2.6	11.5	
Debt Equity Ratio (times)	0.03	0.05	(40.0)	Reduction in debt and increase in Net Worth
Operating Profit Margin (%)	28.3	25.7	10.1	
Net Profit Margin (%)	21.0	20.1	4.5	

Standalone

Table 8

Ratio	FY25	FY24	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	17.6	12.1	45.9	Return on Net Worth is higher for the year ended 31 March 2025, due to increase in profit
Debtors Turnover (times)	1.9	2.2	(14.2)	
Inventory Turnover (times)	1.6	1.6	(3.7)	
Interest Coverage	6.6	5.7	16.7	
Current Ratio (times)	1.0	3.3	(69.3)	Primarily due to Classification of loans taken as current loans during the year
Debt Equity Ratio (times)	0.46	0.47	(2.1)	
Operating Profit Margin (%)	27.2	25.5	6.6	
Net Profit Margin (%)	18.9	14.4	31.5	Net profit margin is higher for year ended March 31, 2025 due to lower profit in previous year on account of impairment of an acquired intangible asset under development

FY25 Business Highlights

We delivered a robust performance across our global operations in FY25, with consolidated topline growth of 9.0% over FY24. This growth was driven by our India and Emerging Markets business, which recorded a 13.7% and 9.2% year-on-year increase, respectively. Our US business reported a 5.8% rise in revenue, while Rest of the World markets registered steady growth compared to the previous year.

Our EBITDA grew by 17.3%, with an EBITDA margin of 29%, reflecting improved operating leverage. Adjusted net profit rose by 19% year-on-year, underscoring our commitment to profitable growth. These results reflect our continued focus on execution, operational discipline and creating long-term value across key markets.

US Business

31%
Share of Revenue

₹ 162,403 Million
Revenue in FY25

659
Cumulative ANDAs filed as on March 31, 2025

542
Cumulative ANDAs approved as on March 31, 2025

117
ANDAs pending USFDA approval as on March 31, 2025

70
Cumulative NDAs filed as on March 31, 2025

57
Cumulative NDAs approved as on March 31, 2025

13
NDAs pending USFDA approval as on March 31, 2025

Our US business comprises a mix of Specialty, Generics and OTC products, reflecting our broad-based presence in one of the world's largest pharmaceutical markets. We continue to rank among the top players in the US generics space, currently positioned as the 12th largest generic pharmaceutical company and hold the 2nd position by prescriptions in the US dermatology market.

We have built a strong portfolio across multiple therapeutic areas, with a strategic focus on specialty segment, including dermatology, ophthalmology and oncology. In FY25, the US business contributed 31% to our consolidated revenues.

Our integrated manufacturing capabilities with both onshore and offshore facilities, enable us to deliver a wide range of dosage forms. This is further reinforced by our strong commercial relationships with wholesalers, distributors, retail chains, healthcare providers and payors, reinforcing our presence in the US. The US business remains a key contributor to our consolidated revenues and continues to be a core focus area for sustainable growth.

Milestones in the US Business — Table 9

Year	Major Initiatives
FY24	• Acquired outstanding shares of Taro, now a 100% subsidiary of Sun
FY23	• Launched SEZABY in the US
FY22	• Launched Winlevi® in the US
FY20	• Launched Cequa and Absorica LD in the US
FY19	• Launched Ilumya, Yonsa & Xelpros in the US • Released Ready-to-Infuse INFUGEM™
FY18	• Launched Odomzo in the US
FY13	• Acquired DUSA for entry into branded specialty
FY10	• Acquired Taro Pharma for entry into US dermatology
FY98	• Entry into the US through Caraco acquisition

FY25 Highlights

Revenues from the US grew by 5.8% Y-o-Y to ₹162,403 Million in FY25. The growth was mainly driven by specialty with all growth products contributing, like Ilumya, Cequa, Winlevi and Odomzo.

New Product Approvals, Launches and Acquisitions in the US

We acquired Checkpoint Therapeutics Inc. ('Checkpoint'), an immunotherapy and targeted oncology company.

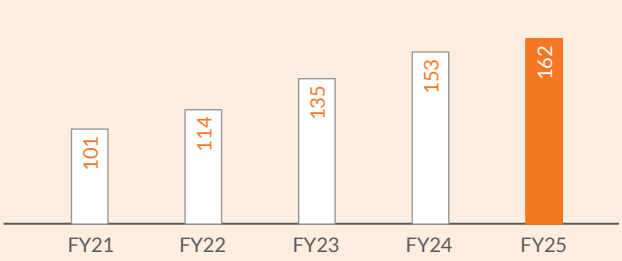
Through this acquisition, we added UNLOXCYT™, the first and only FDA-approved anti-PD-L1 treatment for advanced cutaneous squamous cell carcinoma, to our specialty portfolio.

We continue to strengthen our specialty portfolio with clinical evidence that underscores the value of our innovative therapies. LEQSELVI™ (deuruxolitinib) 8 mg tablets was approved by the US FDA for the treatment of adults with severe alopecia areata (AA). Clinical studies showed that 95% of patients taking deuruxolitinib twice daily reported improvement in their satisfaction with hair regrowth over a 24-week period, an important outcome for a condition often associated with depression and anxiety. Additional data demonstrated clinically meaningful improvements in mental health outcomes and provided dose optimisation insights at the 8 mg level, reinforcing the therapy's overall effectiveness.

We also presented 12 posters on ILUMYA® (tildrakizumab), highlighting its sustained efficacy and safety in moderate-to-severe plaque psoriasis, including interim findings from real-world clinical settings. These results further support ILUMYA®'s consistent performance and its role in improving patient outcomes in dermatology

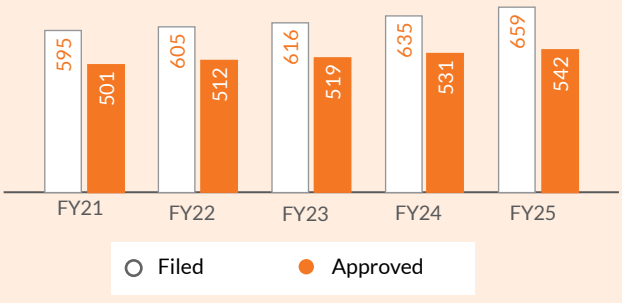
Graph 18

US Sales Growth (₹ in Billion)



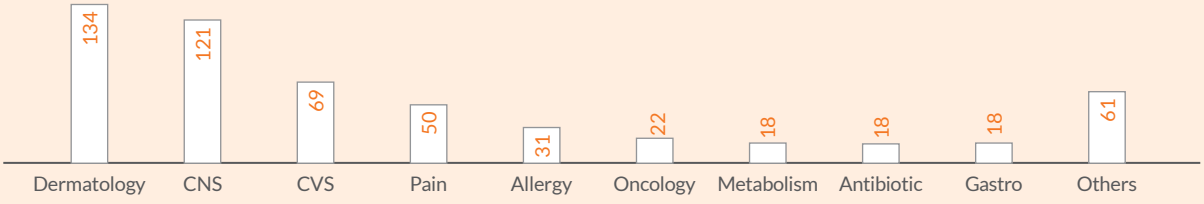
Graph 19

Cumulative ANDAs Filed and Approved (Numbers)



Graph 20

ANDA Approvals by Therapeutic Areas as of March 2025 (Numbers)



Road Ahead

- Enhance share of specialty/branded business
- Continue to focus on complex generics and high entry barrier segments
- Ensure broad product offering to customers across multiple dosage forms
- Focus on compliance, product robustness and supply chain efficiencies

India Business: Largest Pharma Company in India[4,5]

33%
Share of Revenue

₹ 169,230 Million
Revenue in FY25

#1
Rank by prescription with 13 different classes of doctors

29
Brands among India's top 300 brands**

#1
Rank with 8.3% market share**

~15,000
Total field force

**As per AIOCD AWACS data for 12 months ended March 2025

Sun Pharma is India's largest pharmaceutical company, holding an 8.3% market share, with a strong presence in both the chronic and acute therapy segments. Our comprehensive portfolio spans a wide range of therapeutic areas including neuropsychiatry, cardiology, diabetes, gastroenterology, pain/analgesics, gynaecology, ophthalmology, urology, dermatology, respiratory, anti-infectives, oncology and more, enabling us to meet diverse patient needs across India.

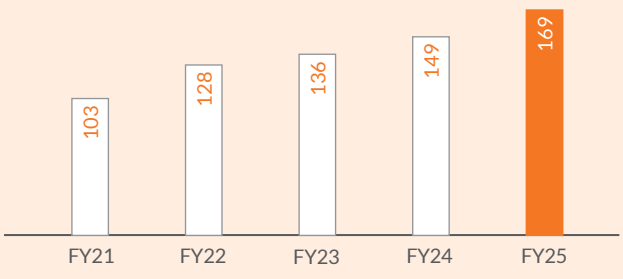
We maintain leadership in the chronic segment and have a leading position in the acute space. Our product offerings include technically complex formulations and a well-diversified therapy basket, supporting our standing as a trusted partner for healthcare professionals.

Our reach across the country is enabled by a large field force, deep distribution network and strong brand equity with prescribers. We continue to introduce new products developed through in-house R&D and actively pursue strategic in-licensing opportunities to strengthen access to innovative therapies.

Graph 21

India Sales Growth

(₹ in Billion)



Graph 22

India Business Therapeutic Revenue Break-up

(%)



Therapy	(%)
Neuropsychiatry	20
Cardiology	17
Gastroenterology	14
Diabetology	8
Pain/Analgesics	7
Anti-infectives	6
Respiratory	5
Vitamins/Minerals/Nutrients	5
Dermatology	4
Gynaecology	4
Urology	3
Ophthalmology	3
Others	4

India Prescription Ranking - Leadership in Key Therapeutic Areas[5]

Table 10

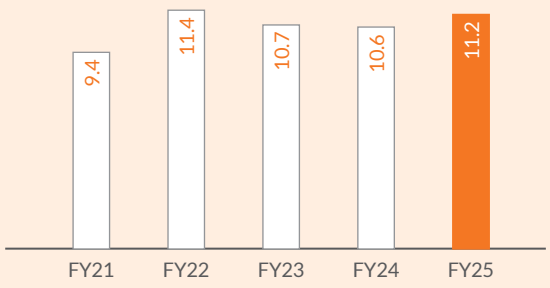
Specialist	February 2025	February 2024
Psychiatrists	1	1
Neurologists	1	1
Cardiologists	1	1
Diabetologists	1	1
Gastroenterologists	1	1
Nephrologists	1	1
Consultant Physicians	1	1
Urologists	1	1
Dermatology	1	1
ENT Specialists	1	1
Chest Physicians	1	1
Ophthalmologists	1	1
Oncology	1	3
Orthopaedic Specialists	2	2
General Surgeons	2	2
Gynaecologists	2	2

Best-in-class Field Force Productivity

Sun Pharma has built a team of well-trained and scientifically oriented sales representatives with a strong track record of performance. We continue to maintain the highest field force productivity among leading players in India. Over the years, including recent expansions, the sales force has been strategically strengthened to deepen geographical reach, enhance doctor coverage and improve brand focus across priority markets.

Graph 23

Sales Per Medical Representative (₹ in Million)



FY25 Highlights

Revenue from the India business* grew by 13.7% to ₹ 169,230 Million, driven by growth across most of the Company's therapies.

*Our India business comprises the branded formulations business, described here, and part of the global consumer healthcare business, described in a later section.

New Product Approvals, Launches and Acquisitions in India

- Sun Pharma entered into a non-exclusive patent licensing agreement with Takeda Pharmaceutical Company Limited (Takeda) to commercialise Vonoprazan tablets 10 mg, 20 mg in India under the brand name 'Voltapraz'. Vonoprazan is a novel, orally active potassium competitive acid blocker (PCAB), used to treat reflux esophagitis and other acid peptic disorders. Under the terms of this agreement, Takeda has granted Sun Pharma non-exclusive patent licensing rights for the commercialisation of Vonoprazan in India.
- Sun Pharma launched Tedizolid Phosphate tablets 200 mg in India under the brand name 'Starizo'. Starizo (Tedizolid Phosphate) is a novel, oxazolidinone-class antibacterial, used to treat Acute Bacterial Skin and Skin Structure Infection (ABSSSI). Sun Pharma has obtained rights from MSD to develop, manufacture and commercialise Tedizolid Phosphate in India.
- Sun Pharma launched Fexuprazan tablets 40 mg in India under the brand name "Fexuclue®". Fexuclue®, a novel potassium competitive acid blocker (PCAB), is approved as a new treatment for adults with Erosive Esophagitis of all grades. Sun Pharma has obtained rights from Daewoong Pharmaceutical Co Ltd, Korea, a biopharmaceutical company, to manufacture and commercialise Fexuclue® (Fexuprazan) in India. As per agreement terms, Daewoong will be entitled to upfront and milestone payments, including royalties.

Sun Pharma launched its corporate brand campaign that highlights its profound impact on the lives of people. Centred around the theme of 'touching 1,000 lives every minute*', the campaign highlights Sun Pharma's contribution to the lives of patients, caregivers, doctors, pharmacists and communities. It reflects the Company's enduring commitment to innovation, improving access to medicine and patient care.

The campaign highlights how every minute 1,000 Sun Pharma medicines are prescribed across the world—bringing hope to millions, reinforcing its position as India's No. 1 pharma company#. The narrative brings to life how Sun Pharma is woven into the fabric of daily healthcare, illustrating the brand's presence in people's lives.

*Average number of prescriptions per minute based on IQVIA 2024. Prescription data for India and USA only.

#AIOCD AWACS 12 months ended Mar 2024

Road Ahead

- Focus on productivity enhancement
- Maintain leadership position in a fiercely competitive market
- Continuously innovate to ensure high brand equity with doctors
- Continue to evaluate in-licensing opportunities for latest generation patented products

Emerging Markets

18%
Share of Revenue

₹ 94,160 Million
Revenue in FY25

~80
Markets with sales reach

8
Markets with local manufacturing

Leading
Indian company in Emerging Markets

2,900+
Sales representatives

As a leading Indian pharmaceutical company in Emerging Markets, Sun Pharma has established a strong presence in over 80 countries. Our global footprint spans strategically important regions such as Romania, Russia, South Africa, Brazil and Mexico, where we continue to focus efforts to drive growth and expand reach.

With an extensive basket of branded generics and a customer-centric approach, we remain focused on understanding and addressing the specific needs of healthcare professionals and patients in each market. This has helped foster lasting relationships with prescribers and enhance brand adoption.

We support our global operations with a dedicated sales force of over 2,900 representatives across these markets. Additionally, we operate manufacturing facilities in countries including Bangladesh, South Africa, Malaysia, Romania, Egypt, Morocco, Nigeria and Russia, strengthening our supply chain and local manufacturing presence in key regions.

FY25 Highlights

Revenues from Emerging Markets grew by 9.2% Y-o-Y to ₹ 94,160 Million driven by growth across multiple markets.

Road Ahead

- Gain critical mass in key markets
- Enhance specialty product basket in Emerging Markets
- Focus on profitable growth

Rest of the World (RoW): Western Europe, Canada, Israel, Japan, Australia & New Zealand (ANZ) and Other Markets

14%
Share of Revenue

₹ 71,626 Million
Revenue in FY25

Leading
Indian company in RoW

4
Markets with local manufacturing

Sun Pharma is one of the leading Indian pharmaceutical companies with a strong presence across key international markets, including Western Europe, Canada, Australia & New Zealand (A&NZ), Japan, Israel and others. Leveraging our global expertise and strategic partnerships, we have built a formidable market presence in these regions.

Our expanding product basket includes specialty, hospital and retail offerings, with an increasing focus on developing and commercialising differentiated products to meet diverse healthcare needs.

We operate through a distribution-led model for our generic portfolio, while deploying a dedicated sales force to promote our specialty products in markets such as EU, Canada, Japan, Australia and Israel. Our manufacturing facilities in India continue to play a vital role in ensuring seamless supply and availability across these regions.

FY25 Highlights

Revenue from RoW markets increased by 6.7% to ₹ 71,626 Million

New Product Approvals, Launches and Acquisitions in Rest of World

- The European Medicines Agency (EMA) has validated the submission of the Marketing Authorisation Application (MAA) for Nidlegy™, which was finalised on June 3, 2025. Nidlegy™ is partnered with Sun Pharma for the treatment of skin cancers in Europe, New Zealand, and Australia.
- We presented abstracts from our dermatology portfolio at the 33rd European Academy of Dermatology and Venereology (EADV) Congress, held in Amsterdam, Netherlands, from September 25–28, 2024.

Road Ahead

- Enhance contribution of specialty products to revenues
- Focus on complex generic launches
- Gain critical mass in key markets

Global Consumer Healthcare Business[6]

25+
Countries footprint

Among

Top 10
Consumer healthcare companies in India, Romania, Nigeria and Myanmar

~500,000
Pharmacy and Retail outlets in India where Sun Pharma's products are available

Sun Pharma's Global Consumer Healthcare division continues to be recognised as one of the leading entities in India's healthcare sector. We operate in over 25 countries, including India, Romania, South Africa, Nigeria, Myanmar, Ukraine, Poland, Thailand, Belarus, Kazakhstan, Nepal, Morocco, UAE, Oman and others, underscoring our strong global presence. We have established strong brand equity in four countries and rank among the top 10 consumer healthcare companies in India, Romania, Nigeria and Myanmar.

In India, our flagship brands like Revital and Volini enjoy wide distribution through pharmacies, retail stores and e-commerce platforms. Our products are promoted through a dedicated sales force in each market, reinforcing our leadership in delivering quality healthcare solutions to consumers globally.

FY25 Highlights

- Sun Pharma's key brands – Volini and Revital – launched new communication campaigns focused on superiority to drive differentiation
- Implemented robust trade engagement programmes focused on improving trade recommendation, availability and visibility
- Launched Revital Cal 500, a calcium supplement with a superior formulation to participate in the growing Calcium supplements market
- Entry into fast growing sodium alginate antacid segment with launch of Pepfix brand

Road Ahead

- Sustained focus and investments on our focus brands with a view of category development
- Leverage on our strong Brand Equity with launch of relevant line extensions and build a portfolio of products across new formats and benefit spaces
- Strengthening footprint in fast growing online and organised retail channels.
- Improving sales force efficiency and deploy effective trade marketing initiatives.
- Building 360 consumer outreach programmes to drive new trier acquisition across relevant touchpoints.

Active Pharmaceutical Ingredient (API) Business

4%
Share of Revenue

₹ 21,292 Million
Revenue in FY25

~400 APIs
Product portfolio

~10-20 APIs
Scaled up annually

401
DMF/CEP approvals to date

529
DMF/CEP filings to date

14
Manufacturing units

With 14 state-of-the-art API facilities, we continue to strengthen our strategic backward integration, ensuring cost competitiveness and supply reliability. Our API division serves a wide clientele, including large generic and innovator companies and offers a diverse portfolio comprising approximately 400 APIs.

FY25 Highlights

Revenue from the API business increased by 11.0% to ₹ 21,292 Million.

Road Ahead

- Continue to focus on supporting the formulations business through the development of strategic APIs
- Ensure consistent supplies and high service standards for customers

Research and Development (R&D)

6.2%
R&D spend as percentage of sales in FY25

₹ 300+ Billion
Cumulative R&D expenditure till date

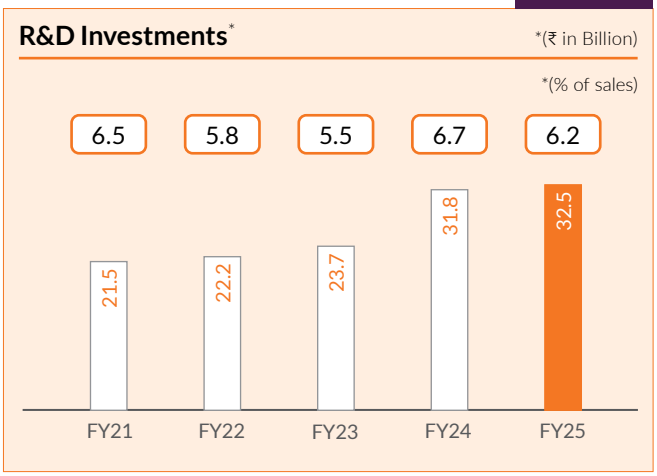
2,900+
Strong R&D team

Our R&D capabilities span a wide range of dosage forms, including injectables, orals, liquids, ointments, gels, sprays, hormones and oral products. We continue to expand our global development capabilities, covering clinical trials, finished dosage development, biological support, chemistry and new drug development.

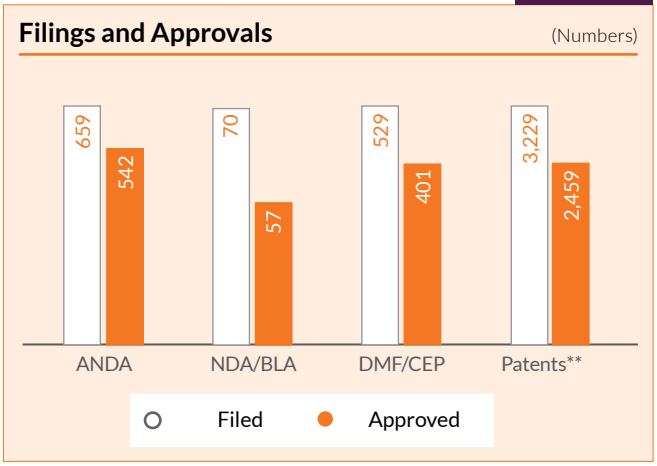
These efforts are backed by a strong and experienced team across multiple R&D centres globally. Our intellectual property experts play a critical role in supporting the development of specialty, complex and non-infringing formulations.

We remain committed to investing in innovation to build a robust portfolio of generics, branded generics and specialty products for markets around the world.

Graph 24



Graph 25



**Excludes Expired/Abandoned Patents (All data as of March 31, 2025)

FY25 Highlights

- Overall R&D investments for the year was ₹ 32,484 Million (6.2% of sales)
- Developed and filed ~280 product dossiers globally
- Addition and progress on Specialty R&D Pipeline

Road Ahead

- Focus on developing complex products across multiple dosage forms
- Invest to further build the specialty pipeline

Global Manufacturing Base: World-class Manufacturing Infrastructure

With a world-class manufacturing infrastructure and an extensive global footprint spanning India, the Americas, Asia, Africa, Australia and Europe, we have established a strong presence in the global pharmaceutical industry. Our vertically integrated network enables high-quality, cost-effective production and allows for swift market entry across geographies.

We are among a few companies with integrated manufacturing capabilities for oncology, hormones, peptides and steroidal drugs. Our facilities support a wide range of dosage forms, including orals, creams, ointments, injectables, sprays and liquids.

Our manufacturing facilities are approved by leading international regulatory authorities, including:

- US Food and Drug Administration (USFDA)
- UK Medicines and Healthcare Products Regulatory Agency (MHRA)
- European Medicines Evaluation Agency (EMEA)
- Australia's Therapeutic Goods Administration (TGA)
- South Africa's Medicines Control Council (MCC)
- Germany's Federal Institute for Drugs and Medical Devices (BfArM)
- Brazilian Health Regulatory Agency (ANVISA)
- World Health Organization (WHO)
- South Korea's Ministry of Food and Drug Safety
- Japan's Pharmaceuticals and Medical Devices Agency (PMDA)

26

Finished dosage manufacturing facilities

14

API facilities

API Manufacturing Facilities

Table 11

Country	Number of API Facility
India	9
Australia	2
Israel	1
United States	1
Hungary	1
Total	**14**

Finishing Dosage Manufacturing Facilities

Table 12

Country	Number of Finished Dosage Facilities
India	12
United States	3
Morocco	1
Canada	1
Hungary	1
Israel	1
Bangladesh	1
South Africa	1
Malaysia	1
Romania	1
Egypt	1
Nigeria	1
Russia	1
Total	**26**

People: Nurturing a Diverse and Inclusive Global Workforce

With an extensive global workforce exceeding, 43,000 individuals from over 50 nations, Sun Pharma prioritises cultivating an inclusive workplace environment that fosters professional growth and advancement. Recognising the value of diverse perspectives, the Company promotes a culture of equality and opportunity. Through robust investment in learning and development initiatives, Sun Pharma empowers its workforce to stay ahead of the industry.

Quality Excellence

Our robust quality management system ensures that high standards are upheld across our research centres, manufacturing facilities, testing laboratories and distribution channels. We operate with a deep commitment to regulatory compliance and are certified under current Good Manufacturing Practices (cGMP) by global agencies, including:

- US Food and Drug Administration (USFDA)
- European Medicines Agency (EMA)
- World Health Organization (WHO)
- Australia's Therapeutic Goods Administration (TGA)

Our Corporate Quality Unit leads the implementation of evolving GMP standards and regulatory guidelines across the organisation, reinforcing our focus on delivering safe, effective and high-quality products to patients globally.

SWOT Analysis

Strengths

Global Leadership

- Leading global specialty generics company
- Largest pharmaceutical company in India by market share
- Ranked #1 across 13 different classes of doctors in India
- 12th largest generics company in the U.S.
- 2nd largest by prescriptions in the U.S. dermatology segment
- Among the largest Indian pharmaceutical companies in emerging markets

R&D and Product Development

- Robust R&D infrastructure and capabilities to develop technologically complex products in both generics and specialty segments

Growth and Profitability Focus

- Pragmatic mix of organic and inorganic growth initiatives

Strong Financial Position

- Strong balance sheet providing flexibility for inorganic growth without significant leverage, allowing future growth opportunities

Global Access and Affordability

- Ability to supply high-quality products at affordable prices across diverse global markets

Opportunities

Favourable Macro-economic Environment

- Positive long-term growth for pharmaceutical products in India and emerging markets due to favourable macro-economic conditions

Specialty Products Growth

- Increasing contribution of specialty products in developed markets, with Sun Pharma positioned to capitalise on this trend through its existing specialty portfolio

Weaknesses

Regulatory and Competitive Pressures

- Increased competitive intensity in the U.S. generics pricing environment, coupled with faster-paced generic drug approvals by the US FDA

Currency Volatility

- Significant volatility in forex markets, especially for emerging market currencies, potentially affecting reported growth despite growth in local currencies

Pricing Pressure

- Potential for government-mandated price controls in response to high global government deficits, impacting product pricing

Specialty Pipeline Investment

- High upfront investment in developing a specialty pipeline may impact short-term profitability

Threats

Geopolitical Uncertainty

- Geopolitical issues impacting supply chains, inflation and overall economic stability

Regulatory and Pricing Pressures

- Rising regulatory scrutiny and potential government actions to control drug prices across global markets
- Threat from government actions such as the imposition of tariffs and changes in payment models, including application of Most Favoured Nations model

Market Dynamics in Emerging Markets

- Competitive pressures from local and international pharmaceutical companies in emerging markets

Supply Chain Disruptions

- Global supply chain disruptions due to geopolitical tensions or economic downturns

Internal Control

Sun Pharma's leadership prioritises a strong internal control framework as a key pillar of sound governance and sustainable value creation. Designed to match the scale and complexity of operations, this framework ensures regulatory compliance, financial accuracy, and asset protection. It also enhances operational efficiency and supports strategic decision-making. By proactively identifying and mitigating risks, the Company reinforces investor confidence and long-term business resilience.

Global Internal Audit (GIA)

The Global Internal Audit (GIA) function operates independently at the corporate level, supported by a leading external audit firm. It conducts risk-based audits across all business units and support functions, ensuring strong financial and operational controls and effective risk mitigation. Staffed by highly qualified professionals, GIA provides assurance and strategic insights to enhance organisational efficiency. Governed by a Board-approved Audit Charter, its work is regularly reviewed by the Audit Committee.

In FY25, the Company implemented the Laser Audit Reporting System (LARS®), a web-based platform that streamlines the entire audit lifecycle and enhances real-time audit management and collaboration.

Disclaimer

Statements in this 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates, expectations, plans or industry conditions or events are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, competitors' pricing in the Company's principal markets, changes in government regulations, tax regimes, economic conditions within India and the countries within which the Company conducts business and other factors, such as litigation and labour unrest or other difficulties. The Company assumes no responsibility to publicly update, amend, modify or revise any forward-looking statements, based on any subsequent development, new information or future events or otherwise except as required by applicable law. Unless the context otherwise requires, references in this document to 'we', 'us' or 'our' refers to Sun Pharmaceutical Industries Limited and consolidated subsidiaries.

References:

1. IQVIA Global Use of Medicines 2024
2. OG Analysis
3. The Business Research Company
4. AIOCD-AWACS Data
5. SMSRC Data
6. Euromonitor



Board's Report

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

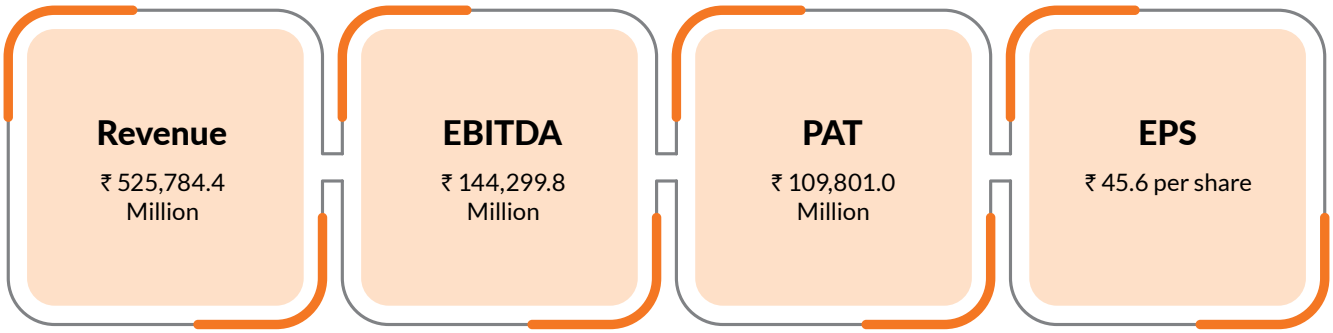
Financial Highlights

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

(₹ in Million)

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

Performance Highlights (consolidated)



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

Material Changes and Commitments

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

Consolidated Accounts

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

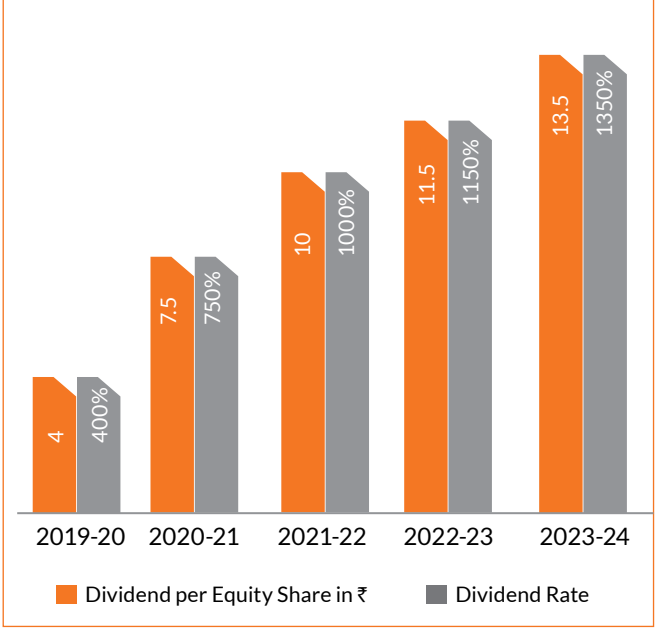
Dividend

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

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

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Dividend payout of Last 5 Years



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

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

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

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

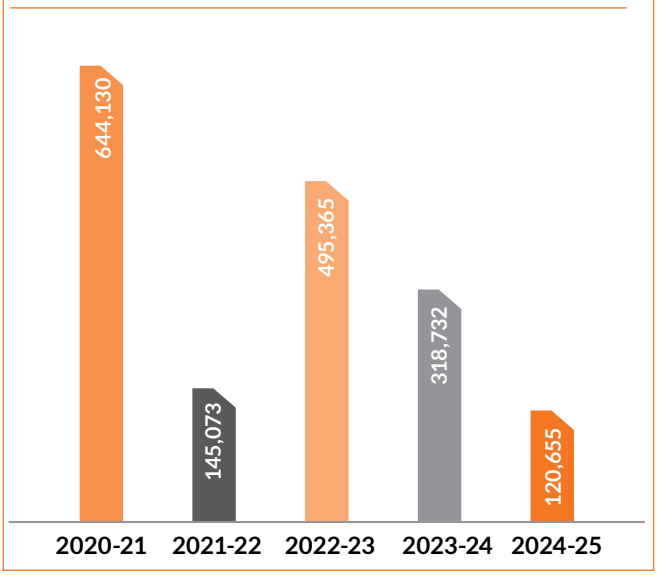
Transfer to IEPF

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

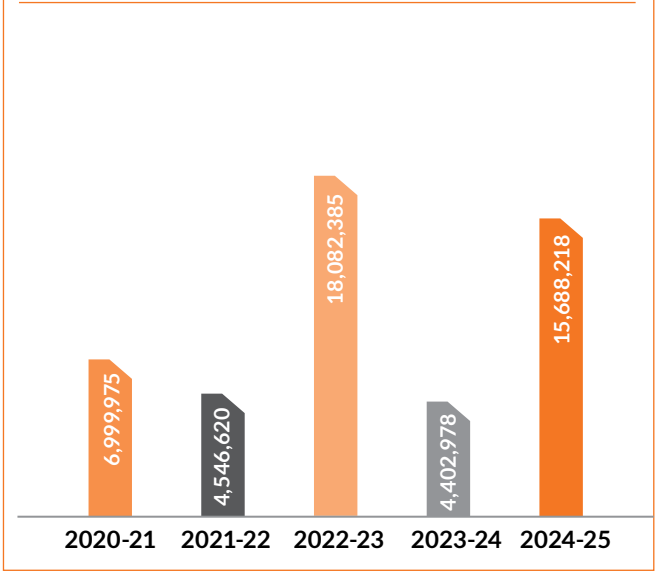
Transfer of unpaid or unclaimed dividends to IEPF	₹ 15,688,218
Transfer of shares to IEPF	1,20,655 shares
Dividend paid to IEPF in respect of shares already transferred to IEPF	• ₹ 24,245,007 (Interim Dividend FY 2024-25) • ₹ 11,998,006 (Final Dividend FY 2023-24)

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

Number of Shares Transferred to IEPF



Amount Transferred to IEPF (`)



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

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

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

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

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

Transfer to Reserves

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

Loans, Guarantees and Investments

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

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

Public Deposits

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

Changes in Capital Structure

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

Credit Rating

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

Subsidiaries/Joint Ventures/Associates

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

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

Directors and Key Managerial Personnel

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

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

1. Mr. Aalok Shanghvi (DIN: 01951829) – Whole-time Director has also been designated as the Chief Operating Officer (COO) of the Company.

2. Mr. Sanjay Asher (DIN: 00008221), Non-Executive - Independent Director, retired on completion of his term of appointment and ceased to be the Director effective from March 31, 2025.

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

3. Ms. Jayashree Satagopan has been appointed as the Chief Financial Officer and Key Managerial Personnel effective from July 01, 2025.

4. Mr. C S Muralidharan, Chief Financial Officer, shall retire from the Company and cease to be the Chief Financial Officer effective from July 01, 2025.

5. Mr. Sudhir Valia (DIN: 00005561), a Non-Executive, Non-Independent Director of the Company, will retire by rotation at the ensuing AGM, and he has not offered himself for reappointment.

6. Ms. Vidhi Shanghvi (DIN: 06497350) is appointed as Whole-time Director for a period of five years, effective from May 22, 2025, which shall be subject to approval of the shareholders at the ensuing AGM.

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

Declaration by Independent Directors

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

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

Familiarisation Programme for the Independent Directors

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

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

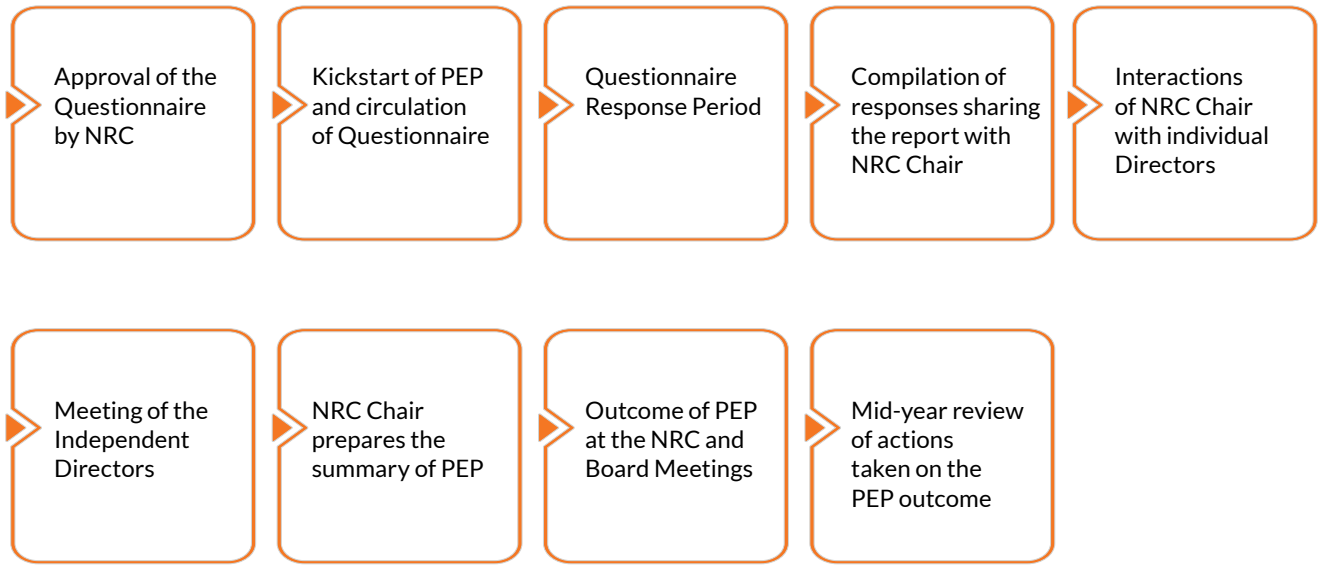
Board Performance Evaluation

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

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

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

The Overview of PEP 2024-25 is as follows:



Remuneration Policy and Criteria for Appointment of Directors

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

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

Scan the QR code to view the Remuneration Policy

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

Board Diversity

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

Scan the QR code to view the Diversity Policy

Succession Plan

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

Management Discussion and Analysis

The Management Discussion and Analysis as prescribed under Part B of Schedule V read with Regulation 34(3) of the Listing Regulations is provided in a separate section and forms part of this Annual Report which includes the state of affairs of the Company and there has been no change in the nature of business of the Company during the financial year ended March 31, 2025.

Corporate Governance Report

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

Board Meetings

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

Committees of the Board

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

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

Related Party Transactions

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

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

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

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

Board Policies

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

Internal Controls and Internal Financial Controls

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

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

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

Whistle-blower Policy/Vigil Mechanism

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

Scan the QR code to view the Global Whistle Blower Policy

Global Internal Audit

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

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

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

Enterprise Risk Management

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

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

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

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

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

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

Auditors

Statutory Auditors

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

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

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

Secretarial Auditors

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

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

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

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

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

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

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

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

Cost Auditors

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

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

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

Business Responsibility and Sustainability Report

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

Corporate Social Responsibility ("CSR")

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

Scan the QR code to view the CSR Policy

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

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

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

Human Resources

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

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

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

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

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

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

Prohibition of Insider Trading

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

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

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

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

Cyber Security

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

Regulatory Orders

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

Annual Return

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

Secretarial Standards

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

Other Disclosures

1. During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee and/or Board under section 143(12) of the Act.

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

3. Upon receipt of Observations Letters from the Stock Exchanges on the Composite Scheme of Arrangement involving (a) amalgamation of Wholly-owned subsidiary companies viz. Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited, Skisen Labs Private Limited with the Company and (b) Reclassification of General Reserve of the Company to Retained Earnings, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, application was filed with the National Company Law Tribunal, Ahmedabad ("NCLT").

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

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

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

Directors' Responsibility Statement

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

a) in the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

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

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

For and on behalf of the Board of Directors

Dilip Shanghvi
Chairman and Managing Director
(DIN: 00005588)

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

Place: Mumbai
Date: May 22, 2025

ANNEXURE – A

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

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

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

Notes:

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

(ii) The percentage increase in the median remuneration of employees in the FY25 (Median -2025/Median 2024): 8.44%

(iii) The number of permanent employees on the rolls of the Company as on March 31, 2025: 19297

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year ending March 31, 2025 was approximately 10.83% and the average increase in the managerial personnel remuneration was 10.75%.

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

ANNEXURE – B

AOC – 2

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

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

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

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

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

For and on behalf of the Board of Directors

Dilip Shanghvi
Chairman and Managing Director
(DIN: 00005588)

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

Place: Mumbai

Date: May 22, 2025

ANNEXURE – C1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

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

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

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

i. The Companies Act, 2013 *("the Act")* and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 *("SCRA")* and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not Applicable to the Company for the year under review;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 *("SEBI Act")*:

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *("LODR")*;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company for the year under review;**

d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable to the Company for the year under review;**

e. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not applicable to the Company for the year under review;**

f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable to the Company for the year under review;**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company for the year under review;**

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

i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review.**

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

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

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, a Woman Director and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in some cases where the meetings were held on shorter notice. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

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

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

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

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

ANNEXURE – 1

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

ANNEXURE – C2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

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

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

i. The Companies Act, 2013 *("the Act")* and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 *('SCRA')* and the rules made thereunder; **Not applicable to the Company for the year under review;**

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable to the Company for the year under review;**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 *("SEBI Act")*:

   a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review;**

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company for the year under review;**

   c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable to the Company for the year under review;**

   d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable to the Company for the year under review;**

   e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable to the Company for the year under review;**

   f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable to the Company for the year under review;**

   g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company for the year under review;**

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

   i. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not applicable to the Company for the year under review;**

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

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, a Woman Director and Independent Directors to the extent applicable during the period under review. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Further, The Board of Directors of the Company consist of 2 (two) Independent Directors although the provisions relating to having independent directors are not applicable to the Company and therefore in the opinion of the management the requirements under schedule IV of the Act are not applicable.

2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

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

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

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

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

ANNEXURE – A

To,
The Members,
Sun Pharma Laboratories Limited,

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

ANNEXURE – C3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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

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

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

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

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

(i) The Companies Act, 2013 *("the Act")* and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 *("SCRA")* and the rules made there under - **Not applicable to the Company for the year under review;**

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under - **Not applicable to the Company for the year under review;**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings – **Not applicable to the Company for the year under review;**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 *("SEBI Act")*: -

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto from time to time - **Not applicable to the Company for the year under review;**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company for the year under review;**

(c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable to the Company for the year under review;**

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company for the year under review;**

(e) The Securities and Exchange Board of India (Share Based Employee Benefits Sweat Equity) Regulations, 2021 - **Not applicable to the Company for the year under review;**

(f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company for the year under review;**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company for the year under review;**

(h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable to the Company for the year under review;**

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

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

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

We further report that:

a) The Board of Directors of the Company is duly constituted with a proper balance of Non-Executive Director, Woman Director and Independent Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees. Agenda and detailed notes on agenda were made available in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

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

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

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

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

ANNEXURE – 1

To,
The Members,
Sun Pharma Distributors Limited,

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

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

ANNEXURE – D

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

1. Brief outline on CSR Policy of the Company

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

2. Composition of CSR Committee

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

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

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

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

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

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

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

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

5. Obligation for the Financial Year

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

6. Expenditure for the Financial Year

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

e. CSR amount spent or unspent for the financial year

(₹ in Million)

Total Amount Spent for the Financial Year	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
508.3	47.4	March 24, 2025	Not Applicable		
	25.0	April 30, 2025			

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

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

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

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

8. Capital assets

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

Number of capital assets created/ acquired: 2,924

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

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

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

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

Rama Bijapurkar
Chairperson of CSR Committee
(DIN: 00001835)

Dilip Shanghvi
Chairman and Managing Director
(DIN: 00005588)

Date: May 22, 2025

ANNEXURE - D1

Executive Summary of Impact Assessment of Mobile Healthcare Unit Project

1. Background

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

2. Objective of the Impact Assessment Study

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

2. Location for Study

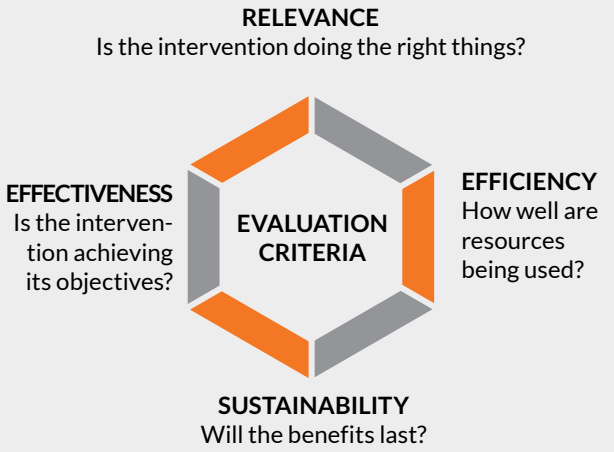
The study included Mobile Healthcare Units (MHU) across following locations :

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

2. Methodology

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

Fig 1: The Impact Assessment Framework



3. Project Impact : Effectiveness

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

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

i. 70% of the household accessing MHU services belong to SC, ST and OBC communities.

ii. At an aggregate level, 74% of the households visiting the MHU are categorised as BPL. 25% of such households are denoted as destitute and hold Antodaya and PPH ration cards.

iii. It is estimated that about 30% of the households accessing MHU services are either landless or are small and marginal farmers.

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

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

Tab 1: MHU services accessed by beneficiary households

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

Source: Primary Survey

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

i. Birthrate at SPCHS catchment (6.62 in 2024) is much lower than the national average (17.8-NFHS 5)

ii. Infant Mortality Rate at SPCHS catchment (2.2 in 2024) is much lower than the national average (28.3 -NFHS 5)

iii. Maternal Mortality Rate at SPCHS catchment (0 in 2024) is much lower than the national average (130-NFHS 5)

3.D. SPCHS MHUs have improved access to healthcare

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

3.E. Early initiation of care

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

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

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

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

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

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

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

Source: Primary survey

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

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

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

Tab 3. Average cost of transport to alternate healthcare provider

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

Source: Primary survey

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

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

Tab 4. Time required to reach alternate health facility

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

Source: Primary survey

3.J. MHU help reduce OPD waiting time

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

Tab 5. Waiting time at alternate primary health service provider

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

Source: Primary survey

3.K. MHU ensures availability of quality medicines

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

3.L. Steady patient load at MHU

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

Tab 6. Patient footfall at MHU

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

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

3.M. High population coverage

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

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

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

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

Source: Primary Survey

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

Tab 8 Satisfaction with the behaviour of the MHU staff

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

Source: Primary Survey

3.O. Good performance in antenatal care

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

Tab 9 Complete antenatal care

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

Source: SPCHS 2023-24 | NFHS Report-5

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

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

Tab 10. Incidence of LBW

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

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

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

Tab 11. Satisfaction with quality of maternal health service

	Very Satisfied	Extremely Satisfied
Total	53%	47%

Source: Primary Survey

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

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

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

3.Q. High satisfaction with childcare services

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

3.R. High effectiveness in combating adolescent anemia

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

3.S. High incidence of NCD screening

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

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

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

Source: Primary Survey

3.T. High variety and reach of health messages

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

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

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

Source: Primary Survey

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

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

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

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

4. Project Impact : Efficiency

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

4.A. Regularity of MHU visits

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

4.B. High caseload managed at MHU OPD clinics

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

Tab 14. Caseload at MHU OPD

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

Source: SPCHS 2023-24

4.C. MHU largely coforms to government guidelines

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

4.D. Well structured referral system:

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

4.E. Streamlined medicine indenting system

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

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

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

- ASHA workers assist the MHUs as Community Health Volunteers: At almost all MHUs, ASHA has been co- opted as part of the MHU team and works in close coordination with the MHU in the target villages. MHU ANM makes joint home visits for post-natal care with ASHA; ASHA shares her health records with the MHU team and tracks referral patients. This arrangement with ASHA has given the program depth and reach in the community.
- Regular meetings with government officials and community leaders: Each MHU MO meets government officials and community leaders on a regular basis.
- Quarterly report to CMO: Each MHU sends a quarterly activity report to the district's Chief Medical Officer where it is operational.
- Contact specialists in government hospitals: MHU MOs often contact specialists at government hospitals when they refer a patient and provide detailed case histories, which helps improve treatment outcomes.
- IEC during national health days in collaboration with government health system: MHU collaborates in various locations with the PHC/sub-center to organise IEC activities during national health days.

4. G. Keeping the larger constituency informed

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

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

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

4.I. Use of technology

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

5. Project Impact : Sustainability

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

5.A. Continued commitment of Sun Pharma

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

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

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

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

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

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

5.C. High Caliber leadership

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

6. Suggestions

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

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

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

5.D. Universal coverage of adolescent anemia

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

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

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

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

ANNEXURE - D2

Executive Summary of Impact Assessment of School Infrastructure Development Projects

Research Methodology

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

Objectives of The Study

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

Mixed Methodology

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

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

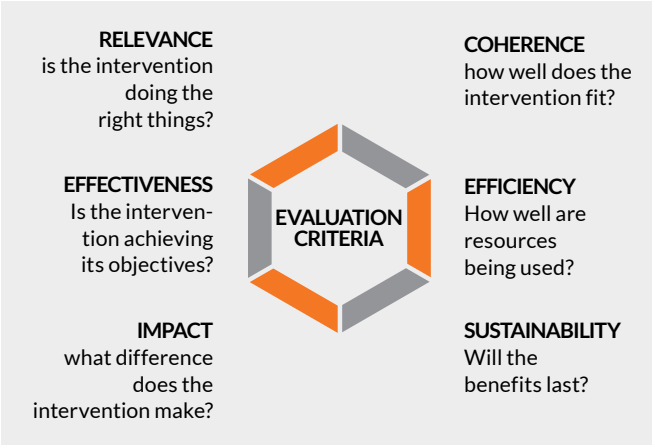
To complement this, qualitative methods such as semi-structured and open-ended interviews, along with Focus Group Discussions (FGDs), were conducted with a diverse group of stakeholders. These qualitative insights enriched the numerical data by uncovering deeper perspectives on program effectiveness,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

Upholding Research Ethics

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

Standardised Framework for Evaluation

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



Sampling Framework

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

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

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

The sampling framework is illustrated below:

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

Key Stakeholders

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

Project: School Infrastructure Development Programme

Project Background

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

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

Project Details

Implementing Year – FY 2020-23

Implementing Partner - Sun Pharmaceutical Industries Ltd.

Assessment year – FY 2024-25

No. of Beneficiaries – 40,194 students

Project Budget – ₹ 1.18 Cr.

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

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

Project Activities

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

Key Findings

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

Key Impacts

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

The Way Forward

Ensure Ongoing Maintenance and Repair Support

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

Enhance Teacher Training for Digital Tools

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

OECD-DAC Rating

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

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

ANNEXURE – E

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

(A) Conservation of Energy

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

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

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

1. Steps taken or impact on Conservation of Energy

Various initiates taken for energy conservation are:

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

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

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

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

3. Capital investment on energy conservation equipments

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

(B) Technology Absorption

(A) Research and Development

Expenditure on R&D

₹ in Million

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

(B) Technology Absorption, Adaptation and Innovation

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

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

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

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

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

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

(a) Offers complete basket of products under chronic therapeutic classes. Many products are in the pipeline for future introduction in India, emerging markets, as well as US and European generic market. The Company has developed an ability to challenge patents in the US market, and earn exclusivity.

(b) For FY25, 52 formulations were developed and filed from our R&D locations for the Indian and regulated markets and 183 dossiers were submitted for filing in various emerging markets. The Company has also filed 100+ drug master files across various markets during the year.

(c) Not dependent on imported technology, can make high-end products available at competitive prices by using indigenously developed manufacturing processes and formulation technologies.

(d) Offers technologically advanced differentiated products which are convenient and safe for administration to patients.

(e) We are among the few selected companies that have set up completely integrated manufacturing capability for the production of anticancer, hormones, peptide, immunosuppressant and steroidal drugs.

(f) The Company has benefited from reduction in cost due to import substitution and increased revenue through higher exports.

(g) Clinical studies of some products (complex and difficult to formulate) have been carried out at our in-house clinical pharmacology units. This has helped to maintain R&D quality and regulatory compliance with significantly reduced cost.

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

(C) Foreign Exchange Earnings and Outgo –

₹ in Million

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

Corporate Governance at Sun Pharma: An Overview

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

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

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

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

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

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

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

Robust Whistle Blower mechanism covering even the external stakeholders.

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

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

Promoting in-house governance

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

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

2. Code of Conduct

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

Scan the QR code to view the Global Code of Conduct

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

3. Board of Directors

a. Board Composition

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

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

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

Note:

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

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

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

b. Board skill matrix

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

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

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

Knowledge/Expertise	Skills	Behavioural Traits
• Finance and Accounts • Legal • Governance • Domain Knowledge • Risk Management • Global Exposure • Technology and Cyber Security • Talent and Performance Management • ESG • General Management	• Strategic Thinking/Planning Skills • Problem Solving Skills • Analytical Skills • Decision Making Skills • Leadership Skills • People Skills	• Integrity • Genuine interest • Interpersonal skills/Communication • Active participation

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

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

c. Other Directorships

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

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

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

Notes:

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

d. Meetings and attendance

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

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

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

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

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

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

e. Familiarisation Programme

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

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

Scan the QR code to view the Familiarisation Programme

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

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

4. Board Committees

A. Audit Committee

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

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

Meetings and Composition:

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

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

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

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

Notes:

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

B. Nomination and Remuneration Committee ("NRC")

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

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

Meetings and Composition:

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

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

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

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

Performance evaluation criteria for Independent Directors

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

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

C. Stakeholders' Relationship Committee ("SRC")

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

The terms of reference of SRC, inter alia, include, resolving the grievances of the security holders of the Company; reviewing measures taken for effective exercise of voting rights by shareholders; reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent; reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company, etc.

Meetings and Composition:

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

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

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

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

Compliance Officer:

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

Significant measures towards reducing unclaimed dividend:

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

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

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

Investor Complaints:

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

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

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

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

Meetings and Composition:

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

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

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

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

E. Risk Management Committee ("RMC")

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

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

Meetings and Composition:

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

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

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

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

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

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

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

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

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

Meetings and Composition:

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

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

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

Recommendations of the Committees of the Board

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

G. Senior Management

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

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

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

5. Remuneration of Directors

Non-Executive Directors

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

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

Executive Directors

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

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

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

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

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

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

(Amount ₹ in Million)

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

Notes:

1. Salary includes Special Allowance.
2. Perquisites include House Rent Allowance, if any, Leave Travel Assistance, Medical Reimbursement, contribution to Provident Fund and such other perquisites, payable to Directors, as per Company Policy.
3. The Board of Directors at its meeting held on May 22, 2025, has approved payment of commission to Independent Directors

6. Material Subsidiaries

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

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

Notes:

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

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

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

7. Related Party Transactions

All contracts/arrangements/transactions entered by the Company during the year under review with the related parties were in the ordinary course of business and on an arm's length basis. The transactions entered into pursuant to the omnibus and specific approvals, are reviewed periodically by the Audit Committee. No transaction of a material nature has been entered into by the Company with its related parties that may have a potential conflict with the interests of the Company. The Policy on Materiality of and Dealing with Related Party Transactions as approved by the Board is available on the website of the Company at https://www.sunpharma.com/policies.

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

8. Prevention of Insider Trading

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

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

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

9. Other Disclosures

- There were no instances of non-compliance by the Company on any matters related to the capital markets or penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

- The Company has laid down procedures to inform Board members about the risk assessment and its minimisation, which is periodically reviewed to ensure that risk control is exercised by the management effectively.

- The Company has a Global Whistle-Blower Policy/Vigil Mechanism to monitor the actions taken on complaints received under the said policy. This policy also outlines the reporting procedure and investigation mechanism to be followed in case an employee or external stakeholders blows the whistle for any wrong-doing in the Company. The policy is available on the website of the Company at https://sunpharma.com/policies. No personnel have been denied access to the Audit Committee.

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

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

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

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

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

- Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part was ₹ 249.0 Million for the year under review.

- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are provided in the Board's Report. The number of complaints during the financial year is given below:

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

- The Company follows financial year from April to March.

- Details of compliance and Adoption of non-mandatory requirements for the year ended March 31, 2025:

  - The Company sends quarterly financial results along with a summary of significant events to the shareholders whose e-mail addresses are available with the Company/RTA.

  - The Statutory Auditor has issued an unmodified opinion on the financial statements of the Company.

  - The findings of the Internal Audit are reported to the Audit Committee periodically.

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

  The Company is exposed to foreign exchange risks emanating from the business, assets and liabilities denominated in foreign currency. In order to hedge this risk, the Company proactively uses hedging instruments e.g., forward contracts, options and other simple derivatives from time to time.

  The Company does not have any exposure on commodities directly. Accordingly, the disclosure pursuant to SEBI Master Circular dated November 11, 2024 is not applicable.

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

- Disclosure of certain types of agreements binding the Company

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

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

10. General Shareholder Information

1. General Meetings

A. Annual General Meeting:

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

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

Year	Meeting	Location	Date and Time	Details of Special Resolution Passed
2021-22	Thirtieth AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012. (Registered Office of the Company)	August 29, 2022 at 3:00 p.m.	1. Payment of commission of ₹ 40,00,000/- (Rupees Forty Lakhs only) each to Dr. Pawan Goenka, Mr. Gautam Doshi and Ms. Rama Bijapurkar, Independent Directors of the Company, for the financial year ending on March 31, 2022. 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, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period.
2022-23	Thirty-first AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012. (Registered Office of the Company)	August 28, 2023 at 3:00 p.m.	1. Appointment of Mr. Rolf Hoffmann (DIN: 10200311) as an Independent Director of the Company for term of 5 (five) years commencing from June 15, 2023 to June 14, 2028. 2. Appointment of Mr. Aalok Shanghvi (DIN: 01951829) as the Whole-time Director of the Company for a period of 5 (five) years effective from June 1, 2023 to May 31, 2028 and approve his remuneration for the aforesaid period, including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during the aforesaid period.
2023-24	Thirty-second AGM	Held through Video Conferencing and deemed to be held at the registered office of the Company at SPARC, Tandalja, Vadodara – 390012. (Registered Office of the Company)	August 5, 2024 at 3:00 p.m.	None

C. Resolution Passed Through Postal Ballot:

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

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

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

11. Final Dividend for FY 2024-25

A. Record Date for payment of Dividend to Equity Shareholders: July 7, 2025

B. Dividend Payment Date: On or before August 8, 2025

12. Means of Communication

- **Website:** The Company's website www.sunpharma.com contains a separate dedicated section 'INVESTORS' where shareholders' information is available. The Annual Report for FY 2024-25 and Annual Reports for the past years are also available on the website in a user friendly and downloadable form. Apart from this, official news releases, detailed presentations made to media, analysts etc., and the transcript of the conference calls are also displayed on the Company's website.

- **Financial Results:** The quarterly results are regularly posted by the Company on its website and are also submitted to the Stock Exchanges on which the securities of the Company are listed in accordance with the requirements of the Listing Regulations.

- **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Board's Report, the Management Discussion and Analysis Report, Auditor's Report, and other important information is available on the website of the Company.

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

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

Scan the QR code to view the Investor Presentation

13. Shares Related Information

A. Listing Details

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

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

B. Share Transfer System

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

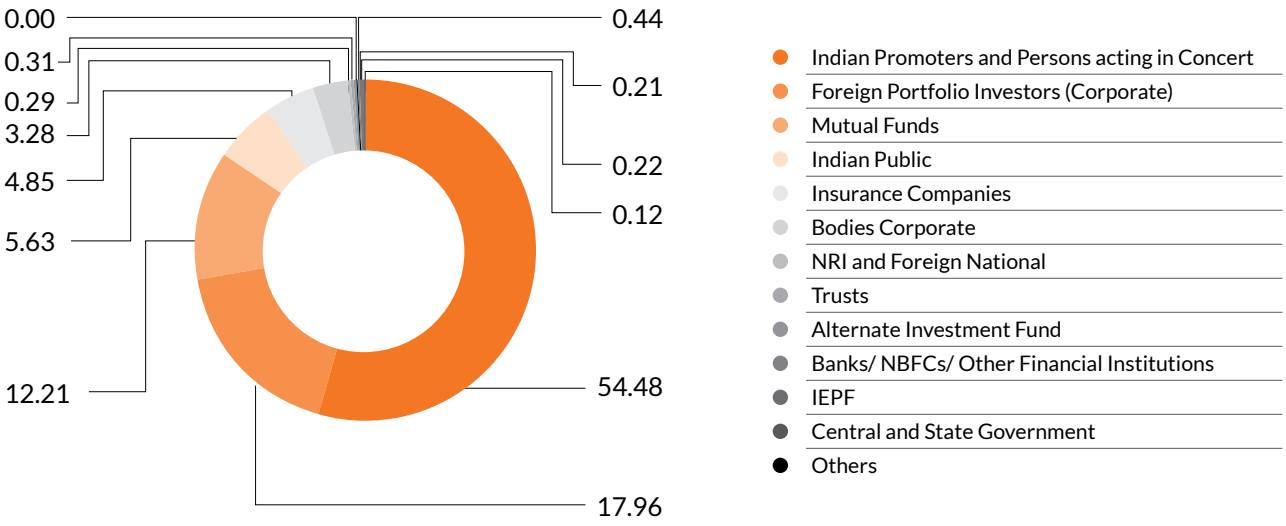
C. Distribution of Shareholding as on March 31, 2025

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

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

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

Shareholding Pattern as on March 31, 2025:



E. Dematerialisation of Shares and Liquidity

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

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

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2025.

G. Outstanding Unclaimed Shares

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

Particulars	No. of Shareholders	No. of equity shares of ₹ 1/- each
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on April 1, 2024.	2	140
Shareholders who approached the Company for transfer of shares from the said Unclaimed Suspense Account during the period from April 1, 2024 up to March 31, 2025.	0	0
Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the said period from April 1, 2024 up to March 31, 2025.	0	0
Transferred to IEPF during the said period from April 1, 2024 up to March 31, 2025.	0	0
Number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2025.	2	140

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

14. Investor Correspondence:

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

15. Credit Ratings

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

17. Plant Locations as on March 31, 2025

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

For and on behalf of the Board of Directors

Dilip Shanghvi
Chairman and Managing Director
(DIN: 00005588)

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

Date: May 22, 2025

ANNEXURE A

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

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

For **Sun Pharmaceutical Industries Limited**

Dilip Shanghvi
Chairman and Managing Director
(DIN: 00005588)

Date: May 22, 2025

ANNEXURE B

CERTIFICATE

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

To,
The Members of
Sun Pharmaceutical Industries Limited
CIN: L24230GJ1993PLC019050
Registered Office: SPARC, Tandalja, Vadodara, Gujarat – 390012

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company as stated below for the financial year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange and Board of India, Ministry of Corporate affairs or any such other Statutory Authority.

Sr. No	Name of the Directors	Director Identification Number (DIN)	Date of Appointment in the Company
1.	Dilip Shanghvi	00005588	March 1, 1993
2.	Aalok Shanghvi	01951829	June 1, 2023
3	Pawan Goenka	00254502	May 21, 2021
4.	Gautam Doshi	00004612	May 25, 2018
5.	Rama Bijapurkar	00001835	May 21, 2021
6.	Rolf Hoffmann	10200311	June 15, 2023
7.	Sanjay Asher*	00008221	November 1, 2022
8.	Sudhir Valia	00005561	January 31, 1994

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

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

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

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

ANNEXURE C

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

The Members of Sun Pharmaceutical Industries Limited

1. The Corporate Governance Report prepared by Sun Pharmaceutical Industries Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2025 as required by the Company for annual submission to the Stock exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:

   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31, 2025 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following committee meetings/other meetings held from April 01, 2024 to March 31, 2025:

      (a) Board of Directors;

      (b) Audit Committee;

      (c) Annual General Meeting (AGM);

      (d) Nomination and Remuneration Committee;

      (e) Stakeholders Relationship Committee;

      (f) Risk Management Committee;

      (g) Corporate Social Responsibility Committee;

      (h) Corporate Governance and ESG Committee.

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

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

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

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2025, referred to in paragraph 4 above.

Other matters and Restriction on Use

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

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

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

per **Amit Singh**
Partner
Membership Number: 408869
UDIN: 25408869BMNXGW8177
Place of Signature: Mumbai
Date: May 22, 2025

Business Responsibility and Sustainability Report

Director's Message

Dear Stakeholders,

It is my pleasure to present our Business Responsibility and Sustainability Report (BRSR) for FY2024-25. This BRSR highlights our focus on sustainability, our priorities, our goals and achievements. As we continue to integrate sustainability principles within our business, our overall focus is on delivering sustainable outcomes and long-term value for all our stakeholders.

I am happy to let you know that Sun Pharma has been included in the S&P Global Sustainability Yearbook 2025. Sun Pharma has qualified in the Top 5% of pharmaceutical companies assessed by S&P globally for this Yearbook. Within respective industries, this Yearbook aims to distinguish those companies that have demonstrated strengths in corporate sustainability. This recognition attests to Sun Pharma's commitment to incorporate Environmental, Social, and Governance (ESG) principles through focused initiatives across its businesses.

Access to healthcare is a key focus area for us, underpinned by our core value of "Reaching People. Touching Lives". Sustained investments in R&D, our diverse product portfolio and global presence enables us to deliver high-quality medicines for unmet patient needs.

Sun Pharma is dedicated to reducing environmental impacts and combating climate change. From improving energy efficiency and increasing the share of renewable energy, to strengthening water conservation initiatives and advancing sustainable waste management, we are committed to reducing our environmental footprint.

We aim to achieve a 35% reduction in our absolute Scope 1 and Scope 2 carbon emissions by 2030, compared to the baseline year of 2020 and have achieved a 24.69% reduction in our absolute Scope 1 and Scope 2 carbon emissions till date, compared to the baseline year of 2020. We continue to invest in projects in renewable energy and for our energy saving initiatives. Renewable energy now accounts for 49.77% in our overall energy mix. Our target of a 10% reduction in our water consumption by 2025, compared to the baseline year of 2020, has been achieved ahead of time with a 31.70% reduction in water consumption till date.

Our people are one of the key drivers of our success. Attracting, retaining and nurturing a highly diverse and skilled workforce are key focus areas for us. We continue to invest in the development and well-being of our employees. Respecting human rights is a fundamental value at Sun Pharma. We promote inclusion amongst our workforce by focusing on equal opportunities, non-discrimination and merit-based processes and we have set a diversity target to achieve 30% women representation across our global workforce by 2040.

Ensuring safety of our workforce is a key priority for us. Our multi-pronged approach targeted at workforce safety includes, health and safety training across all our locations and nurturing a culture of awareness and responsible behaviour. Our comprehensive Environment, Health, and Safety (EHS) Policy drives best-in-class safety practices at our operations. We also carry out various health and safety related training programs across all our locations directed at creating a culture of safety, awareness and responsible behaviour.

Our Corporate Social Responsibility (CSR) initiatives for the local communities are focused on areas like healthcare, education, water & sanitation, rural development, and environmental conservation. We implement focused and socially responsible initiatives with the objective of holistic development of our local communities. Furthermore, our CSR programs are designed to contribute towards the realisation of the United Nations Sustainable Development Goals (UN SDGs). For the reporting year we spent ₹ 508.34 million on CSR initiatives touching over 1 million lives.

Our comprehensive corporate governance framework underpins our commitment to uphold the highest standards of ethical governance and enabling sustainable outcomes for all our stakeholders. We continue to focus on increasing transparency and fostering reliability, trust and consistency. The Corporate Governance & ESG Committee, a sub-committee of the Board, has oversight on our ESG initiatives. In addition, the Board has constituted various other committees with clearly defined roles and responsibilities to ensure effective implementation of corporate policies and other matters. We also have a robust grievance redressal mechanism to address all concerns from our stakeholders promptly and securely. Our Global Whistleblower Policy provides a safe way for all stakeholders to report any misconduct or violation of our Global Code of Conduct and other policies. Complaints regarding product quality, adverse events, or other issues can be submitted on our website without fear of reprisal.

We continue to be a member of the United Nations Global Compact (UNGC) supporting the 10 principles covering human rights, labor, environment and anti-corruption and we are committed to ensure that these principles are a part of our overall business strategy.

As we continue on this ESG journey, we welcome your feedback and suggestions.

Regards,

Aalok Shanghvi
Whole-time Director & Chief Operating Officer

SECTION A: GENERAL DISCLOSURES

Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24230GJ1993PLC019050
2.	Name of the Listed Entity	Sun Pharmaceutical Industries Limited (SPIL)
3.	Year of incorporation	1993
4.	Registered office address	SPARC, Tandalja, Vadodara - 390012, Gujarat
5.	Corporate address	Sun House, CTS No. 201 B/1, Western Express Highway, Goregaon (E), Mumbai 400063, Maharashtra, India
6.	E-mail	secretarial@sunpharma.com
7.	Telephone	(+91 22) 4324 4324
8.	Website	www.sunpharma.com
9.	Financial year for which reporting is being done	April 1, 2024 to March 31, 2025
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited, National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 2,399,334,970
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Anoop Deshpande (Company Secretary and Compliance Officer) Email: anoop.deshpande@sunpharma.com Tel. No. +91-22-4324 4324
13.	Reporting Boundary	Standalone Basis
14.	Name of assurance provider	DNV Business Assurance India Private Limited
15.	Type of assurance obtained	Reasonable Assurance

Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceutical	Manufacturing and marketing of pharmaceutical products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of pharmaceuticals, medicinal and chemical products	210	100%

Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	17*	10	27
International	0	24	24

* The plants include the Company's manufacturing locations and R&D centers

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan- India
International (No. of Countries)	Approximately 90 countries served across the six continents - Asia, North America, Europe, Africa, South America and Australia

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Over time, the Company has expanded its market presence in around 90 countries across six continents: Asia, North America, Europe, Africa, South America, and Australia. It actively pursues initiatives to meet global market demands and enhance exports, with exports accounting for 74.9% of total turnover in the reporting year.

c. A brief on types of customers

The end consumers are our patients, who are serviced through our distribution chain including distributors, wholesalers and retailers.

Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees				
Permanent	14,675	13,089	89.19	1,586	10.81
Other than Permanent	1,348	792	58.75	556	41.25
Total employees	**16,023**	**13,881**	**86.63**	**2,142**	**13.37**
	Workers				
Permanent	4,622	4,394	95.07	228	4.93
Other than Permanent	5,229	4,562	87.24	667	12.76
Total workers	**9,851**	**8,956**	**90.91**	**895**	**9.09**

b. Differently abled Employees and workers:

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently abled Employees				
Permanent	9	8	88.89	1	11.11
Other than Permanent	0	0	-	0	-
Total differently abled employees	**9**	**8**	**88.89**	**1**	**11.11**
	Differently abled Workers				
Permanent	32	25	78.13	7	21.88
Other than permanent	0	0	-	0	-
Total differently abled workers	**32**	**25**	**78.13**	**7**	**21.88**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	13%
Key Management Personnel	2	0	0%

22. Turnover rate for permanent employees and workers

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.09%	12.64%	13.90%	13.90%	11.29%	13.59%	13.20%	13.90%	13.20%
Permanent Workers	7.39%	2.16%	6.95%	7.11%	2.82%	6.78%	6.20%	2.20%	6.10%

Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

The names of the holding/subsidiary/associate companies/joint ventures as on March 31, 2025, are available on page 306 of our Annual Report for FY 2024-25. The Annual Report can be accessed at the following link:

https://sunpharma.com/investors-annual-reports-presentations/

Most of the Company level policies and practices essential for SPIL are also extended to subsidiaries and associates subject to applicable local rules and regulations. Our Indian subsidiaries, where applicable, participate in the sustainability and business responsibility initiatives of our Company.

Corporate Social Responsibility (CSR) Details

24.	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	(ii)	Turnover (in ₹ Million):	230,033.3
	(iii)	Net Worth (as per Companies Act) (in ₹ Million):	199,586.6

Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the Company utilises mobile health care units to reach out to peripheral villages in areas surrounding its locations. Each mobile health care unit carries a register that is accessible to all community members in order to record grievances and questions through written complaints. The concerned authority members then take the necessary steps to address the concerns raised.	0	0	-	0	0	-
Shareholders	Yes, the Company has a procedure for resolving shareholder grievances. Link Intime India Private Limited has been appointed as the Company's Share Transfer Registrars/Agents. They handle shareholder inquiries, requests, and complaints. Within the framework specified/defined by SEBI, Share Transfer Registrars/Agents respond to enquiries/ questions, requests, and complaints. There is a dedicated email id to receive the grievances from shareholders - secretarial@sunpharma.com.	40	2	-	46	0	-
Employees and workers	Yes, all employees and workers may raise and report their concerns under the purview of the Global Whistleblower Policy. As detailed in the policy, complaints and concerns can be recorded through various channels, including an email address, web portal and via written communication.	7	1	-	2	0	-
Customers	Yes, customer complaints and grievances can be reported through emails, couriers and the product quality complaint form available on the Company website: https://sunpharma.com/product-quality-complaint-form/	1,100*	65	-	1,034*	29	-
Value Chain Partners	Yes, value chain partners can file complaints via email, shared service helpdesk, or the Global Whistleblower mechanism.	0	0	-	0	0	-

* These complaints pertain to packaging defects such as missing components, damaged label, damaged outer packaging, product quality, etc.

26. Overview of the entity's material responsible business conduct issues

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Corporate Governance and Business Ethics	Risk and Opportunity	**Risk:** Failure to maintain and uphold the highest standards of corporate governance and business ethics could result in regulatory consequences as well as financial and reputational damage **Opportunity:** Compliance and alignment with ethical and responsible governance practices and standards will result in the sustainable creation of long-term value for all stakeholders.	1. Consistent and regular engagement with regulatory agencies in all our markets, to ensure compliance and reduce any possibility of non-compliance. 2. Focused and regular training is provided to all staff members to ensure strict compliance with the Company's business ethics and Global Code of Conduct. Strong focus is also given to quality control at all operational locations to maintain cGMP compliance.	**Positive:** The Company's commitment to ethical and responsible business practices and continual regulatory compliance will be positively regarded by stakeholders, enhancing our reputation as an ethical corporate citizen. **Negative:** Noncompliance with regulatory standards may adversely affect the Company's reputation and long-term business continuity.
2.	Product Quality, Safety and Recall Management	Risk	**Risk:** As a pharmaceutical Company, we are highly vulnerable to product quality and safety concerns. Hence, it is imperative to address risks associated with product quality and operational safety.	1. Ensure continued and strict compliance with global quality standards & protocols and the applicable local regulatory requirements. 2. Provide for robust and centralised pharmacovigilance systems with thorough Standard Operating Procedures (SOPs) to ensure effective monitoring and reporting of adverse events. 3. Regular investment in technological advancement, training programs on current Good Manufacturing Practices (cGMP), automation, digitalisation, and employee skill development. 4. Undertake detailed and regular quality assessments of third-party suppliers. 5. Implement measures to protect our brand (intellectual property and trademarks) and combat counterfeiting, for ensuring the authenticity of our products in the market.	**Positive:** Sustaining the highest standards of product quality and safety builds the Company's reputation with stakeholders and improves our brand image positively. **Negative:** Significant concerns with product safety and quality could lead to recalls and regulatory alerts, temporarily impair business operations, and harm our reputation and brand. It could also result in legal repercussions, fines and penalties.
3.	Cyber Security and Data Privacy	Risk and Opportunity	**Risk:** Any potential cybersecurity and data privacy risk/threat directly affects the security and integrity of the IT system of the entire business. **Opportunity:** Providing for a secured IT network through a strong governance mechanism for data integrity, technology, and digitalisation, which in turn enhances productivity and facilitates continuity of operations and thereby enhance the business performance.	1. Regular vulnerability assessments and simulated hacker attacks of our IT systems are undertaken to prevent breaches of Company or stakeholders' data. 2. We've implemented patch management, antivirus software, IT monitoring systems, and perimeter protection to reduce the risks associated with cyber security and data breaches. Furthermore, we regularly provide training to our staff members on cybersecurity and reaffirm this knowledge through recurring internal emails that address secure data practices, safeguarding against phishing emails, and averting hacker attacks.	**Positive:** Compliance and alignment with data security and privacy laws is maintained through adoption of cutting-edge technology, digitalisation, and adherence to data integrity principles ingrained in our processes. This safeguards against data loss, enhances productivity, and fosters sustainable long-term growth. **Negative**: The absence of a strong data integrity and security mechanism significantly increases the risk of data breaches, potentially leading to the loss of valuable data with potential adverse effects on the business. Breaches of customer/ stakeholder data may expose us to litigation, fines, and penalties.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Innovation Management	Opportunity	**Opportunity:** Investing in innovation and technology to develop and commercialise a robust product portfolio, including generics and specialty products, enables us to address unmet patient needs and enhance product accessibility in global markets.		**Positive:** Enhancing our portfolio with innovative products will effectively meet the unmet healthcare needs of patients globally and thereby enhancing access to new therapies. Furthermore, process innovation can lead to increased productivity and resource efficiency in our operations.
5.	Human Capital Development	Risk and Opportunity	**Risk:** Human Capital Development encompasses talent management, including acquisition, retention, and employee well-being. Failure to meet or exceed employee expectations may negatively impact employee retention, productivity, and business continuity, given our business's dependence on the well-being of our people. **Opportunity:** The Company's emphasis on enhancing employee welfare and development underscores its commitment to human capital development. This fosters retention and attracts top talent, driving productivity, innovation, long-term business growth, and value creation for all stakeholders.	1. We implement various initiatives to attract and retain talent, including global talent management programs, competitive compensation, fostering an inclusive work culture, and offering employee benefits programs. 2. We have established a formal succession planning program for all leadership positions. 3. We prioritise employee skill enhancement through continuous training and development opportunities.	**Positive:** Concentrated efforts on human capital development yield a motivated workforce with high retention and satisfaction rates. These indicators showcase the Company's commitment to nurturing a positive work environment and underscore a proactive approach to workforce development, crucial for long-term growth and sustainability. **Negative:** Neglecting to meet employee expectations could lead to adverse long-term effects on productivity and hinder the Company's growth trajectory.
6.	Access to and Affordability of Medicines	Risk and Opportunity	**Risk:** Addressing challenges related to the product portfolio, accessibility, and pricing is crucial in the pharmaceutical sector. Limited access to medicines due to pricing and availability issues negatively affects society's access to healthcare and may pose obstacles to aligning with the Company's vision and long-term growth potential. **Opportunity:** Leveraging our robust generic and specialty product portfolio alongside our global presence, the Company is well-equipped to enhance access to medicines worldwide and meet the increasing demand for pharmaceutical products.	1. We prioritise building a robust and diversified product portfolio through improved cross-functional synergies, organisational capabilities, project management, and governance throughout the product lifecycle. 2. We enhance our capabilities in both in-licensing and out-licensing of products. 3. Our focus lies on the development and commercialisation of complex generics and specialty products, among other priorities. 4. We emphasise operational excellence programs aimed at improving yields, ensuring supply chain continuity, and maintaining sufficient inventory levels	**Positive:** The Company's commitment to product innovation and research elevates brand value through a diverse range of accessible and affordable products. This strategy enables us to address unmet patient needs and extends access to low and middle-income countries. **Negative:** Long-term brand value and growth prospects may suffer if the Company's products become inaccessible or if expansion into new geographic markets is hindered.
7.	Environmental Impact Management	Risk	**Risk:** For the business to have a positive environmental impact, waste and water management are essential. To show that the business is dedicated to a sustainable future and a healthy world, concentrated efforts must be made to limit waste generation, consumption of water, and proper disposal.	1. We continue to identify opportunities to minimise any adverse environmental effect from our operations. We have adopted targets for waste management and water conservation. Our targets are to reduce water consumption by 10% compared to baseline year of 2020 and to co-process 30% of hazardous waste by 2025. 2. We closely monitor and track our waste management and water consumption. Our priorities are to increase water efficiency, decrease water withdrawal, and increase water recovery. For waste management, we focus on co-processing hazardous waste and increasing recycling and reuse within our own operations.	**Negative:** Neglecting environmental effects can result in unfavourable legal, regulatory, and financial repercussions, a decline in shareholder trust and reputation, and finally could lead to potential loss of an operating license.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Climate Change	Risk and Opportunity	**Risk:** In the absence of effective management of greenhouse gas (GHG) emissions, the business could be at risk of Physical and transition risks associated with climate change that could cause operations to be disrupted and have an impact on business continuity. **Opportunity:** Adopting new low-carbon technology will help build business resilience and opportunities for more effective manufacturing procedures.	1. The Company has set a 35% reduction target for absolute carbon emissions (Scope 1 and Scope 2) by 2030 compared to baseline of 2020. 2. To identify and assess the physical and transitional risks associated with our operations, we have also undertaken climate risk assessments. 3. By boosting the proportion of biomass, obtaining renewable energy, and putting energy efficiency programs into place to maximise our energy usage, we are constantly looking for ways to lessen our dependence on fossil fuels in our operations.	**Negative:** Our assets could be harmed by possible direct physical threats to our activities, which consequently, can result in a halt to operations and a rise in the cost of repairing and rebuilding affected locations. The transition risks brought on by climate change may also lead to stricter laws in the nations where we do business and export, which would increase the cost of compliance or new technology investments. Losing reputation and the trust of stakeholders can also result from a failure to respond to the negative effects of climate change. **Positive:** Businesses may be able to adapt newer technologies and more productive ways of producing goods by working toward climate change adaptation and mitigation.
9.	Diversity, Equity and Inclusivity	Opportunity	**Opportunity:** Fostering and providing for a diverse and inclusive workforce and work culture enhances our performance by bringing together people with varied experiences, knowledge and skills.		**Positive:** A diverse and inclusive workforce that includes members of all genders, ages, ethnicities, and special abilities fosters creative thinking, encourages employee engagement, and unlocks higher levels of efficiency.
10.	Sustainable Supply Chain and Responsible Procurement	Risk and Opportunity	**Risk:** As a result of the Company's dependence on the supply chain for critical raw materials and last-mile drug deliveries, any interruption in the supply chain could have an effect on the quality of the final product and/ or the business of the Company. There is also a risk associated with non-substitutable suppliers' continuous availability of essential raw materials. The Company has a policy requiring its supply chain partners to follow its ESG standards; any violation might lead to a supply disruption. **Opportunity:** An organisation's supply chain has a major impact on its capacity to survive. Integrating sustainability principles within supply chain management aids the Company in creating a robust supply chain and enhancing environmentally and socially conscious behaviour throughout the value chain.	1. We are constantly looking for ways to reduce supply chain risk, such as by assessing potential substitute sources for essential or non-replaceable raw materials. 2. The suppliers are required to abide by the Company's ESG requirements as part of the Supplier Code of Conduct. 3. The Company has a high focus on developing quality products and safety of consumers. The quality of raw materials for our production process is ensured by conducting periodic supplier audits.	**Negative:** Long-term commercial partnerships with suppliers may be impacted if standards related to various social, environmental and safety aspects are not complied with by suppliers, leading to loss of business value. Non-substitutable and critical raw material suppliers may impact the business in case of any unforeseen disruptions. **Positive:** The Company's ability to address supply chain disruptions brought on by unprecedented circumstances is ensured by responsible supply chain practices. In addition, the Company's adherence to its responsible sourcing enhances its social and environmental performance. Assessing alternate suppliers may also help reduce risk exposure and provide access to previously unexplored suppliers for raw materials. It may lead to discovery of local suppliers, which reduces environmental footprint and may result in better control over the supply chain.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11.	Occupational Health and Safety	Risk	**Risk:** The Company's commitment to occupational health and safety must include this crucial element in the direction of offering a secure and safe workplace. Numerous health and safety incidents could result from the inefficiency of the current health and safety management programs.	1. The business maintains a robust Environmental Health and Safety (EHS) management system, comprising regular audits of its EHS procedures, both internal and external. 2. Our Process Safety Management system's guiding principles serve as the foundation for both our safety procedures and risk assessment methodology, which unifies our approach to health and safety from the perspectives of working conditions and risk assessment. 3. After potential risks are identified and safety incidents are evaluated, a thorough corrective action plan is established to prevent occurrence of similar incidents in the future.	**Negative:** A regular occurrence of health and safety issues will negatively impact the performance of the Company concerning worker well-being and safety. This will have an effect on the Company's reputation, brand image, and capacity to draw in and retain talent.
12.	Ethical Clinical Trials and Animal Testing	Risk	**Risk:** Addressing risks associated with clinical trials and animal testing is critical to demonstrate the Company's commitment to responsible research practices, especially around the ethical and safety related concerns of trials on human subjects and animal testing. Adverse events related to research practices can cause delays in product development and lead to financial losses and negative public perception.	1. The Company complies with all relevant regulatory requirements governing clinical trials and animal testing. We have dedicated teams, responsible for ensuring compliance with these regulations, which involve obtaining necessary approvals, permits, and maintaining thorough documentation. 2. We also implement robust quality control and safety measures throughout the research process. This involves monitoring and auditing the conduct of clinical trials, data collection, and analysis to ensure accuracy, reliability, and compliance with relevant standards. 3. Long term safety studies are undertaken for some of our innovative specialty products, post commercialisation, in order to evaluate and measure safety parameters over a longer time horizon. 4. On certain projects we collaborate with academic institutions, research organisations, and regulatory agencies to share knowledge, expertise, and resources. Such collaborations also enable collective efforts, checks and balances to enhance the quality and ethical standards of clinical trials and animal testing.	**Negative:** Failure to comply with guidelines and regulations of clinical trials and animal testing can undermine the efficacy and safety of the Company's clinical trials. It may also have an adverse regulatory/legal impact, lead to financial damages and reputation loss and have a negative impact on participant's health and safety. Delays at any stage can also prolong the overall timeline for drug development, leading to increased costs.
13.	Social Impact through Community Engagement	Opportunity	**Opportunity:** By aligning CSR programs with the needs of the community, through impact assessments and stakeholder engagement sessions, the Company focuses on creating an environment of mutual trust with the community. This will help in ensuring a long-term beneficial relationship with the community and enhance the social positioning of the Company.		**Positive:** The Company's perception among the local community members is enhanced by its contributions to the community's upliftment through various initiatives and partnerships that focus on health, Education, rural infrastructure development, sanitation, and environment conservation among others. These efforts also help to promote positive social outcomes.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes, the Company has developed comprehensive policies covering these principles, some of the policies have been approved by the Board as per relevant statutory requirements.								
c. Web Link of the Policies, if available	https://sunpharma.com/policies/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.									
Principle 1	National Guidelines on Responsible Business Conduct (NGRBC), United Nations Global Compact (UNGC)								
Principle 2	Environmental Management System – ISO 14001: 2015, Extended Producer Responsibility (EPR) regulations, NGRBC								
Principle-3	Occupational Health and Safety Management Systems – ISO 45001: 2018, International Labour Organisation (ILO), NGRBC, UNGC								
Principle 4	NGRBC								
Principle 5	United Nations Guiding Principles on Business and Human Rights (UNGP), NGRBC, UNGC								
Principle 6	Environmental Management System – ISO 14001:2015, NGRBC, Energy Management System ISO 50001:2018, UNGC								
Principle 7	NGRBC								
Principle 8	NGRBC								
Principle 9	Product Quality – ISO 9001: 2015, NGRBC								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Principle 6 a) To reduce water consumption by 10% by 2025, considering baseline of 2020 b) To reduce absolute carbon emissions (Scope 1 and 2) by 35% by 2030 considering the baseline of 2020 c) To co-process 30% of hazardous waste by 2025								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	By implementing several ESG initiatives at different levels, the Company has been able to achieve the following: a) Reduction in overall water consumption by 31.70% in FY 2024-25, as compared to baseline of 2020 b) Reduction in absolute carbon emissions (Scope 1 and Scope 2) by 24.69% in FY 2024-25 as compared to the baseline of 2020. c) Co-processed 47% of hazardous waste in FY2024-25								
Governance, Leadership and Oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Director's Message at the beginning of this Business Responsibility and Sustainability Report.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Aalok Shanghvi Designation: Whole-time Director & Chief Operating Officer DIN number: 01951829								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, Mr. Aalok Shanghvi is responsible for decisions on sustainability-related issues.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Director									Periodically/Need based								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director									Ongoing basis								

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No. The Company internally reviews the working of the above-mentioned policies								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by awareness programmes
Board of Directors	4	P1, P2, P3, P4, P5, P6, P8	100%
Key Managerial Personnel	4	P1, P2, P3, P4, P5, P6, P8	100%
Employees other than BoD and KMPs	581*	Periodic awareness initiatives were organised and conducted on Global Code of Conduct (GCoC), Safety Awareness Programs, etc.	100%
Workers			

* Employee and worker training numbers are provided on a combined basis.

2. Details of fines/penalties /punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	Deputy Commissioner of state tax, Mohali, Punjab	Penalty of ₹ 138,364/-	Goods and Services Tax Act, 2017 -Demand Against various Audit Para for the FY 2018-2019 against ITC taken against different Place of Supply	Yes
Penalty/Fine	1	Asst. Commissioner of ST Madurantagam assessment circle	Interest of ₹ 44,064/- and Penalty of ₹ 30,000/-	Goods and Services Tax Act, 2017- ITC Reversal Case/Excess ITC Claimed	No
Penalty/Fine	1	Joint Commissioner, CGST and Central Excise	Penalty of ₹ 1,116,016/- and interest as applicable.	Goods and Services Tax Act, 2017- Inadmissible Input Tax Credit availed under Form-Tran-2.	Yes
Penalty/Fine	1	Deputy Commissioner, DGSTO-5, Bengaluru, Karnataka	Interest of ₹ 190,234/- and Penalty of ₹ 22,264/-	Goods and Services Tax Act, 2017- Short Payment of Tax CGST and SGST in GSTR3B compared to GSTR 2A in Reverse Charge.	Yes
Penalty/Fine	1	Joint Commissioner Secunderabad, Telangana	Penalty of ₹ 106,734/-	Goods and Services Tax Act, 2017- Ineligible ITC Reversed	No
Penalty/Fine	1	Joint Commissioner of State Tax (Appeal) CT & GST -Territorial Range -Bhubaneswar, Odisha	Interest of ₹ 30,968/- and Penalty of ₹ 30,000/-	Goods and Services Tax Act, 2017- Ineligible ITC Reversed	No
Penalty/Fine	1	Jt. Commissioner, CGST and Central Excise, Mumbai, Maharastra	Penalty of ₹ 393,552,263/-	Goods and Services Tax Act, 2017- GST Demand on Out of Court settlement.	Yes
Penalty/Fine	1	Office of the Commissioner of Customs, (NS-III), Jawaharlal Nehru Custom House, Taluka-Uran, District-Raigad, Maharashtra	Penalty ₹ 10,000/- and Redemption Fine of ₹ 15,000/-	Redemption Fine & Penalty under section 111(d) and 112(a) of Custom Act, 1962 imposed on account of delay in obtaining NFMIMS Certificate required to be obtained prior to filing of Bill of Entry	No

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	Asst. Commissioner of ST Madurantagam assessment Chengalpattu, Tamilnadu	Interest of ₹ 912,840/- and Penalty of ₹ 231,906/-	Goods and Services Tax Act, 2017- Taxpayer availed excess ITC in GSTR 3B than the actual inward supply as per GSTR 2A, excess amounting to ₹ 2,309,766	Yes
Penalty/Fine	1	Asst. Commissioner of State Tax Raipur Division, Chattisgarh	Interest of ₹ 8,721/- and Penalty of ₹ 10,000/-	Goods and Services Tax Act, 2017- Demands on E-waybill for expired goods sent through DC	No
Penalty/Fine	1	Joint Commissioner Secunderabad, Telangana	Penalty of ₹ 20,000/-	Goods and Services Tax Act, 2017 -Ineligible ITC Reversed	No
Penalty/Fine	1	Regional Director, North Western Region, Ministry of Corporate Affairs	Penalty of ₹ 960,000/- imposed on the Company and its directors as follows: Sun Pharmaceutical Industries Limited- ₹ 480,000/- Mr. Dilip Shanghvi- ₹ 120,000/- Mr. Sailesh Desai- ₹ 120,000/- Mr. Sudhir Valia- ₹ 120,000/- Mr. K. Subramanian- ₹ 120,000/-	Order passed in the matter of application of compounding of offences under Section 441 for alleged offences under Section 177 of the Companies Act, 2013.	No
Penalty/Fine	1	Asst. Commissioner of State Tax., S.A.S Nagar Mohali, Punjab	Interest of ₹ 634,028/- and Penalty of ₹ 72,049/-	Goods and Services Tax Act, 2017- ITC mismatch with GSTR-2A	No
Penalty/Fine	1	Regional Director, North Western Region, Ministry of Corporate Affairs	Penalty of ₹ 1,070,000/- imposed on the Company and its directors as follows: 1. Sun Pharmaceutical Industries Limited - ₹ 605,000/- 2. Mr. Dilip Shanghvi ₹ 155,000/- 3. Mr. Sailesh Desai ₹ 155,000/- 4. Mr. Sudhir Valia ₹ 155,000/-	Adjudication Orders passed under Section 454 for alleged violations relating to technical/procedural matters under certain provisions of the Companies Act, 2013.	No
Penalty/Fine	1	Asst. Commissioner GST, Mohali-I, Punjab	Penalty ₹ 3,543,766/-	Goods and Services Tax Act, 2017-Demand Raised for the Audit Period July 2017 to March 2020 against deduction made from Employees against Canteen Services	Yes
Penalty/Fine	1	Deputy Commissioner States Taxes & Excise, Distt- Sirmour, Nahan Himachal Pradesh	Penalty of ₹ 5,000/-	Goods and Services Tax Act, 2017- Mismatch of ITC and Form 26	No
Penalty/Fine	1	Office of the Asstt. Commissioner of Customs, ICD, Dhannad	Penalty ₹ 100,000/-	Order passed u/s 75 and 117 of the Customs Act, 1962. HS Classification Issue - Export of Revital/Garlic Capsules under HSN 3004 i/o 2106 (DBK Rate 1.80% & 0.15%)	Yes
Penalty/Fine	1	Office of the Commissioner of Customs, NS-I, Adjudication Cell, Jawaharlal Nehru Custom House, Nhava Sheva, Tal: Uran, Dist- Raigad, Maharashtra	Penalty ₹ 53,561,525/- and Redemption Fine of ₹ 20,000,000/-	Order passed u/s 114A and 125 of the Customs Act, 1962. Non-compliance of pre-import condition against Advance Authorisations w. r. t. imports made at JNPT during 13.10.2017 to 10.01.2019	Yes

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	Regional Director, North Western Region, Ministry of Corporate Affairs	The penalty imposed on the Company and/or its directors as follows: 1. Mr. Sudhir Valia – ₹ 50,000/- 2. Mr. Sailesh Desai – ₹ 50,000/- 3. Sun Pharmaceutical Industries Limited – ₹ 50,000/- 4. Mr. Dilip Shanghvi – ₹ 50,000/-, Mr. Sailesh Desai – ₹ 50,000/-, Mr. Sudhir Valia – ₹ 50,000/-	Adjudication Orders passed under Section 454 for alleged violations relating to technical/procedural matters under certain provisions of the Companies Act, 2013.	No
Penalty/Fine	1	Office of the Commissioner of Customs, (Imports), Mumbai, Maharashtra	1. Penalty of ₹ 12,585,588/- and Redemption fine of ₹ 2,700,000/- 2. Penalty of ₹ 2,500,000/- each on Mr. Nilesh Gandhi, Satish C. Jha and Mr. Rajesh Wadhawa.	Order passed under section 28(4), 125, 114A and 112(a) of the Customs Act, 1962. HS Classification Issue - Import of Ginseng/Bilberry/Glisodin/ Astaxanthin/Silymarin Extracts under HSN 1302 i/o 2106	Yes
Compounding fees	1	Regional Director, North Western Region, Ministry of Corporate Affairs	Compounding fee on certain past and present directors/officers of the Company Mr. Dilip Shanghvi ₹ 950,000/- Mr. Sudhir Valia ₹ 900,000/- Mr. Sailesh Desai ₹ 900,000/- Mr. K. Subramanian ₹ 150,000/- Mr. Uday Baldota ₹ 600,000/- Mr. C. Muralidharan ₹ 150,000/-	Orders passed in the matter of application of compounding of offences under Section 441 for alleged violations under Section 129 and Section 188 of the Companies Act, 2013.	No
Penalty/Fine	1	Commissioner of Customs (Appeal), Mumbai-III, Maharashtra	Penalty of ₹ 2,520,152/- and Redemption fine of ₹ 4,000,000/-	Section 125(1) of Customs Act 1962 and Section 114 A of Customs Act 1962. Demand of differential IGST (12% v/s 18%) against import of Fexofenadine HCL and 4-nitrobenzyl for R & D Purpose	Yes
Penalty/Fine	1	Additional. Commissioner of Central GST & Central Excise, Surat	Penalty of ₹ 1,602,286,699/-	Goods and Services Tax Act, 2017-Penalty on Cross charge from HO and R&D-GJ.	Yes

Non-Monetary

Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

The Company is in process of taking appropriate actions.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company's commitment to ethical business, anti-corruption and anti-bribery has been detailed in the Global Code of Conduct. The Company complies with all applicable anti-bribery laws, including the US Foreign Corrupt Practices Act (FCPA). As part of the Global Code of Conduct, the anti-bribery clause applies to all employees (whether permanent, temporary or contract, directly or through a contractor, manager or full-time consultant) and board members. The Company expects its business partners, including suppliers, service providers, agents, channel partners (dealers, distributors and others), to comply with the Code and its principles.

Weblink – Global Code of Conduct: https://sunpharma.com/wp-content/uploads/2025/04/Sun-Pharma-Global-Code-of-Conduct_1-April-2025.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Particulars	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

The penalties imposed and reported herein are subject matter of routine assessment processes where the Company takes appropriate measures including but not limited to filling of appeals against such orders etc. Penalties reported are deemed material as per SEBI Listing regulations however, they do not have any material impact on the Company.

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured)

Particulars	FY 2024-25	FY 2023-24
Number of days of accounts payables	209.6	170.6

9. Openness of business:

Details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	Purchases from trading houses as % of total purchases	17.58%	21.22%
	Number of trading houses where purchases are made from	627	827
	Purchases from top 10 trading houses as % of total purchases from trading houses	29.52%	23.95%
Concentration of Sales	Sales to dealers/distributors as % of total sales	85.96%	85.85%
	Number of dealers/distributors to whom sales are made	121	126
	Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	79.63%	79.49%

Parameter	Metrics	FY 2024-25		FY 2023-24	
		Subsidiaries	Others	Subsidiaries	Others
Share of Related Party Transactions (RPTs) in	Purchases (Purchases with related Parties/Total Purchases)	19.62%	0.01%	14.79%	0.03%
	Sales (Sales to related parties/Total Sales)	82.97%	0.05%	82.51%	0.15%
	Loans & advances (Loans & advances given to related parties/Total loans & advances)	99.55%	-	99.67%	-
	Investments (Investments in related parties/Total Investments made)	99.94%	-	99.75%	0.20%

Leadership Indicators

1. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.**

   Yes, the Company's Global Code of Conduct (GCoC) requires all of its personnel (including members of the Board) to refrain from engaging in any activity or having a personal interest that presents a conflict of interest. The Board members provide an annual declaration confirming adherence to the GCoC. The Board members give disclosure of interest in other persons/entities annually as well as whenever there is a change and the same is placed before the Board for its information. The Company has constituted a Corporate Governance and ESG Committee (CG&ESGC), with the objective of monitoring the Company's compliance with the corporate governance guidelines and applicable laws and regulations, make recommendations to the Audit Committee and thereby to the Board on all such matters and on corrective actions, if any, to be undertaken, review and ensure implementation of ethical standards and practices in respect of Corporate Governance by the Company in substance and intent. The CG&ESGC also evaluates and approves all related party transactions as per the requirements of the policy on Related Party Transactions as approved by the Board. All contracts/arrangements/ transactions entered by the Company during the year under review with the related parties were approved by the CG&ESGC and were undertaken in the ordinary course of business and on an arm's length basis.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY 2024-25	FY 2023-24	Details of improvements in environmental social impacts
R&D	100.00%	100.00%	R&D investments pertains to spending on various projects focused on improving the environmental and/or social impacts of our products and processes.
Capex	4.07%	20.49%	These projects pertain to improving environment footprint, i.e., energy conservation, water conservation, increasing renewable energy adoption, etc.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company endeavors to implement responsible procurement practices across its supply chain. As a measure of improving its impact on the environment and society, the Company encourages local sourcing, which improves supply chain resilience, limits various risks including currency risk and reduces supply timelines. Further, it encourages local businesses to improve their capabilities. In its endeavor to further ESG practices in the supply chain, the Company has introduced ESG parameters in vendor audits intended for better understanding the supply chain ESG risks and remediation requirements.

b. If yes, what percentage of inputs were sourced sustainably?

100% of inputs from critical suppliers is sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

	Disposing at the end of life
Plastic (including packaging)	The Company has an established system for collection and recycling of the end used plastic waste for the products introduced in the domestic market as per the Extended Producer Responsibility (EPR) regulations. The recycling and disposal of the reclaimed plastics (including packaging) is carried out as per the Government rules and the provisions of the Plastic Waste Management Rules, 2022. We have engaged a waste management agency to collect and recycle plastic waste in accordance with regulatory norms.
E-waste	E-waste is sent to authorised 3rd Party recyclers as per the E-Waste (Management) Amendment Rules, 2024.
Hazardous waste	The Company has a comprehensive standard operating procedure, for handling and safe disposal of all category of hazardous waste as per state specific regulation.
Other waste (Expired Products)	The Company has a comprehensive standard operating procedure, for handling and safe disposal of saleable and non-saleable stock returned by the stockist.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, the Company is registered as Brand Owner as per the Extended Producer Responsibility (EPR) mandates. The Company has appointed a waste management agency to collect the end use plastic/post-consumer plastic waste from municipal garbage. The collected EPR target quantities of plastic waste is recycled every year as per the provisions of plastic waste management rules 2022.

Leadership Indicators

1. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   As 100% of the Company's production activities focus on manufacturing pharmaceutical products, there is no utilisation of re-used or recycled input material. There is no scope for reusing or recycling any input material due to the criticality involved in producing and safely delivering pharmaceutical products from the perspective of consumer health, safety, compliance with pertinent regulations, and clinical studies.

2. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:**

Particulars	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging) *	0	4,251 MT	0	0	3,772 MT	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

* This is as per Extended Producer's Responsibility (EPR) compliance requirements

3. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   The Company reclaims expired/damaged medicine stock from the stockist as per the Company's standard operating procedures and guidelines. The reclaimed medicine stock is then disposed of in a safe manner, as per regulatory guidelines.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Pharmaceuticals	4.05%

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
					Permanent employees						
Male	13,089	13,089	100	13,089	100	-	-	13,089	100	13,089	100
Female	1,586	1,586	100	1,586	100	1,586	100	-	-	1,586	100
Total	**14,675**	**14,675**	**100**	**14,675**	**100**	**1,586**	**100**	**13,089**	**100**	**14,675**	**100**
					Other than Permanent employees						
Male	792	792	100	792	100	-	-	792	100	792	100
Female	556	556	100	556	100	556	100	-	-	556	100
Total	**1,348**	**1,348**	**100**	**1,348**	**100**	**556**	**100**	**792**	**100**	**1,348**	**100**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity Benefits		Total (A)		Health insurance	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (B)	% (B/A)	Number (E)	% (E/A)	Number (B)	% (B/A)
					Permanent workers						
Male	4,394	4,394	100	4,394	100	-	-	4,394	100	4,394	100
Female	228	228	100	228	100	228	100	-	-	228	100
Total	**4,622**	**4,622**	**100**	**4,622**	**100**	**228**	**100**	**4,394**	**100**	**4,622**	**100**
					Other than Permanent workers						
Male	4,562	4,562	100	4,562	100	-	-	4,562	100	4,562	100
Female	667	667	100	667	100	667	100	-	-	667	100
Total	**5,229**	**5,229**	**100**	**5,229**	**100**	**667**	**100**	**4,562**	**100**	**5,229**	**100**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent).

Particulars	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue from operations of the Company	0.29%	0.26%

2. Details of retirement benefits

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the Authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the Authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	13.10%	26.20%	Yes	12.13%	25.37%	Yes

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

In accordance with the requirements of the Rights of Persons with Disabilities Act, 2016, the Company's manufacturing facilities and corporate offices provide ramps, lifts, and infrastructure for differently abled individuals.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company's Global Code of Conduct demonstrates its commitment to non-discrimination, by offering equal opportunity to all its employees regardless of race, colour, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability.

Web link to the policy - Global Code of Conduct: https://sunpharma.com/wp-content/uploads/2025/04/Sun-Pharma-Global-Code-of-Conduct_1-April-2025.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
Male	92.57%	94.10%	93.49%	96.77%
Female	98.33%	100%	100%	100%
Total	92.95%	94.52%	93.62%	96.80%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees & Workers	The Company provides RAY portal for its permanent employees to address any of their concerns or questions. Additionally, the Company provides a grievance redressal procedure as part of its Global Whistleblower Policy and encourages its employees and workers to report any instances of unethical behaviour, incidents, fraud, or violations. 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 there under. Employees/workers can file any complaints/ grievances related to sexual harassment under this mechanism.
Other than Permanent Employees & Workers	Yes, the non-permanent employees and workers can report their concerns to their respective superiors. The grievances are then submitted to the Company for required action and resolution. They can also use the Company's Global Whistleblower process to report any instances of unethical behaviour, incidents, or violations. 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 there under. Non-permanent employees/workers can file any complaints/grievances related to sexual harassment under this mechanism.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Permanent Employees						
Male	13,089	0	-	13,327	0	-
Female	1,586	0	-	1,433	0	-
Total	**14,675**	**0**	**-**	**14,760**	**0**	**-**
Permanent Workers						
Male	4,394	792	18.02	4,578	810	17.69
Female	228	91	39.91	192	88	45.83

Total	**4,622**	**883**	**19.10**	**4,770**	**898**	**18.83**

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	13,089	13,089	100	13,089	100	13,327	13,327	100	13,327	100
Female	1,586	1,586	100	1,586	100	1,433	1,433	100	1,433	100
Total	**14,675**	**14,675**	**100**	**14,675**	**100**	**14,760**	**14,760**	**100**	**14,760**	**100**
Workers										
Male	4,394	4,394	100	4,394	100	4,578	4,578	100	4,578	100
Female	228	228	100	228	100	192	192	100	192	100
Total	**4,622**	**4,622**	**100**	**4,622**	**100**	**4,770**	**4,770**	**100**	**4,770**	**100**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	13,089	13,089	100	13,327	13,327	100
Female	1,586	1,586	100	1,433	1,433	100
Total	**14,675**	**14,675**	**100**	**14,760**	**14,760**	**100**
Workers						
Male	4,394	4,394	100	4,578	4,578	100
Female	228	228	100	192	192	100
Total	**4,622**	**4,622**	**100**	**4,770**	**4,770**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

All manufacturing locations of the Company have a formal Occupational Health and Safety management system, aligned to the requirements of ISO 45001 standard, the Company's EHS Management system, and the legal requirements such as Factories Act, Indian Boilers Act, Environment Protection Act, The Epidemic Disease Act, among others. Requisite safety management systems are in place at our office locations. The coverage of the Company's Occupational Health and Safety Management System is 100%.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

In line with the requirements of the ISO 45001 Standard, periodic internal and external audits are undertaken to monitor compliance and identify and assess work-related hazards in a timely manner. The Company also provides Environment Health and Safety (EHS) training to all personnel. The Company's Process Safety Management system supports the implementation of best safety practices. Identification of potential risks are also undertaken through designed checklists, Hazard and Operability Studies (HAZOP), Hazard Identification and Risk Assessment (HIRA) and other consequence modelling studies.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, The Company has formalised robust Standard Operating Procedures (SOPs) for timely identification and mitigation of work-related hazards and risks. The Company provides occupational health and safety training to all workers. The training modules cover methodologies to identify workplace hazards, evaluate the risks involved, as well as take appropriate action to reduce them. Employees receive training on how to use emergency equipment like fire hydrants, fire-fighting systems, leak and spill control methods, safety alarms, and more during the safety and emergency evacuation drills. Additionally, the ability of the staff to handle emergencies is assessed on a regular basis. The practical training and online safety modules educate employees about reporting and responding to work-related hazards.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company provides its employees and workers with non-occupational medical and healthcare services. Moreover, the Company ensures that all of its employees and workers have access to medical insurance. The Company designs holistic health programmes that promote healthy lifestyle practices in order to enhance physical and mental well-being for all employees and workers. Examples of health programmes and services provided to employees include:

- Medical Insurance
- Family welfare camp
- Nutrition awareness camp
- Eye, dental, and heart screenings
- Stress management session
- Lifestyle counselling session
- Monthly sessions on Health topics with renowned Doctors
- Mann Talks – Counselling sessions on mental health
- Yoga Session for employees

11. Details of safety related incidents:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR)	Employees	0.065	0
	Workers	0	0.060
Total recordable work-related injuries	Employees	17	12
	Workers	10	6
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Within its Environment, Health, and Safety (EHS) management system, the Company incorporates the guidelines and principles of ISO 45001:2018, OSHA standards, the Factory Act, and other state-level regulations. The EHS Policy promotes a safe environment for all employees, business partners, contractors, subcontractors, visitors, suppliers and the neighboring communities. The Company conducts internal and external audits on a regular basis to ensure that its safety practices and procedures are in accordance with the EHS management system and the ISO 45001:2018 criteria. The Company identifies key areas requiring immediate corrective action as a part of the auditing procedures. The safety incidents and hazards are investigated to establish the root cause, after which corrective action plans are developed for preventing similar incidents from arising in the future. Furthermore, as part of the EHS management system, the Company conducts safety training for all of its employees and workers through various modules and safety drill practices. The safety training programs enable the workforce to build a firm foundation in terms of their abilities to detect, reduce, and prevent occupational health and safety issues. The Company strives to prevent negative health impacts on employees through various health awareness sessions, medical facility services, and medical insurance benefits. Furthermore, the Company offers voluntary health promotion services such as lifestyle counselling, stress management sessions, and nutritional awareness programs, among others, to encourage healthy lifestyle practices.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the locations are audited internally by the entity. Internal experts conduct the audits in order to ensure compliance with safety rules and the identification of important improvement areas. 64.71% of locations have been assessed on health and safety practices by third party auditors, as per requirements of the ISO 45001:2018 standards.
Working Conditions	100% (All the sites are assessed on their working conditions by the external and internal audits)

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

There have been no adverse findings from the assessments undertaken for the reporting year and hence no corrective action undertaken.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends a compensatory package to all its employees including workers in event of death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company requires its value chain partners to abide by the principles of the Company's Supplier Code of Conduct and implement responsible business conduct principles in its operating practices and in line with contractual obligations.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Throughout their employment, all employees receive skill-upgradation training from the Company on a regular basis. The training programmes address the specific needs of the cadre and key function areas. This may help employees to continue working after retirement or termination based on the acquired expertise.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company actively engages with stakeholders, carefully identifying critical material issues, and is committed to effectively addressing stakeholder expectations. As a responsible company, we are steadfast in our commitment to cultivating strong and meaningful relationships with stakeholders. The stakeholder engagement process, which is based on inclusivity, accountability, and responsibility, helps us to identify the stakeholder groups. The Company has defined important stakeholder groups based on those who are impacted as well as those who have a significant impact on the business as part of the stakeholder engagement and materiality assessment exercise. Investors/shareholders, regulators, suppliers/vendors/third-party manufacturers, non-governmental organisations (NGO), community, customer B2B, employees, and senior management are the primary external and internal stakeholder groups defined by the Company as part of the engagement process.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	• Annual/quarterly reports and earning calls • Attending investor conferences • Issuing specific event-based press releases • Investor presentations	Quarterly/need based	Investors/Shareholders form an integral part of the stakeholder group, influencing the decisions of the Company. The key areas of interest for the investors/shareholders are: • Corporate governance • ESG • Regulatory compliance • Product responsibility • Cost competitiveness • Overall Company performance
Regulator	No	• In-person meetings • Email	Need- based	Transparent communication with the regulators is critical from the compliance perspective. The key areas of interests for the regulators are: • Regulatory compliance • Community engagement • Rural market penetration • Supply chain continuity • Product responsibility
Supplier/ Vendor / Third party manufacturer	No	• Vendor meets • Virtual modes such as e-mail, telephonically	Ongoing	Responsible supply chain practices are critical to ensure business continuity in a sustainable manner. Engagement with suppliers enables the Company to identify the key material issues impacting the supply chain. The key areas of interest for the suppliers are • Collaboration • Quality standards adherence • Timely Supply of Materials • Timely payments • ESG
NGO	No	• In-person meetings • Virtual modes such as e-mail, telephonically	Ongoing	Engaging with NGOs facilitates the streamlining of the CSR activities undertaken in partnership. The key areas of interest for NGO are: • Employee volunteering • Agile management process
Community	Yes	• In-person meetings • Engagement through NGO partners	Ongoing	Community development programs initiated by the Company helps in driving a positive impact on the community members. The key areas of interest for community are: • Community development programs with a focus on health, education, sanitation and infrastructure development

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers B2B	No	• In-person meetings • Email • Customer feedback sessions	Ongoing	Customers form a vital part of the Company's stakeholder engagement group. The key areas of interest for B2B Customer are: • Product quality, timely supply and pricing
Employees	No	• Employee focused web portal • Email • Employee engagement surveys • Town-halls	Ongoing	Employee well-being and satisfaction is an integral part of the Company's growth strategy. Employee engagement through various means of communication provides an insight into the key action areas for employee well-being and growth. The key areas of interest for employees are: • Learning and Development • Professional Growth • Well-being initiatives • Employee recognition • Fair remuneration • Work-life balance
Senior Leadership	No	• In-person meetings • Virtual modes such as e-mail, telephonically	Ongoing	Senior leadership are the key drivers of the Company's sustainable value creation strategy. Senior leadership engagement facilitates the interlinkage of business and sustainable value creation. The key areas of interest for senior leadership are: • Sustainable and resilient business operations • R&D and innovation • Overall Company performance

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   At Sun Pharmaceutical Industries Limited, we strongly acknowledge the importance of focused stakeholder engagement for timely identification of environment, social and governance issues material to the Company. Emerging from the extensive stakeholder engagement exercise undertaken in the past, material issues were identified and presented to the highest governing members and the Board for their consideration towards guiding strategy and decision making. The stakeholder engagement exercise is periodically reviewed as part of the Company's efforts to continuously interact with internal and external stakeholder groups for identification of the important material issues influencing them.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, material topics related to ESG are identified and prioritised after consultation with the stakeholders. The Company then formulates strategies and creates action plans for the identified material topics. The Company's Sustainability Report contains non-financial disclosures that are guided by the results and outcomes of the materiality assessment. The Company discloses its management strategy, targets/goals, and non-financial performance in the reporting year for each of the specified material areas in accordance with national and international norms and standards.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   The Company has designated community members as a vulnerable/marginalised stakeholder group. The Company conducts community needs assessment as part of the Corporate Social Responsibility (CSR) programs to determine and priorities the focus areas for community development. The Company has implemented a number of such CSR projects in six priority areas, including healthcare, education, rural development, water and sanitation, environment protection and disaster relief. Refer to the Annual Report and the Company's Annual CSR report for more information.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
			Employees			
Permanent	14,675	14,675	100	14,760	14,760	100
Other than permanent	1,348	1,348	100	1,239	1,239	100
Total	**16,023**	**16,023**	**100**	**15,999**	**15,999**	**100**
			Workers			
Permanent	4,622	4,622	100	4,770	4,770	100
Other than permanent	5,229	5,229	100	5,125	5,125	100
Total	**9,851**	**9,851**	**100**	**9,895**	**9,895**	**100**

2. Details of minimum wages paid to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
					Employees					
Permanent	**14,675**	**0**	**0**	**14,675**	**100**	**14,760**	**0**	**0**	**14,760**	**100**
Male	13,089	0	0	13,089	100	13,327	0	0	13,327	100
Female	1,586	0	0	1,586	100	1,433	0	0	1,433	100
Other than Permanent	**1,348**	**0**	**0**	**1,348**	**100**	**1,239**	**0**	**0**	**1,239**	**100**
Male	792	0	0	792	100	779	0	0	779	100
Female	556	0	0	556	100	460	0	0	460	100
					Workers					
Permanent	**4,622**	**0**	**0**	**4,622**	**100**	**4,770**	**0**	**0**	**4,770**	**100**
Male	4,394	0	0	4,394	100	4,578	0	0	4,578	100
Female	228	0	0	228	100	192	0	0	192	100
Other than Permanent	**5,229**	**0**	**0**	**5,229**	**100**	**5,125**	**0**	**0**	**5,125**	**100**
Male	4,562	0	0	4,562	100	4,542	0	0	4,542	100
Female	667	0	0	667	100	583	0	0	583	100

3. Details of remuneration/salary/wages

a. Median remuneration/wages (₹)

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	7	9,800,000	1	6,800,000
Key Managerial Personnel (KMP)	2	32,598,543	0	-
Employees other than BoD and KMP	13,087	944,836	1,586	726,372
Workers	4,394	417,252	228	256,458

b. Gross wages paid to females as a % of total wages paid by the entity:

Particulars	FY 2024-25	FY 2023-24
Gross wages paid to females as a % of total wages	8.52%	8.44%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company's Chief Human Resources Officer is responsible for monitoring and addressing human rights impacts and issues. As part of its Human Rights Policy, the Company expects all key stakeholders to respect and comply with the policy principles, as well as all applicable laws and regulations, in all of its operating regions.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company's Human Rights Policy outlines the grievance redressal mechanism through the open channels of communication and the Ombudsman channel as per the Global Whistleblower Policy. The Ombudsman ensures the confidentiality of the complaints and grievances received through Email: ombudsmanSPIL@sunpharma.com.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed	Pending	Remarks	Filed	Pending	Remarks
Sexual Harassment	7	1	-	2	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	7	2
Complaints on POSH as a % of female employees/workers	0.23	0.07
Complaints on POSH upheld	6	2

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Under the Global Whistleblower Policy, the Company protects the complainant. All complaints are investigated carefully in a confidential manner, ensuring the complainant's protection from retaliation. All whistleblowers are provided with the necessary safeguards to make Protected Disclosures in good faith in all areas mentioned in the Global Code of Conduct, such as business with integrity, responsible corporate citizenship, illegal and unfair labour practices, trade practices, and other laws. For the cases pertaining to sexual harassment, the Company's policy on prevention, prohibition, and redressal of sexual harassment at the 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 ensures strict confidentiality of the investigation procedure and protection of the identity of the complainant.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Human Rights requirements have been embedded into the Company's business agreements. The Global Code of Conduct highlights the Company's commitment to Human Rights and extends to all employees and business partners throughout the value chain. The Company has implemented a dedicated Supplier Code of Conduct Policy capturing human rights practices and provisions. Further details may be found at: https://sunpharma.com/policies/..

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.00%
Forced/involuntary labour	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%

All the locations under the entity are assessed on the above parameters, complying with the requirements of the Shops and establishments Act for offices, and the Factories Act for plants and R&D centres.

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

In the reporting year, there have been no business process modifications as a result of addressing human rights grievances/complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company's Human Rights Policy expects all the employees and members of the value chain to abide by its principles. As part of the policy statement, the Company outlines that it will undertake human rights due diligence to identify the adverse human rights impact of the business on all relevant stakeholders and correspondingly address, prevent and mitigate through corrective actions.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, as per the requirements of the Rights of Persons with Disabilities Act 2016, the Company's manufacturing sites and offices have ramps, elevators, and infrastructure for differently abled individuals.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2024-25	FY 2023-24
From renewable sources (in Giga Joules)		
Total Electricity consumption (A)	287,384	269,216
Total fuel consumption (B)	562,138	462,090
Energy consumption through other sources (C)	597,677	607,965
Total energy consumed from renewable sources (A+B+C)	1,447,199	1,339,271
Percentage of total energy from renewable sources	49.77%	45.23%
From non-renewable sources		
Total electricity consumption (D)	1,147,831	1,161,258
Total fuel consumption (E)	280,832	409,844
Energy consumption through other sources (F)	31,879	50,665
Total energy consumed from non-renewable sources (D+E+F)	**1,460,543**	**1,621,768**
Total energy consumed (A+B+C+D+E+F)	**2,907,742**	**2,961,039**
Energy intensity per rupee of turnover (Total energy consumption in Giga Joule/Revenue from operations in ₹ Million)	12.64	14.60
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in Giga Joule/Revenue from operations adjusted for PPP in ₹ Million)	261.15	334.15
Energy intensity in terms of physical output (Total energy consumption in Giga Joule/Metric Tonnes production)	233.45	269.73

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

None of our site has been identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

3. Disclosures related to water:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	258,702	256,573
(ii) Groundwater	565,222	595,511
(iii) Third party water	960,814	950,349
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1,784,738**	**1,802,434**
Total volume of water consumption (in kilolitres)	**1,687,965**	**1,701,011**
Water intensity per rupee of turnover (Total water consumption in kilolitres/Revenue from operations in ₹ Million)	7.34	8.39
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in kilolitres/Revenue from operations adjusted for PPP in ₹ Million)	151.60	191.95
Water intensity in terms of physical output (Total water consumption in kilolitres/Metric Tonnes production)	135.52	154.95

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment Tertiary Treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment Primary Treatment Secondary treatment Tertiary treatment	 9,853 - 86,920	 16,776 - 84,647
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	96,773	101,423

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. Within the Company's manufacturing facilities, 14 manufacturing and R&D locations are Zero Liquid Discharge (ZLD). The Company has adopted reduce, reuse, recycle and recharge strategy to conserve water. Process and domestic wastewater is treated in a facility consisting of primary, secondary and tertiary treatment with membrane filtration (UF/RO). Treated process wastewater is recycled in utilities as boiler feed and cooling tower make up water. Domestic waste water is treated and used for gardening and flushing.

6. Details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2024-25	FY 2023-24
NOx	MT	129	173
SOx	MT	96	106
Particulate matter (PM)	MT	198	153
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited

7. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	156,242	111,175
• CO_2	tCO_2	18,571	26,463
• CH_4	tCO_2e	22	25
• N_2O	tCO_2e	37	43
• HFC	tCO_2e	137,612	84,644
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	tCO_2	236,080	237,766
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions in Metric Tonnes of CO_2 eq/Revenue from operations in ₹ Million)	tCO_2e/₹ Million	1.71	1.72
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions Metric Tonnes of CO_2e/Revenue from operations adjusted for PPP in ₹ Million)	tCO_2e/Revenue from operations adjusted for PPP in ₹ Million	35.24	39.38
Total Scope 1 and Scope 2 emission intensity in terms of Physical output (Total Scope 1 and Scope 2 GHG emissions in Metric Tonnes of CO_2 eq/ Metric Tonnes production)	tCO_2e/Metric tonnes production	31.50	31.79

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Conservation of Energy

The Company is committed to continuously improve energy performance and conserve energy in its various operations. A 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. The energy conservation projects have resulted into reduction in carbon emission and has supported the organisation's decarbonisation journey.

We have also implemented Energy Management System ISO 50001:2018 at some of our sites to further ensure structured and systematic approach towards energy conservation.

Major energy projects related to reducing GHG emission are listed below:

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

9. Details related to waste management by the entity:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,112	1,419
E-waste (B)	8	11
Bio-medical waste (C)	73	76
Construction and demolition waste (D)	1,111	0
Battery waste (E)	17	76
Radioactive waste (F)	0	0
Other Hazardous waste (G) - Date expired/off specification products, Discarded bags/containers, Distillation residue, ETP Sludge, Insulation (Hazardous), Process residue, Spent carbon & catalyst, Spent solvent, Used oil, Other miscellaneous hazardous waste (Spent ion exchange resin, Evaporation residues, Incinerated ash)	20,816	24,432
Other Non-Hazardous waste generated (H) - Aluminum, Boiler ash, Corrugated box, Food waste, General scrap, Glass waste, Insulation (Non-Hazardous), Metal, Paper, Pre-filter, Rubber, Waste cloth, Wood.	15,953	13,708
Total (A+B + C + D + E + F + G + H)	**39,089**	**39,723**
Waste intensity per rupee of turnover (Total waste generated in Metric Tonnes/Revenue from operations in ₹ Million)	0.17	0.20
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in Metric Tonnes/Revenue from operations adjusted for PPP in ₹ Million)	3.51	4.48
Waste intensity in terms of physical output (Total Metric Tonnes Waste/Metric Tonnes production)	3.14	3.62
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Hazardous Waste		
(i) Recycled	11,341	14,948
(ii) Re-used	36.78	0
(iii) Other recovery operations	0	0
Total	**11,378**	**14,948**
Non-hazardous Waste		
(i) Recycled	14,590	11,619
(ii) Re-used	424	459
(iii) Other recovery operations	3,045	2,484
Total	**18,058**	**14,562**
E-waste		
(i) Recycled	8	12.16
(ii) Re-used	0	0
(iii) Other recovery operations	0	0.51
Total	**8**	**12.67**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Hazardous Waste		
(i) Incineration	358	608
(ii) Landfilling	4,567	5,970
(iii) Co-processing	4,325	2,602
(iv) Other disposal operations	0	0
Total	**9,250**	**9,179**
Non-hazardous Waste		
(i) Incineration	0	8
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**0**	**8**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company's waste management plan includes a strategy for waste minimisation, segregation, and safe disposal. The Company has implemented a number of measures to reduce manufacturing rejects aligned with its resource optimisation and waste minimisation objectives. The Company complies with the requirements of Extended Producer Responsibility (EPR) by collecting end-of-use plastic and improving its management of plastic waste. Additionally, the Company has adopted initiatives to divert greater amounts of hazardous waste toward co-processing and recycling over other disposal mechanisms, such as incineration and landfilling, as part of the hazardous waste disposal mechanism. Additionally, the Company has embraced digitalisation to reduce paper consumption.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details:

The Company has one of its manufacturing locations located in an ecologically sensitive area.

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	Maduranthakam (MKM)	Manufacturing	The facility has the "consent to operate" from the concerned Pollution Control Board.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public Domain (Yes/No)	Relevant Web link
The Company has not undertaken any Environmental Impact Assessments in the reporting year.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

Yes.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public Domain (Yes/No)	Relevant Web link
The Company has not undertaken any Environmental Impact Assessments in the reporting year					

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area: Bengaluru, Dadra, Dewas, Gurugram, Vadodara

(ii) Nature of operations: Manufacturing, R&D center

(iii) Water withdrawal, consumption and discharge:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	6,600	7,200
(ii) Groundwater	113,144	355,317
(iii) Third party water	573,872	53,930
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	693,616	416,447
Total volume of water consumption (in kilolitres)	637,056	409,785
Water intensity per rupee of turnover (Total Water consumed in kilolitres/Revenue from operations in ₹ Million)	2.77	2.02

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment Tertiary Treatment	56,560	6,662
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**56,560**	**6,662**

Note: As per Central Ground Water Board (CGWB) water stressed areas considered for FY2024-25 are Bengaluru, Dadra, Dewas, Gurugram, Vadodara while for FY2023-24 the water stressed areas considered were Dadra, Mohali, Silvassa, Toansa, Gurugram. Hence, the data in the above table are not strictly comparable.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency:

Yes- DNV Business Assurance India Private Limited

2. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The manufacturing facility, Maduranthakam (MKM) is located 3.72 km (West) from the Vedanthangal Bird Sanctuary. The facility was functional even before the declaration of Vedanthangal Bird Sanctuary in 1998. The facility has no significant direct or indirect impact on the environment. Additionally, the Consent to Operate by the relevant Pollution Control Board has also been obtained. It is a Zero Liquid Discharge (ZLD) site, equipped with an effluent treatment facility to further direct the treated wastewater for in-house uses.

3. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Heat Pump for Hot water Generation	A refrigerated heat pump is employed to harness the latent heat of condensation for efficient hot water generation. By integrating this heat pump technology, steam consumption in the hot water system is significantly reduced, leading to enhanced thermal efficiency. Additionally, the system optimises water utilisation by minimising cooling tower demand, contributing to overall resource conservation.	1. Reduction in GHG 2. Reduction in Water consumption 3. Reducing energy consumption
2.	Electronically Commutated blower (EC) blower Implementation for HVAC system	To mitigate the inefficiencies of conventional fan systems, EC Blowers have been deployed as a direct-drive fan grid solution. This advanced system optimises aerodynamic performance, ensuring minimal energy dissipation and enhanced volumetric efficiency. Furthermore, installation and maintenance demand minimal mechanical intervention due to its modular design. The blower is equipped with a high-precision brushless, permanent magnet motor integrated with embedded electronic controls, facilitating dynamic torque modulation and adaptive speed regulation for optimised airflow management.	1 Reduction in GHG emission 2. Reduction in Energy consumption 3. Reliability improvement

4. Does the entity have a business continuity and disaster management plan?

The Company has implemented a comprehensive business continuity and on-site emergency plan across all its locations. This plan ensures the Company's ability to adapt and respond effectively to disruptions caused by natural disasters or unforeseen events that may impact business operations. Continuous improvement is emphasised through the integration of lessons learned from past disruptions, if any, into the existing plans. Additionally, the Company's risk management strategy focuses on minimising losses associated with disasters by assessing potential disruptions and implementing appropriate mitigation measures.

5. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company's Supplier Code of Conduct is developed based on the best practices, standards and guidelines for evaluation of suppliers in the pharmaceutical supply chain. The evaluation checklist encompasses various ESG parameters to ascertain the adherence with the Company's Supplier Code of Conduct. Assessment of value chain partners on the basis of the Company's Supplier Code of Conduct has been initiated for select vendors and will be extended to all critical vendors in due course.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

The Company is a member of 7 trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1.	The Associated Chambers of Commerce of India (ASSOCHAM)	National
2.	Federation of Gujarat Industries (FGI)	State
3.	Confederation of Indian Industry (CII)	National
4.	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5.	Indian Drug Manufacturing Association (IDMA)	National
6.	Gujarat Employers Organisation (GEO)	State
7.	Indian Pharmaceutical Alliance (IPA)	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

For the reporting year, there were no adverse orders from regulatory authorities against the Company for issues pertaining to anticompetitive conduct.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly / Others – please specify)	Web Link, if available
1	Regulatory Reforms for Pharma sector in India	Trade Margin Rationalisation	No	-	-
2	Regulatory reforms to improve drug development process in India	Indian Pharmaceutical Alliance	No	-	-
3	Trade Margin Rationalisation	Indian Pharmaceutical Alliance	No	-	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year..

Name and Brief details of the project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency? (Yes/No)	Results Communicated in public domain (Yes/No)	Relevant Web link
School Infrastructure development project	NA	NA	Yes	No	https://sunpharma.com/wp-content/uploads/2025/06/2.-School-Infrastructure-Development-Project-Various-IAR.pdf
Mobile Healthcare Units project	NA	NA	Yes	No	https://sunpharma.com/wp-content/uploads/2025/06/1.-Mobile-Health-Care-SPCHS-IAR_revised.pdf

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company engages with all community members through its NGO partners and through in-person meetings. Mobile healthcare units visit the peripheral areas of the Company's operations in order to engage with local community. Each of the mobile health care units carries a register, which is accessible to all the community members to address grievances and queries through written complaints. The grievances received through the register are addressed by the Company. All community issues are adequately monitored and resolved on time.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2024-25	FY 2023-24
Directly sourced from MSME/small producers	13.19%	13.61%
Directly from within India	72.61%	82.57%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25	FY 2023-24
Rural	2.98%	3.04%
Semi-urban	2.27%	2.84%
Urban	27.51%	27.39%
Metropolitan	67.24%	66.78%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on Corporate Social Responsibility (CSR) projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	Aspirational District	State	Amount Spent in ₹
For the reporting year, the Company did not undertake any CSR projects in the designated aspirational districts.			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, the Company does not have any preferential procurement policy focusing on suppliers from marginalised/ vulnerable groups.

(b) From which marginalised /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

The Company does not derive any benefits from intellectual properties owned or acquired based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised group
1	Mobile Health Care Unit	178,900	100%
2	Support towards setting-up of Cancer Sanatorium Institute, Wadala, Mumbai	372	NA
3	Medicine supply	1,330	100%
4	Healthcare Infra	68,469	100%
5	Community drinking water	24,791	100%
6	Malnutrition	Community	NA
7	Education & Anganwadi Infra	26,500	100%
8	SMART Classrooms	12,752	100%
9	Medical & Pharma Research (Sun Pharma Science Foundation)	Community	NA
10	Skill Development and Training (IPA)	Community	100%
11	Disaster response	500	100%
12	Plantation	34,150	NA
13	Water conservation	4,392	100%
14	Rural Infrastructure Upgradation	30,026	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a comprehensive complaint management process to facilitate timely redressal of the product quality complaints. Once a product quality complaint is received, either directly by the Company or through a third-party entity (appointed to handle product complaints), it is registered in the Company's system and a preliminary assessment is undertaken. In US market, based on local requirements, a Field Alert Report (FAR) may be filed for the complaint depending on its nature and severity. Along with the initial evaluation, follow-ups are performed for the complaint sample and for any additional information to facilitate the preliminary assessment and the investigation. The initial risk assessment and the investigative process proceeds concurrently with the follow-up. A remedial action plan is launched after the investigation is completed and the root cause is determined. A complaint summary report is also prepared at the same time. The complaint is finally closed after a final risk assessment is completed and a response is delivered to the complainant if requested. Any market actions for the impacted product are considered and may be communicated with the local regulatory authorities depending on local requirements. The Company has a global Pharmacovigilance Policy and mechanism in place, which is supported by a product safety group, committed to responding to patient safety concerns and incidents.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage of total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	100.00%
Recycling and /or safe disposal	-

Note: The Company's products carry information about its responsible and safe usage. Due to the criticality associated with the safe and responsible consumption of medicines, the Company displays relevant information on the product labels as per the requirements of national and international drug regulatory bodies.

3. Number of consumer complaints in respect of the following:

Particulars	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data Privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cybersecurity	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

Particulars	Number	Reason for recall
Voluntary recalls	91	The reasons for recall of products were product quality complaint, deviation and out of specification /out of trend results for various test.
Forced recalls	0	-

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

The Company has put into place a risk management policy that includes a framework for identifying internal and external risks related to cybersecurity or information hazards. The synopsis of the policy can be accessed at:

https://sunpharma.com/wp-content/uploads/2024/07/2024-05-21-Risk-Management-Policy-Synopsis.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**

   In FY 2024-25, there were no complaints filed related to advertising, provision of critical services, cyber security, consumer data privacy. The Company has implemented corrective & preventive actions for quality complaints and product recalls concerning the quality of its products in accordance with each established root cause analysis.

   In May 2022, USFDA inspected Sun Pharma's Halol facility, and the inspection was classified as Official Action Indicated ("OAI") in August 2022. Subsequently, in December 2022, USFDA placed the Halol facility on Import Alert 66-40; however, subject to conditions, certain Halol-manufactured finished drug products were exempted from the Import Alert. In December 2022, USFDA issued a Warning Letter summarising violations of current Good Manufacturing Practice ("cGMP") at the facility (amended in October 2023). The Company is taking corrective measures necessary to get the facility back to fully compliant status.

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

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

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches –** Zero
   b. **Percentage of data breaches involving personally identifiable information of customers –** Not Applicable
   c. **Impact, if any, of the data breaches –** Not Applicable

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The links to the product list for India and US market are given below:

   India Products: https://sunpharma.com/india-products/

   US Products: https://sunpharma.com/usa/products/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company complies with pertinent regulatory obligations by informing its stakeholders about the appropriate and safe use of its products. Each product packaging/label includes information on safe and responsible usage of the product.

   Some of our products now have QR codes and 3D security strips printed on the pack to validate authenticity and educate patients. After scanning the QR codes, patients will be taken to a website where they can view the batch details, patient education videos, and have access to FAQs.

   To combat spurious drugs, security foil strip containing technology similar to currency notes is implemented for high selling products. We have also conducted training programs on how to identify counterfeit products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

As per the regulatory guidelines, the Company discloses discontinuation of any scheduled formulation in India, by issuing a public notice for relevant stakeholders in addition to informing the local regulator at least six months prior to the intended date of discontinuation. However, if six months' advance notice is not possible, the notification is submitted as soon as practicable thereafter. Furthermore, in certain international markets, based on local regulatory requirements, a notification concerning a permanent discontinuance or interruption in manufacturing of a covered finished product must be submitted no later than five business days after the discontinuance or interruption in manufacturing occurs.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company displays all relevant information mandated as per local laws regarding its products. As a pharmaceutical company, we cannot directly conduct product related surveys with the general public.

INDEPENDENT ASSURANCE STATEMENT

to the Management of Sun Pharmaceutical Industries Limited

Sun Pharmaceutical Industries Limited (Corporate Identity Number L24230GJ1993PLC019050, (hereafter referred to as 'SPIL' or 'the Company') has commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent assurance of the Company's disclosures in its Business Responsibility and Sustainability Report (hereafter referred to as 'BRSR') for the Financial Year (FY) 2024-25. The disclosures include the BRSR Core attributes as per Annexure 17A of Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.

Our Conclusion:

Based on our review and procedures followed for a reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for the FY 2024-25 are reported in accordance with reporting requirements outlined in the Industry Standard on Reporting of BRSR Core.

Scope of Work and Boundary

The scope of our engagement includes a reasonable level of assurance of the '9 BRSR Core Attributes' for the FY 2024-25.

Boundary for the engagement covers the performance of SPIL's operations in India that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of SPIL across all locations in India for BRSR core attributes 5-9. For BRSR core attributes 1-4, the boundary is the 17 sites in India covering Company's manufacturing locations and R&D centers.

Reporting Criteria and Standards

The disclosures have been prepared by SPIL in reference to:

- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- BRSR Core (Annexure 17A) and BRSR reporting guidelines (Annexure 16) as per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Assurance Methodology/Standard and Level of Assurance

This assurance engagement for reasonable level of assurance has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised)- Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustain™ Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019- Conformity Assessment – General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e. FY 2024-25, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.

Basis of our conclusion

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of SPIL. We carried out the following activities:

- Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.
- Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries.
- Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.



- DNV audit team conducted on-site audits for data testing and to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.
- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ Protocol, V6.0 for reasonable level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on specific BRSR Core indicators (for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Responsibility of the Company

SPIL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also ensuring the quality and consistency of the information presented in the Report. SPIL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV's Responsibility

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV's work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company's website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and SPIL. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

For DNV Business Assurance India Private Limited,			
Parab, Ankita	Digitally signed by Parab, Ankita Date: 2025.06.27 16:13:22 +05'30'	Sharma, Anjana	Digitally signed by Sharma, Anjana Date: 2025.06.27 17:05:16 +05'30'
Ankita Parab Lead Verifier		Anjana Sharma Assurance Reviewer	
Assurance Team: Goutam Banik, Sudharshan K, Varsha Bohiya, Syed Rameez			

27/06/2025, Mumbai, India.

DNV Business Assurance India Private Limited

Statement Number: DNV-2025-ASR-790130

Annexure I

BRSR Core Indicators- for reasonable level of assurance

- Section C: Principle 1- Essential Indicator 8, 9
- Section C: Principle 3- Essential Indicator 1-c, 11
- Section C: Principle 5- Essential Indicator 3-b, 7
- Section C: Principle 6- Essential Indicator 1, 3, 4, 7*, 9
- Section C: Principle 8- Essential Indicator 4, 5
- Section C: Principle 9- Essential Indicator 7

* Scope 1 GHG emissions are calculated based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report and Montreal Protocol on substances that deplete the ozone layer, 2022. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO2 baseline database for Indian Power Sector, version 20, December 2024.

Annexure II

Sites selected for audits

S.no	Site	Location
1.	Corporate Office	Mumbai
2.	Manufacturing Plants (onsite)	Halol, Gujarat Dahej, Gujarat Panoli, Gujarat Ahmednagar, Maharashtra
3.	Manufacturing Plants (remote audit)	Paonta Sahib, Punjab Dadra

Independent Auditor's Report

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

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Sun Pharmaceutical Industries Limited ("the Company"), which comprise the Balance sheet as at March 31 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

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

Key audit matter	How our audit addressed the key audit matter
Tax litigations and recognition of deferred tax assets (as described in Note 9 and 39(A) of the standalone Ind AS financial statements)	
The Company has significant tax litigations for which the Company assesses the outcome on a case-to-case basis considering the underlying facts of each tax litigation. Adverse outcomes could significantly impact the Company's reported results and balance sheet position. The assessment of outcome of litigations involves significant judgement which is dependent on the facts of each case, supporting judicial precedents and legal opinions of external and internal legal counsels and hence the matter has been considered as a Key Audit Matter. Recognition of deferred tax assets involves the assessment of its recoverability within the allowed time frame requiring significant estimate of the financial projections, availability of sufficient taxable income in the future and also involving significant judgements in the interpretation of tax regulations and tax positions adopted by the Company. Considering the judgement involved in determining the recovery of deferred tax assets, the matter is considered a Key Audit Matter.	Our audit procedures included the following: • Evaluated the design and tested the operating effectiveness of controls in respect of the identification and evaluation of tax litigations/deferred tax and the recording and re-assessment of the related liabilities/assets and provisions and disclosures. • Obtained list of ongoing tax litigations from management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by management, correspondences with tax department etc. • Engaged tax experts, to evaluate management's assessment of the outcome of these litigations. Our experts considered legal precedence and other rulings in evaluating management's position on these tax litigations. • Tested management's assumptions including forecasts and sensitivity analysis in respect of recoverability of deferred taxes on unabsorbed depreciation/carry forward losses/Minimum Alternate Tax (MAT) credit. • Verified disclosures of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements
Identification and disclosures of Related Parties (as described in Note 50 of the standalone Ind AS financial statements)	
The Company has related party transactions which include, amongst others, sale and purchase of goods/services to its subsidiaries, associates, joint venture and other related parties and lending, investment and borrowing to/from its subsidiaries, associates and joint venture. Identification and disclosure of related parties was a significant area of focus and hence is considered a Key Audit Matter.	Our audit procedures included the following: • Evaluated the design and tested the operating effectiveness of controls over identification and disclosure of related party transactions. • Obtained a list of related parties from the Company's management and traced the related parties to declarations given by directors, where applicable, and to Note 50 of the standalone Ind AS financial statements. • Read minutes of the meetings of the Board of Directors and Audit Committee and traced related party transactions with limits approved by Audit Committee / Board. • Read declarations of related party transactions given to the Board of Directors and Audit Committee. • Verified the disclosures in the standalone Ind AS financial statements for compliance with Ind AS 24.
Other intangible assets (as described in Note 4 of the standalone Ind AS financial statements)	
The Company has significant intangible assets, comprising product intangibles and acquired trademarks. The Company conducts an annual impairment testing of intangible assets. Significant judgements are used to estimate the recoverable amount of these intangible assets and hence is considered as a Key Audit Matter.	Our audit procedures included the following: • Evaluated the design and tested the operating effectiveness of management's controls in assessing the carrying value of intangible assets. • Obtained the Company's computation of recoverable amount and tested the mathematical accuracy and reasonableness of key assumptions. • Obtained and evaluated management's sensitivity analysis to ascertain the impact of changes in key assumptions. • Evaluated the disclosures in the standalone Ind AS financial statements.

Other Information

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

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

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone

Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for, the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 39(A) to the standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 28 to the standalone Ind AS financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except a sum of ₹ 1.6 Million which has been kept in abeyance due to pending legal cases.

      iv. a) The management has represented that, to the best of its knowledge and belief, and read with note 55(19) to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, and read with note 55(19) to the standalone Ind AS financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

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

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 43 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and except for the instances described in note 55(10) to the standalone Ind AS financial statements, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software where audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 55(10) to the standalone Ind AS financial statements.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGU4740
Place of Signature: Mumbai
Date: May 22, 2025

Annexure 1 referred to in paragraph 1 of our report of even date under the heading "Report on other legal and regulatory requirements"

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

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

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) All Property, Plant and Equipment have not been physically verified by management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 55(23) to the standalone Ind AS financial statements included in property, plant and equipment are held in the name of the Company, except for the following immovable properties:

Description	Held in name of	Gross Carrying value (₹ Millions)	Whether promoter, director or their relative or employee	Period held – (In Years)	Reason for not being held in name of Company
Freehold Land	Ranbaxy Laboratories Limited	48.2	No	10	The title deeds are in the name of erstwhile companies that were merged with the Company under relevant provisions of the Companies Act, 1956/2013 in terms of approval of the Honorable High Courts of respective states.
Freehold Land including building located thereon	Solrex Pharmaceuticals Company	95.9		8	
Freehold Land including building located thereon	Tamilnadu Dadha Pharmaceuticals Limited	3.6		28	
Building	Various	4.1		8	
Building	Sun Pharma Global FZE	89.9		4	The title deeds are in the name of erstwhile company that was merged with the Company in terms of approval of National Company Law Tribunal (NCLT).

In respect of building where the Company is entitled to the right of occupancy and use and disclosed as property, plant and equipment in the standalone Ind AS financial statements, we report that the instrument entitling the right of occupancy and use of building, are in the name of the Company as at the balance sheet date.

(d) The Company does not follow the revaluation model for subsequent measurement of its Property, Plant and Equipment (including Right of use assets) or intangible assets. Accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the requirement to report on clause 3(i)(e) of the Order is not applicable to the Company.

ii. (a) Inventory has been physically verified by management during the year except for inventories lying with third parties which have been confirmed by them. In our opinion, the frequency of verification by management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect such inventories.

(b) The Company has not been sanctioned working capital limits in excess of INR five crores in aggregate from banks or financial institutions any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) During the year the Company has provided loan to subsidiaries and employees as follows:

Particulars	Amount in ₹ Million
Aggregate amount provided during the year to -	
- Subsidiaries	299.0
- Employees	618.8
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	473.5
- Employees	155.4

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to any entity and hence not commented upon by us.

(b) During the year, the investment made and the terms and conditions of the grant of all loans to companies or any other parties are not prejudicial to the Company's interest. The Company has not provided guarantees, given security or granted advances in nature of loans during the year and hence not commented upon by us.

(c) The Company has granted loans to subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts have been regular except in the following cases:

Name of the Entity (Wholly owned subsidiary)	Amount (in ₹ million)	Due date	Date of payment	Extent of delay	Remarks, if any
Neetnav Real Estate Private Limited	471.5	14-03-2025	NA	NA	The loan and interest were further extended.
Sun Pharma Netherlands B.V.	6,394.4	21-11-2024	02-12-2024	12	

The Company has not granted any advances in nature of loan and hence not commented upon by us.

(d) There are no loans granted which are overdue for more than ninety days as at March 31, 2025. Accordingly, we have not commented on the steps taken by the Company for recovery of the principal and interest.

(e) During the year, the Company had renewed loan to wholly owned subsidiaries to settle the loan granted to the party which had fallen due during the year. The aggregate amount of such dues renewed / extended / settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:

Name of Party	Aggregate amount of loans or advances in the nature of loans granted during the year (in ₹ million)*	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (in ₹ million)	Percentage of the aggregate to the total loans granted during the year
Neetnav Real Estate Private Limited	1,389.3	471.5	33.9%

*Includes loans and interest extended during the year.

There were no advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties and hence not commented upon by us.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, making investments and providing guarantees and securities as applicable. During the year, the Company has not granted any loans to parties covered under section 185 of the Act. Accordingly, the requirement to report on clause 3(iv) of the Order in respect of section 185 is not applicable to the Company.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of applicable pharmaceutical products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities, where applicable, though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Forum where the dispute is pending	Year to which it pertains	Amount (₹ million)*
Income Tax Act, 1961	Income taxes, interest, and penalty	Commissioner of Income Tax (Appeals)	Various assessments from AY 2014-15 to AY 2018-19	10,445.7
The Central Excise Act, 1944	Excise Duty, Interest and Penalty	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Delhi	Various years from 2003-04 to 2016-17	665.6
The Central Excise Act, 1944	Excise Duty, Interest and Penalty	Commissioner (Appeals)	Various years from 2003-04 to 2018-19	4.2
Finance Act, 1994	Service Tax and Penalty	Commissioner (Appeals)	Various years from 2015-16 to 2017-18	4.8
Finance Act, 1994	Service Tax and Penalty	CESTAT	Various years from 2013-14 to 2017-18	7,011.7
The Goods and Service Tax Act	GST, Interest and Penalty	Commissioner (Appeals)	Various years from 2017-18 to 2022-23	6,147.3
The Goods and Service Tax Act	GST, Interest and Penalty	Assistant / Joint Commissioner	2017-18 and 2018-19	5.5
Sales Tax Act / VAT (Various States)	Sales Tax, Interest and Penalty	Assistant / Additional / Senior Joint Commissioner	Various years from 1999-00 to 2017-18	13.7
Sales Tax Act / VAT (Various States)	Sales Tax, Interest and Penalty	Appellate Authority	Various years from 1998-99 to 2017-18	1.8
Sales Tax Act / VAT (Various States)	Sales Tax, Interest and Penalty	Tribunal	Various years from 1998-99 to 2013-14	3.0
Sales Tax Act / VAT (Various States)	Sales Tax, Interest and Penalty	High Court	Various years from 1999-00 to 2017-18	53.5
Custom Act, 1962	Customs Duty, Penalty and Interest	Commissioner (Appeals)	Various years from 2018-19 to 2022-23	384.0
Custom Act, 1962	Customs Duty, Penalty and Interest	CESTAT	Various years from 2010-11 to 2023-24	1,300.6

*Amount includes interest till the date of demand and are net of advances paid/adjusted under protest.

viii. The Company has not surrendered or disclosed any transaction, previously not recorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section 12 of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT–4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on information and explanation provided by the management of the Company, the group does not have more than one Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 55(12) to the standalone Ind AS financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Act, in compliance with second proviso to sub-section 5 of section 135 of the Act. This matter has been disclosed in note 55(8) to the standalone Ind AS financial statements.

(b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 55(8) to the standalone Ind AS financial statements.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGU4740
Place of Signature: Mumbai
Date: May 22, 2025

Annexure 2 to the Independent Auditor's report of even date on the Standalone Ind AS Financial Statements of Sun Pharmaceutical Industries Limited

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

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Sun Pharmaceutical Industries Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

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

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls

with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGU4740
Place of Signature: Mumbai
May 22, 2025

Standalone Balance Sheet

As at March 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3 (a) & 3 (b)	43,450.5	45,391.4
(b) Capital work-in-progress	3 (d)	5,633.9	3,882.4
(c) Goodwill	4	1,208.0	1,208.0
(d) Other intangible assets	4	25,226.7	30,768.0
(e) Intangible assets under development	5	3,758.4	3,778.7
(f) Financial assets			
(i) Investments	6 (a) & 6 (b) & 6 (c)	124,101.1	124,299.7
(ii) Loans	7	26,633.6	33,869.0
(iii) Other financial assets	8	603.1	520.4
(g) Deferred tax assets (Net)	9	11,676.4	9,945.2
(h) Income tax assets (Net)	10	-	5,033.8
(i) Other non-current assets	11	2,918.9	2,407.2
Total non-current assets		**245,210.6**	**261,103.8**
(2) Current assets			
(a) Inventories	12	37,874.9	34,236.2
(b) Financial assets			
(i) Trade receivables	13	117,014.3	88,341.6
(ii) Cash and cash equivalents	14	4,920.2	3,264.6
(iii) Bank balances other than (ii) above	15	4,184.8	119.3
(iv) Loans	16	8,687.9	6,555.1
(v) Other financial assets	17	4,097.5	7,695.5
(c) Other current assets	18	10,440.2	8,913.1
Total current assets		**187,219.8**	**149,125.4**
Assets classified as held for sale	3 (c)	**304.1**	**418.7**
TOTAL ASSETS		**432,734.5**	**410,647.9**

Standalone Balance Sheet

As at March 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,399.3	2,399.3
(b) Other equity	20	240,999.2	234,544.7
Total equity		**243,398.5**	**236,944.0**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	110,360.1
(ii) Lease liabilities	48	1,668.5	1,669.1
(iii) Other financial liabilities	22	-	10,772.0
(b) Other non-current liabilities	23	3,767.4	4,254.0
(c) Provisions	24	2,414.8	2,197.3
Total non-current liabilities		**7,850.7**	**129,252.5**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	109,544.7	106.0
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	45	785.6	704.6
(b) total outstanding dues of creditors other than micro and small enterprises	45	33,553.8	25,491.2
(iii) Lease liabilities	48	166.4	133.9
(iv) Other financial liabilities	26	24,637.5	7,188.1
(b) Other current liabilities	27	5,558.0	4,730.5
(c) Provisions	28	5,024.0	6,090.8
(d) Current tax liabilities (Net)	29	2,215.3	-
Total current liabilities		**181,485.3**	**44,445.1**
Liabilities directly associated with assets classified as held for sale	3 (c)	**-**	**6.3**
Total liabilities		**189,336.0**	**173,703.9**
TOTAL EQUITY AND LIABILITIES		**432,734.5**	**410,647.9**

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

₹ in Million

Particulars		Notes	Year ended March 31, 2025	Year ended March 31, 2024
(I)	Revenue from operations	30	230,033.3	202,751.7
(II)	Other income	31	3,694.3	4,657.6
(III)	**Total income (I + II)**		**233,727.6**	**207,409.3**
(IV)	**Expenses**			
	Cost of materials consumed	32	46,906.7	44,293.8
	Purchases of stock-in-trade		13,595.3	9,944.1
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(691.7)	1,803.2
	Employee benefits expense	34	26,082.6	23,739.5
	Finance costs	35	8,932.1	7,840.8
	Depreciation and amortisation expense	3 (a) , 3 (b) & 4	12,382.7	16,006.2
	Other expenses	36	78,759.6	67,972.2
	Net (gain)/loss on foreign currency transactions		(2,545.4)	(877.2)
	Total expenses (IV)		**183,421.9**	**170,722.6**
(V)	**Profit/(loss) before exceptional item and tax (III - IV)**		**50,305.7**	**36,686.7**
(VI)	Exceptional items	55 (2)	-	2,190.2
(VII)	**Profit/(loss) before tax (V - VI)**		**50,305.7**	**34,496.5**
(VIII)	**Tax expense/(credit)**			
	Current tax	38	9,086.2	5,461.0
	Deferred tax	9 & 38	(1,606.7)	453.7
	Total tax expense (VIII)		**7,479.5**	**5,914.7**
(IX)	**Profit/(loss) for the year (VII - VIII)**		42,826.2	28,581.8
(X)	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	a. Gain/(loss) on remeasurement of the defined benefit plans		(182.4)	(305.1)
	Income tax on above		63.7	106.5
	b. Gain/(loss) on equity instrument measured at fair value through other comprehensive income		6.0	4.8
	Income tax on above		(2.1)	(1.7)
	Total - (A)		**(114.8)**	**(195.5)**

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

₹ in Million

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
B) Items that may be reclassified to profit or loss			
a. Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		(180.1)	85.5
Income tax on above		62.9	(29.8)
Total - (B)		**(117.2)**	**55.7**
(X) Total other comprehensive income (A+B)		**(232.0)**	**(139.8)**
(XI) Total comprehensive income for the year (IX+X)		**42,594.2**	**28,442.0**
Earnings per equity share (face value per equity share - ₹ 1)	46		
Basic (in ₹)		17.8	11.9
Diluted (in ₹)		17.8	11.9

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

₹ in Million

Particulars	Equity share capital*	Other Equity									Total
		Reserves and surplus						Other comprehensive income (OCI)			
		Capital reserve	Securities premium	Amalgamation reserve	Capital redemption reserve	General reserve	Retained earnings	Equity instrument through OCI	Foreign currency translation reserve	Effective portion of cash flow hedges	
Balance as at March 31, 2023	2,399.3	22,258.5	11,874.1	43.8	7.5	51,435.0	127,908.8	(13.3)	21,543.5	26.4	237,483.6
Profit for the year	-	-	-	-	-	-	28,581.8	-	-	-	28,581.8
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	^ (198.6)	3.1	-	55.7	(139.8)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**28,383.2**	**3.1**	**-**	**55.7**	**28,442.0**
Payment of dividend	-	-	-	-	-	-	(28,981.6)	-	-	-	(28,981.6)
Balance as at March 31, 2024	**2,399.3**	**22,258.5**	**11,874.1**	**43.8**	**7.5**	**51,435.0**	**127,310.4**	**(10.2)**	**21,543.5**	**82.1**	**236,944.0**
Profit for the year	-	-	-	-	-	-	42,826.2	-	-	-	42,826.2
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	^ (118.7)	3.9	-	(117.2)	(232.0)
Total comprehensive income for the year	-	-	-	-	-	-	42,707.5	3.9	-	(117.2)	42,594.2
Payment of dividend	-	-	-	-	-	-	(36,139.7)	-	-	-	(36,139.7)
Balance as at March 31, 2025	**2,399.3**	**22,258.5**	**11,874.1**	**43.8**	**7.5**	**51,435.0**	**133,878.2**	**(6.3)**	**21,543.5**	**(35.1)**	**243,398.5**

^ Represents remeasurement of the defined benefit plans
* Refer note 19 for movement in number of shares outstanding.

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Standalone Statement of Cash Flow

for the year ended March 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities		
Profit / (loss) before tax	50,305.7	34,496.5
Adjustments for:		
Depreciation and amortisation expense	12,382.7	16,006.2
Net (gain) / loss on sale / write off / impairment of property, plant and equipment,other intangible assets and intangible assets under development	(9.5)	1,707.1
(Gain) / loss on derecognition of Right-of-use assets	(7.0)	(1.3)
Finance costs	8,932.1	7,840.8
Interest income	(3,210.3)	(3,964.3)
Net (gain) / loss on sale of financial assets measured at fair value through profit or loss	(25.9)	(220.3)
Provision / write off / (reversal) for doubtful trade receivables / advances / other receivables	2,357.0	119.5
Sundry balances written back, net	(27.5)	(215.6)
Impairment of investments	370.1	-
Effect of exchange rate changes	(3,915.9)	(3,583.0)
Operating profit / (loss) before working capital changes	**67,151.5**	**52,185.6**
Movements in working capital:		
(Increase) / decrease in inventories	(3,638.7)	5,655.7
(Increase) / decrease in trade receivables	(27,151.4)	(14,771.4)
(Increase) / decrease in other assets	1,007.8	(2,764.5)
Increase / (decrease) in trade payables	8,011.6	(4,136.3)
Increase / (decrease) in other liabilities	(1,008.3)	(33,503.1)
Increase / (decrease) in provisions	(1,031.7)	(2,171.5)
Cash generated from/(used in) operations	**43,340.8**	**494.5**
Net Income tax (paid)/refund received (including interest on refunds)	(1,353.1)	(3,418.7)
Net cash generated from/(used in) operating activities (A)	**41,987.7**	**(2,924.2)**
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets and intangible assets under development)	(7,105.1)	(7,492.4)
Proceeds from disposal of property, plant and equipment and other intangible assets	568.2	147.2
Loans / Inter corporate deposits		
Given to / Placed		
Subsidiary companies	(299.1)	(15.3)
Received back / matured from		
Subsidiary companies	6,330.3	-
Purchase of investments		
Associate	(125.0)	(165.1)
Others	(6,319.7)	(28,169.6)
Proceeds from sale of investments		
Others	6,345.5	30,392.5
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	(4,029.9)	(12.0)
Fixed deposits / margin money matured	-	12.0
Interest received	2,539.2	2,673.6
Net cash flow from / (used in) investing activities (B)	**(2,095.6)**	**(2,629.1)**

Standalone Statement of Cash Flow

for the year ended March 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C. Cash flow from financing activities		
Proceeds from borrowings		
Subsidiary company	118,692.2	145,618.4
Repayment of borrowings		
Subsidiary companies	(119,507.6)	(111,125.6)
Net increase / (decrease) in working capital demand loans	(106.0)	46.6
Repayment towards lease liabilities		
Subsidiary companies	(108.8)	(106.6)
Others	(38.7)	(58.1)
Interest paid on lease liabilites		
Subsidiary companies	(132.5)	(141.3)
Others	(22.9)	(18.9)
Interest paid	(947.8)	(493.3)
Dividend paid	(36,139.7)	(28,981.7)
Net cash flow from / (used in) financing activities (C)	**(38,311.8)**	**4,739.5**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**1,580.3**	**(813.8)**
Cash and cash equivalents at the beginning of the year	3,264.6	4,102.8
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	75.3	(24.4)
Cash and cash equivalents at the end of the year	**4,920.2**	**3,264.6**

Notes:

1. Cash and cash equivalents comprises of

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	4,895.1	3,252.7
In deposit accounts with original maturity less than 3 months	15.0	-
Cash on hand	10.1	11.9
Cash and cash equivalents in cash flow statement (Refer Note 14)	**4,920.2**	**3,264.6**

2. Change in financial liability / asset arising from financing activities

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
	Borrowings	Borrowings
Opening balance	**110,466.1**	**75,926.7**
Changes from financing cash flow	(921.4)	34,539.4
Closing balance	**109,544.7**	**110,466.1**

For movement of lease liabilities, Refer Note 48.

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

1. General information

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

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 22, 2025.

2. Material accounting policies

2.1 Statement of compliance

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared its standalone financial statements for the year ended March 31, 2025 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2024 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

2.2 Basis of preparation and presentation

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

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

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

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

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

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

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

a. Current vs. Non-current

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

b. Business combinations

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

The Company uses the acquisition method of accounting to account for business combinations that occurred on or after April 01, 2015. The acquisition date is generally the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), less the net recognised amount of the identifiable assets acquired and liabilities assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised immediately in the OCI and accumulated in equity as Capital reserve where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase else the gain is directly recognised in equity as Capital reserve. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the statement of profit and loss. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

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

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

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

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

c. Foreign currency

Foreign currency transactions

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

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

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

d. Segment reporting

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

e. Property, plant and equipment

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

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

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

The estimated useful lives are as follows:

Asset Category	No. of years
Factory Buildings	10-30
Buildings other than Factory Buildings*	30-60
Plant and equipment	3-25
Vehicles	5-10
Office equipment	2-5
Furniture and fixtures	3-10

* Includes assets given under operating lease

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

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment and furniture and fixtures over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

f. Goodwill and Other Intangible assets

Goodwill

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Company's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

Other Intangible assets

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

Research and development

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

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

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

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

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

Acquired research and development intangible assets which are under development, are recognised as In-Process Research and Development assets ("IPR&D"). IPR&D assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment charge on such IPR&D assets is recognised in the statement of profit and loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable.

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

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

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

The estimated useful lives for Product related intangibles and Other intangibles range from 3 to 14 years.

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

De-recognition of intangible assets

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

g. Investments in the nature of equity in subsidiaries and associates

The Company has elected to recognise its investments in equity instruments in subsidiaries and associates at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

Impairment of Investments in the nature of equity in subsidiaries and associates

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

h. Impairment of non-financial assets other than goodwill

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

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

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

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

i. Non-current assets held for sale

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

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

j. Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

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

Debt instrument at FVTOCI

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

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

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

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

Debt instrument at FVTPL

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

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

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

Equity instruments

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

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

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

De-recognition

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

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

Impairment of financial assets

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

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

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

In respect of other financial assets (e.g.: debt securities, deposits, bank balances etc.), the Company generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

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

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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

Financial liabilities subsequently measured at amortised cost

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

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

De-recognition

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

Reclassification of financial assets

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

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

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

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

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

(i) Fair value hedges

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

(ii) Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

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

k. Leases

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

Company as a lessee

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

Company as a lessor

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

l. Inventories

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

m. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Restructuring

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

Onerous contracts

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

Contingent liabilities and contingent assets

Contingent liability is disclosed for,

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

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

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

n. Revenue

Sale of goods

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

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

Profit Sharing Revenues

The Company from time to time enters into arrangements for the sale of its products in certain markets. Under such arrangements, the Company sells its products to the business partners at a base purchase

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

price agreed upon in the arrangement and is also entitled to a profit share which is over and above the base purchase price. The profit share is typically dependent on the ultimate net sale proceeds or net profits, subject to any reductions or adjustments that are required by the terms of the arrangement.

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

Out-licensing arrangements

Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Non-refundable up-front license fees received in connection with product out-licensing agreements are deferred and recognised over the period in which the Company has continuing performance obligations. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period the Company has continuing performance obligations, if the milestones are not considered substantive.

Sales returns

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

Contract balances

Contract assets

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

Trade receivables

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

Contract liabilities

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

Rendering of services

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

Royalties

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

o. Dividend and interest income

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

p. Government grants

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

q. Employee benefits

Defined benefit plans

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

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

Termination benefits

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

Short-term and Other long-term employee benefits

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

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

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

Defined contribution plans

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

r. Income tax

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

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

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

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised except:

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

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

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

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

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

s. Exceptional items

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

t. Recent Accounting pronouncements

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

1. Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 01, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

2. Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information to enable understand the impact on the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity cannot restate comparative information. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

Notes to the Standalone Financial Statements

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NOTE: 3 (a) PROPERTY, PLANT AND EQUIPMENT

₹ in Million

	Freehold land	Buildings including given on lease	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
At cost or deemed cost							
As at March 31, 2023	1,419.6	16,214.3	61,138.0	1,156.4	462.7	1,888.4	82,279.4
Additions	71.0	162.6	3,676.0	29.7	139.2	600.9	4,679.4
Disposals	-	(9.2)	(444.8)	(6.9)	(78.0)	(421.3)	(960.2)
Reclassified to Asset held for Sale	(1.3)	(88.7)	(582.7)	(12.7)	(5.2)	(0.2)	(690.8)
As at March 31, 2024	**1,489.3**	**16,279.0**	**63,786.5**	**1,166.5**	**518.7**	**2,067.8**	**85,307.8**
Additions	5.2	251.1	3,282.3	110.2	157.1	289.7	4,095.6
Disposals	-	(3.5)	(416.5)	(18.2)	(68.8)	(107.2)	(614.2)
Reclassified to Asset held for Sale	-	(176.0)	(711.8)	(16.7)	(0.1)	(2.0)	(906.6)
As at March 31, 2025	**1,494.5**	**16,350.6**	**65,940.5**	**1,241.8**	**606.9**	**2,248.3**	**87,882.6**
Accumulated depreciation and impairment							
As at March 31, 2023	-	3,838.9	30,973.4	835.7	256.5	1,273.9	37,178.4
Depreciation expense	-	696.0	4,837.4	73.8	74.1	241.4	5,922.7
Disposals	-	(0.1)	(407.5)	(4.5)	(65.8)	(167.3)	(645.2)
Reclassified to Asset held for Sale	-	(38.2)	(437.4)	(9.6)	(5.0)	(0.2)	(490.4)
As at March 31, 2024	**-**	**4,496.6**	**34,965.9**	**895.4**	**259.8**	**1,347.8**	**41,965.5**
Depreciation expense	-	489.3	4,697.2	94.3	89.1	279.7	5,649.6
Disposals	-	(1.6)	(330.9)	(17.5)	(49.4)	(104.7)	(504.1)
Reclassified to Asset held for Sale	-	(57.8)	(532.5)	(14.8)	(0.1)	(1.9)	(607.1)
As at March 31, 2025	**-**	**4,926.5**	**38,799.7**	**957.4**	**299.4**	**1,520.9**	**46,503.9**
Carrying amount							
As at March 31, 2024	**1,489.3**	**11,782.4**	**28,820.6**	**271.1**	**258.9**	**720.0**	**43,342.3**
As at March 31, 2025	**1,494.5**	**11,424.1**	**27,140.8**	**284.4**	**307.5**	**727.4**	**41,378.7**

Footnotes

(i) Buildings include ₹ 8,620 (As at March 31, 2024: ₹ 8,620) towards cost of shares in a co-operative housing society and also includes ₹ 1.1 Million (As at March 31, 2024: ₹ 1.1 Million) and ₹ 1,133.0 Million (As at March 31, 2024: ₹ 1,133.0 Million) towards cost of non-convertible preference shares of face value of ₹ 10/- each and compulsorily convertible debentures of face value of ₹ 10,000/- each in a Company respectively entitling the right of occupancy and use of premises and also includes ₹ 4.5 Million (March 31, 2024: ₹ 4.5 Million) towards cost of flats not registered in the name of the Company but is entitled to right of use and occupancy.

(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

(iii) The above table includes certain premises and plant and machinery given under operating lease or leave and license agreements having gross carrying value of ₹ 205.7 Million (March 31, 2024: ₹ 204.9 Million) and accumulated depreciation of ₹ 37.4 Million (March 31, 2024: ₹ 34.1 Million). The depreciation charge for the year in relation to them is ₹ 3.3 Million (March 31, 2024: ₹ 3.4 Million).

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 3 (b) RIGHT-OF-USE ASSETS

₹ in Million

	Leasehold Land	Building	Plant and equipment	Total
At Cost				
As at March 31, 2023	424.3	471.5	1,959.4	2,855.2
Addition	-	2.9	-	2.9
Deletion	-	(21.0)	-	(21.0)
Reclassified to Asset held for Sale	(2.7)	-	-	(2.7)
As at March 31, 2024	**421.6**	**453.4**	**1,959.4**	**2,834.4**
Addition	-	183.8	-	183.8
Deletion	-	(34.6)	-	(34.6)
Reclassified to Asset held for Sale	(0.8)	-	-	(0.8)
As at March 31, 2025	**420.8**	**602.6**	**1,959.4**	**2,982.8**
Accumulated depreciation				
As at March 31, 2023	**23.4**	**281.1**	**319.2**	**623.7**
Depreciation expense	6.9	72.2	88.7	167.8
Deletion	-	(5.7)	-	(5.7)
Reclassified to Asset held for Sale	(0.5)	-	-	(0.5)
As at March 31, 2024	**29.8**	**347.6**	**407.9**	**785.3**
Depreciation expense	6.9	61.5	88.7	157.1
Deletion	-	(31.2)	-	(31.2)
Reclassified to Asset held for Sale	(0.2)	-	-	(0.2)
As at March 31, 2025	**36.5**	**377.9**	**496.6**	**911.0**
Carrying amount				
As at March 31, 2024	**391.8**	**105.8**	**1,551.5**	**2,049.1**
As at March 31, 2025	**384.3**	**224.7**	**1,462.8**	**2,071.8**

Footnote

For details of Ind AS 116 disclosure refer Note 48.

NOTE: 3 (c) ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Freehold land	-	1.3
Buildings	118.2	149.4
Computer Software	4.0	6.2
Furniture and fixtures	1.9	3.5
Leasehold land	0.6	10.5
Office equipment	0.1	0.4
Plant and equipment	179.3	246.0
Vehicles	-	1.4
	304.1	418.7

Footnote

Net of accumulated depreciation and amortisation.

LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Lease liabilities	-	6.3
	-	6.3

Footnote

The Company as a part of its ongoing initiative of network strategy and optimization of manufacturing facilities has identified divestment of its Ankleshwar facility. The plan involves transferring above assets and liabilities to a prospective buyer. The transfer is expected to be completed during the year 2025-26 and hence, these have been classified as held for sale. These assets and liabilities have been carried at cost as the same is lower than the fair value expected out of sale.

In the previous year, the Company had classified Goa and Silvasa facility as held for sale as a part of its divestment plan. During the year, the Company has completed transfer of both the facilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 3 (d) CAPITAL WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance	3,882.4	3,288.7
Additions	5,851.9	5,350.8
Capitalised	(4,095.6)	(4,679.4)
Disposals	(4.8)	(77.7)
Closing balance	**5,633.9**	**3,882.4**

NOTE: 4 GOODWILL/OTHER INTANGIBLE ASSETS

Other than internally generated

₹ in Million

	Computer Software	Product related intangibles	Goodwill	Total
At cost or deemed cost				
As at March 31, 2023	3,954.4	87,149.8	1,208.0	92,312.2
Additions	635.9	1,503.9	-	2,139.8
Disposals	(1.3)	(70.0)	-	(71.3)
Reclassified to Asset held for Sale	(5.5)	-	-	(5.5)
As at March 31, 2024	**4,583.5**	**88,583.7**	**1,208.0**	**94,375.2**
Additions	252.2	786.6	-	1,038.8
Disposals	(0.1)	-	-	(0.1)
Reclassified to Asset held for Sale	(5.9)	-	-	(5.9)
As at March 31, 2025	**4,829.7**	**89,370.3**	**1,208.0**	**95,408.0**
Accumulated amortisation and impairment				
As at March 31, 2023	2,003.5	50,524.5	-	52,528.0
Amortisation expense	580.3	9,335.4	-	9,915.7
Disposals	(0.3)	(40.8)	-	(41.1)
Reclassified to Asset held for Sale	(3.4)	-	-	(3.4)
As at March 31, 2024	**2,580.1**	**59,819.1**	**-**	**62,399.2**
Amortisation expense	615.9	5,960.1	-	6,576.0
Disposals	*(0.0)	-	-	*(0.0)
Reclassified to Asset held for Sale	(1.9)	-	-	(1.9)
As at March 31, 2025	**3,194.1**	**65,779.2**	**-**	**68,973.3**
Carrying amount				
As at March 31, 2024	2,003.4	28,764.6	1,208.0	31,976.0
As at March 31, 2025	**1,635.6**	**23,591.1**	**1,208.0**	**26,434.7**

*₹ 23,350

Footnotes

(i) The aggregate amortisation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

(ii) Refer Note 55 (1)

(iii) The recoverable amount of Goodwill has been determined based on value in use calculations which uses cash flow projections covering generally a period of five years which are based on key assumptions such as margins, expected growth rates based on past experience and Management's expectations/ extrapolation of normal increase/ steady terminal growth rate and appropriate discount rates that reflects current market assessments of time value of money. The average growth rate used in extrapolating cash flows beyond the planning period was 5.0% for the years ended March 31, 2025 and 5.0% March 31, 2024. Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated on the weighted average cost of capital for respective CGU or group of CGUs. Discount rate used was 8.9% for the years ended March 31, 2025 and 9.1% March 31, 2024. The management believes that any reasonable possible change in key assumptions on which recoverable amount is based is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 5 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Opening Balance	3,778.7	5,240.4
Additions	454.2	695.4
Capitalised	(404.6)	(596.0)
Impairment [Refer Note 55 (2) and 36]	(69.9)	(1,561.1)
Closing Balance	**3,758.4**	**3,778.7**

NOTE: 6 (a) INVESTMENTS IN THE NATURE OF EQUITY IN SUBSIDIARIES (NON-CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments				
Unquoted (At cost less impairment in value of investments, if any)				
Sun Pharmaceutical Industries, Inc.				
Common shares of no par value	8,387,666	304.2	8,387,666	304.2
Sun Farmaceutica do Brasil Ltda				
Quota of Capital Stock of Real 1 each fully paid	4,019	18.3	4,019	18.3
Sun Pharma De Mexico, S.A. DE C.V.				
Common Shares of no Face Value	750	3.3	750	3.3
Sun Pharmaceutical (Bangladesh) Limited				
Ordinary Shares of 100 Takas each fully paid	434,469	36.5	434,469	36.5
Green Eco Development Centre Limited				
Shares of ₹ 10 each fully paid	700,000	7.0	700,000	7.0
Sun Pharma De Venezuela, C.A.				
Shares of Bolivars (Bs.F.) 100 each, Bolivars (Bs.F.) 50 per share paid	1,000	0.5	1,000	0.5
Sun Pharma Laboratories Limited				
Shares of ₹ 10 each fully paid	40,050,000	1.5	40,050,000	1.5
Faststone Mercantile Company Private Limited				
Shares of ₹ 10 each fully paid	10,000	0.1	10,000	0.1
Foundation for Disease Elimination and Control of India				
Shares of ₹ 10 each fully paid	10,000	0.1	10,000	0.1
Neetnav Real Estate Private Limited				
Shares of ₹ 10 each fully paid	10,000	0.1	10,000	0.1
Realstone Multitrade Private Limited				
Shares of ₹ 10 each fully paid	10,000	0.1	10,000	0.1
Skisen Labs Private Limited				
Shares of ₹ 10 each fully paid	16,360,000	163.6	16,360,000	163.6
Less: Impairment in value of investment		(163.6)		(163.6)
		-		-
Softdeal Pharmaceuticals Private Limited				
Shares of ₹ 10 each fully paid	10,000	0.1	10,000	0.1
Sun Pharma Holdings				
Shares of USD 1 each fully paid	855,199,716	54,031.5	855,199,716	54,031.5
Less: Impairment in value of investment		(44,022.7)		(44,022.7)
		10,008.8		**10,008.8**
Sun Pharma (Netherlands) B.V.				
Ordinary class A shares of Euro 100 each fully paid	5,473,340	39,877.3	5,473,340	39,877.3
Ranbaxy Malaysia Sdn. Bhd.				
Ordinary Shares of RM 1 each fully paid	3,189,248	37.0	3,189,248	37.0

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
Sun Pharma Japan Ltd				
Ordinary Shares of JPY 50,000 each fully paid	1,200	553.0	1,200	553.0
Sun Pharma Community Health Care Society	-	21.3	-	-
Sun Pharma Science Foundation	-	19.2	-	-
Quoted (At cost less impairment in value of investments, if any)				
Zenotech Laboratories Limited				
Shares of ₹ 10 each fully paid	42,014,578	3,371.7	42,014,578	3,371.7
Less: Impairment in value of investment		(1,737.8)		(1,737.8)
		1,633.9		**1,633.9**
		52,522.3		**52,481.8**
Preference shares - unquoted (At cost)				
Sun Pharma Holdings				
5% Optionally Convertible Preference Shares USD 1 each fully paid	1,165,593,148	73,642.2	1,165,593,148	73,642.2
Less: Impairment in value of investment		(16,945.2)		(16,945.2)
		56,697.0		**56,697.0**
Sun Pharma Japan Ltd - Preference Shares				
Non-cumulative, redeemable preference Shares of JPY 50,000 each fully paid	1,960	72.6	1,960	72.6
Sun Pharma (Netherlands) B.V.				
Non-cumulative optionally convertible class B shares of Euro 100 each fully paid	1,707,212	14,734.4	1,707,212	14,734.4
		71,504.0		**71,504.0**
		124,026.3		**123,985.8**
Aggregate amount of unquoted investments before impairment		183,523.9		183,483.4
Aggregate book value (carrying value) of quoted investments before impairment		3,371.7		3,371.7
Aggregate amount of impairment in value of investments		62,869.3		62,869.3
Aggregate amount of quoted investments at market value		2,181.4		2,483.5

For disclosure regarding principal place of business and percentage ownership, refer note 38 of the consolidated financial statements of the Group.

NOTE: 6 (b) INVESTMENTS IN THE NATURE OF EQUITY IN ASSOCIATES (NON-CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments				
Unquoted (At cost less impairment in value of investments, if any)				
Agatsa Software Private Limited				
Shares of ₹ 10 each fully paid	8,538	245.1	8,538	245.1
Less: Impairment in value of investment		(245.1)		-
		-		245.1
Indian Foundation for Quality Management ("IFQM")				
Shares of ₹ 10 each fully paid	12,500,000	125.0	-	-
Less: Impairment in value of investment		(125.0)		-
		-		-
Aggregate amount of unquoted investments before impairment		**370.1**		**245.1**
Aggregate amount of impairment in value of investments		**370.1**		-

For disclosure regarding principal place of business and percentage ownership, refer note 38 of the consolidated financial statements of the Group.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 6 (c) INVESTMENTS (NON-CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments				
Quoted (Fair value through other comprehensive income)				
Krebs Biochemicals and Industries Limited				
Shares of ₹ 10 each fully paid	1,036,943	69.3	1,036,943	63.3
Unquoted (Fair value through profit or loss)				
Enviro Infrastructure Co. Limited				
Shares of ₹ 10 each fully paid	100,000	1.0	100,000	1.0
Shimal Research Laboratories Limited				
Shares of ₹ 10 each fully paid	9,340,000	934.0	9,340,000	934.0
Less: Impairment in value of investment		(934.0)		(934.0)
		-		-
Shivalik Solid Waste Management Limited				
Shares of ₹ 10 each fully paid	20,000	0.2	20,000	0.2
Biotech Consortium India Limited				
Shares of ₹ 10 each fully paid	50,000	0.5	50,000	0.5
Less: Impairment in value of investment		(0.5)		(0.5)
		-		-
Nimbua Greenfield (Punjab) Limited				
Shares of ₹ 10 each fully paid	140,625	1.4	140,625	1.4
Watsun Infrabuild Private Limited				
Shares of ₹ 10 each fully paid	283,500	2.9	283,500	2.9
		74.8		**68.8**
Aggregate book value (carrying value) of quoted investments		69.3		63.3
Aggregate amount of quoted investments at market value		69.3		63.3
Aggregate amount of unquoted investments before impairment		940.0		940.0
Aggregate amount of impairment in value of investments		934.5		934.5

NOTE: 7 LOANS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans to employees		
Secured, considered good	-	0.1
Unsecured, considered good	18.4	8.2
Loans to related parties (Refer Note 50 & 51)*		
Unsecured, considered good	26,615.2	33,860.7
	26,633.6	**33,869.0**

*Loans have been granted for the purpose of their business.

NOTE: 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest accrued (unsecured, considered good)	171.8	101.4
Security deposits (unsecured, considered good)	399.7	387.4
Share application money pending allotment*	31.6	31.6
	603.1	**520.4**

*Sun Pharmaceutical (Bangladesh) Limited

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 9 DEFERRED TAX ASSETS (NET)

₹ in Million

	Opening balance April 01, 2024	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance March 31, 2025
Deferred tax (liabilities) / assets in relation to:				
Difference between written down value of property, plant and equipment, right-of-use assets, intangible assets and capital work-in-progress as per books of accounts and income tax	(8,914.3)	260.2	-	(8,654.1)
Lease liabilities	632.2	9.0	-	641.2
Difference in carrying value and tax base of financial assets of investments	65.5	0.7	(2.1)	64.1
Derivatives designated as hedges	(38.4)	*(0.0)	62.9	24.5
Deferred revenue	1,777.2	(77.8)	-	1,699.4
Allowance for doubtful debts and advances	687.4	805.3	-	1,492.7
Expenses claimed for tax purpose on payment basis	1,473.2	19.1	63.7	1,556.0
Unabsorbed depreciation / carried forward losses	4,316.6	(4,316.6)	-	-
Other assets	0.5	(0.3)	-	0.2
	-	**(3,300.5)**	**124.5**	**(3,176.0)**
MAT credit entitlement	9,945.2	4,907.2	-	14,852.4
	9,945.2	**1,606.7**	**124.5**	**11,676.4**

* ₹ 5,856

₹ in Million

	Opening balance April 01, 2023	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance March 31, 2024
Deferred tax (liabilities) / assets in relation to:				
Difference between written down value of property, plant and equipment, right-of-use assets, intangible assets and capital work-in-progress as per books of accounts and income tax	(10,190.6)	1,276.4	-	(8,914.2)
Lease liabilities	694.6	(62.4)	-	632.2
Difference in carrying value and tax base of financial assets of investments	66.0	1.2	(1.7)	65.5
Derivatives designated as hedges	(8.5)	(0.1)	(29.8)	(38.4)
Deferred revenue	2,177.5	(400.3)	-	1,777.2
Unbilled revenue	4.9	(4.9)	-	-
Allowance for doubtful debts and advances	706.9	(19.5)	-	687.4
Expenses claimed for tax purpose on payment basis	1,479.8	(113.1)	106.5	1,473.2
Unabsorbed depreciation / carried forward losses	5,068.6	(752.0)	-	4,316.6
Other assets	0.8	(0.3)	-	0.5
	-	**(75.0)**	**75.0**	**-**
MAT credit entitlement	10,323.9	(378.7)	-	9,945.2
	10,323.9	**(453.7)**	**75.0**	**9,945.2**

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Tax losses (Capital in nature)	19,554.8	19,554.8
Unabsorbed depreciation	-	29,252.6
Unused tax credits (MAT credit entitlement)	-	3,744.4
Deductible temporary differences	-	1,016.1

The unused tax capital losses will expire from financial year 2027-28 to financial year 2030-31

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 10 INCOME TAX ASSETS (NET) (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Advance income tax*	-	5,033.8
Net of provisions (March 31, 2024: ₹ 19,150.7 Million)		
	-	**5,033.8**

*includes amount paid under protest.

NOTE: 11 OTHER ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Capital advances	640.2	330.0
Prepaid expenses	81.4	100.6
Balances with government authorities*	2,197.3	1,976.6
	2,918.9	**2,407.2**

*includes amount paid under protest.

NOTE: 12 INVENTORIES

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Lower of cost and net realisable value		
Raw materials and packing materials	16,143.4	13,485.8
Goods in transit	184.2	205.4
	16,327.6	**13,691.2**
Work-in-progress	11,306.3	11,575.5
Finished goods	8,730.0	7,808.4
Stock-in-trade	710.1	670.8
Stores and spares	800.9	490.3
	37,874.9	**34,236.2**

Footnotes

(i) Inventory write downs are accounted considering the nature of inventory, estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products as well as the provisioning policy. Write downs of inventories amounted to ₹ 9,720.8 Million (March 31, 2024: ₹ 9,820.3 Million). The changes in write downs are recognised in the statement of profit and loss. The inventories with overseas contract manufacturers are stated as per the quantitative confirmations received from the respective parties.

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

NOTE: 13 TRADE RECEIVABLES

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good	117,014.3	88,341.6
Credit impaired	1,892.0	681.7
	118,906.3	**89,023.3**
Less: Allowance for credit impaired	(1,892.0)	(681.7)
	117,014.3	**88,341.6**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 14 CASH AND CASH EQUIVALENTS

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	4,895.1	3,252.7
In deposit accounts with original maturity less than 3 months	15.0	-
Cash on hand	10.1	11.9
	4,920.2	**3,264.6**

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

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Deposit accounts	4,026.5	-
Earmarked balances with banks		
Unpaid dividend accounts	148.3	112.7
Balances held as margin money or security against guarantees and other commitments	10.0	6.6
	4,184.8	**119.3**

NOTE: 16 LOANS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans to employees / others*		
Secured, considered good	0.6	0.7
Unsecured, considered good	140.3	125.0
Credit impaired	15.3	15.3
Less: Allowance for doubtful loans (expected credit loss allowance)	(15.3)	(15.3)
	140.9	**125.7**
Loans to related parties (Refer Note 50 and 51)*		
Unsecured, considered good	8,547.0	6,429.4
	8,687.9	**6,555.1**

*Loans have been granted for the purpose of their business.

NOTE: 17 OTHER FINANCIAL ASSETS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest accrued (unsecured, considered good)	258.3	231.6
Insurance claim receivable	-	173.2
Security deposits (unsecured, considered good)	32.3	68.8
Other receivables (unsecured)	1,762.9	1,890.9
Less: Allowance for doubtful balance*	(1,540.0)	(500.0)
	222.9	**1,390.9**
Refund due from government authorities	2,931.5	5,486.5
Derivatives not designated as hedges	652.4	234.6
Derivatives designated as hedges	0.1	109.9
	4,097.5	**7,695.5**

*The Company is carrying an allowance of ₹ 1,540.0 Million (March 31, 2024: ₹ 500.0 Million) against Other receivables based on assessment regarding its future recoverability.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 18 OTHER ASSETS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Export incentives receivable	84.9	115.1
Prepaid expenses	1,661.6	1,683.6
Advances for supply of goods and services		
Considered good	4,185.6	3,775.8
Considered doubtful	824.6	770.3
Less: Allowance for doubtful	(824.6)	(770.3)
	4,185.6	**3,775.8**
Balances with government authorities*	4,227.6	3,074.5
Other assets	280.5	264.1
	10,440.2	**8,913.1**

*Includes balances of goods and service tax.

NOTE: 19 EQUITY SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Authorised				
Equity shares of ₹ 1 each	5,990,000,000	5,990.0	5,990,000,000	5,990.0
Cumulative preference shares of ₹ 100 each	100,000	10.0	100,000	10.0
		6,000.0		**6,000.0**
Issued, subscribed and fully paid up				
Equity Shares of ₹ 1 each	2,399,334,970	2,399.3	2,399,334,970	2,399.3
	2,399,334,970	**2,399.3**	**2,399,334,970**	**2,399.3**

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of reporting period				
Opening balance	2,399,334,970	2,399.3	2,399,334,970	2,399.3
Closing balance	**2,399,334,970**	**2,399.3**	**2,399,334,970**	**2,399.3**

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares held by each shareholder holding more than 5 percent equity shares in the Company are as follows:				
Shanghvi Finance Private Limited	967,051,732	40.3	967,051,732	40.3
Dilip Shantilal Shanghvi	230,385,155	9.6	230,385,155	9.6

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% of holding	% Change during the year	Number of shares	% of holding	% Change during the year
Equity shares held by promoters / members of promoter group / person acting in concert						
Dilip Shantilal Shanghvi	230,385,155	9.6	-	230,385,155	9.6	0.0
Shanghvi Finance Private Limited	967,051,732	40.3	-	967,051,732	40.3	-
Aditya Medisales Limited	40,153,960	1.7	-	40,153,960	1.7	-
Sudhir V. Valia	14,345,019	0.6	-	14,345,019	0.6	-
Raksha S. Valia	28,830,352	1.2	-	28,830,352	1.2	-
Vibha D. Shanghvi	8,840,280	0.4	-	8,840,280	0.4	-
Aalok D. Shanghvi	2,877,280	0.1	-	2,877,280	0.1	-
Vidhi D. Shanghvi	2,822,427	0.1	-	2,822,427	0.1	-
Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi are Trustees)	1,276,774	0.1	-	1,276,774	0.1	-
Kumud S. Shanghvi	100,000	0.0	-	100,000	0.0	(0.0)
Flamboyawer Finance Private Limited	20,865	0.0	-	20,865	0.0	-
Sanghvi Properties Private Limited	15,479	0.0	-	15,479	0.0	-
Gujarat Sun Pharmaceutical Industries Private Limited	14,362	0.0	-	14,362	0.0	-
Unimed Investments Limited	10,400,850	0.4	-	10,400,850	0.4	-

Footnotes

(i) Rights, Preference and Restrictions attached to equity shares: The equity shares of the Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

(ii) Change in shareholding during the previous year represents the transfer of 99,465 shares from Kumud S. Shanghvi to Dilip Shantilal Shanghvi.

NOTE: 20 OTHER EQUITY

₹ in Million

		As at March 31, 2025	As at March 31, 2024
(A)	**Reserve and surplus**		
	Capital reserve	22,258.5	22,258.5
	Securities premium	11,874.1	11,874.1
	Amalgamation reserve	43.8	43.8
	Capital redemption reserve	7.5	7.5
	General reserve	51,435.0	51,435.0
	Retained earnings	133,878.2	127,310.4
		219,497.1	**212,929.3**
(B)	**Items of other comprehensive income (OCI)**		
	Equity instrument through OCI	(6.3)	(10.2)
	Foreign currency translation reserve	21,543.5	21,543.5
	Effective portion of cash flow hedges	(35.1)	82.1
		21,502.1	**21,615.4**
		240,999.2	**234,544.7**

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

Nature and purpose of each reserve

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

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

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

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

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

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

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

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

NOTE: 21 BORROWINGS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans from related party (Unsecured) (Refer Note 49 and 50)	-	110,360.1
	-	**110,360.1**

NOTE: 22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest accrued (Refer Note 50)	-	10,772.0
	-	**10,772.0**

NOTE: 23 OTHER LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Deferred revenue (Refer Note 54)	3,767.4	4,254.0
	3,767.4	**4,254.0**

NOTE: 24 PROVISIONS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Employee benefits	2,414.8	2,197.3
	2,414.8	**2,197.3**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 25 BORROWINGS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand		
From Banks		
Unsecured	-	106.0
Loans from related party (Refer Note 49 and 50)		
Loans repayable on demand (Unsecured)	109,544.7	-
	109,544.7	**106.0**

NOTE: 26 OTHER FINANCIAL LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest accrued	18,423.1	-
Unpaid dividends	149.1	113.5
Security deposits	25.2	36.7
Payables on purchase of property, plant and equipment and other intangible assets	488.3	339.1
Product settlement, claims and trade commitments	3,116.4	4,545.3
Payables to employee	2,347.2	2,153.5
Derivatives not designated as hedge	17.9	-
Derivatives designated as hedge	70.3	-
	24,637.5	**7,188.1**

NOTE: 27 OTHER LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Statutory remittances	4,315.5	3,644.6
Advance from customers (Refer Note 54)	132.2	191.0
Deferred revenue (Refer Note 54)	1,095.9	831.9
Other advance received	14.4	63.0
	5,558.0	**4,730.5**

NOTE: 28 PROVISIONS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Employee benefits	2,207.3	1,955.0
Others [Refer Note 52]	2,816.7	4,135.8
	5,024.0	**6,090.8**

NOTE: 29 CURRENT TAX LIABILITIES (NET)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Provision for income tax (net of advance income tax)	2,215.3	-
Net of advances ₹ 26,111.6 Million		
	2,215.3	**-**

NOTE: 30 REVENUE FROM OPERATIONS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers (Refer Note 54)	226,258.8	198,435.3
Other operating revenues*	3,774.5	4,316.4
	230,033.3	**202,751.7**

*includes government grants of ₹ 3,379.9 Million (March 31, 2024: ₹ 4,025.4 Million)

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 31 OTHER INCOME

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on:		
Bank deposits at amortised cost	118.0	26.1
Loans at amortised cost	2,507.6	2,692.3
Others [includes interest on income tax refund of ₹ 574.0 Million (March 31, 2024: ₹ 1,214.9 Million)]	584.7	1,245.9
	3,210.3	**3,964.3**
Net gain on sale of financial assets measured at fair value through profit or loss	25.9	220.3
Profit on sale / write off of property, plant and equipment and intangible assets, net	79.4	-
Sundry balances written back, net	27.5	215.6
Gain on derecognition of Right-of-use assets	7.0	1.3
Insurance claims	38.2	42.1
Lease rental and hire charges	69.3	78.3
Miscellaneous income	236.7	135.7
	3,694.3	**4,657.6**

NOTE: 32 COST OF MATERIALS CONSUMED

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Raw materials and packing materials		
Inventories at the beginning of the year	13,691.2	17,513.0
Purchases during the year	49,543.1	40,472.0
Inventories at the end of the year	(16,327.6)	(13,691.2)
	46,906.7	**44,293.8**

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

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year		
Finished goods	7,808.4	6,121.6
Stock-in-trade	670.8	839.1
Work-in-progress	11,575.5	14,897.2
	20,054.7	**21,857.9**
Less:		
Inventories at the end of the year		
Finished goods	8,730.0	7,808.4
Stock-in-trade	710.1	670.8
Work-in-progress	11,306.3	11,575.5
	20,746.4	**20,054.7**
Changes in inventories:		
Finished goods	(921.6)	(1,686.8)
Stock-in-trade	(39.3)	168.3
Work-in-progress	269.2	3,321.7
	(691.7)	**1,803.2**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	23,815.6	21,703.3
Contribution to provident and other funds*	1,650.9	1,543.9
Staff welfare expenses	616.1	492.3
	26,082.6	**23,739.5**

*includes gratuity expense of ₹ 527.6 Million (March 31, 2024: ₹ 467.4 Million)

NOTE: 35 FINANCE COSTS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense for financial liabilities carried at amortised cost	8,503.5	7,622.5
Interest expense others (includes interest on income tax and lease liability)	428.6	218.3
	8,932.1	**7,840.8**

NOTE: 36 OTHER EXPENSES

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of materials, stores and spare parts	4,888.1	4,792.4
Conversion and other manufacturing charges	3,650.9	3,444.5
Power and fuel	4,357.2	4,504.2
Rent	83.1	52.8
Rates and taxes	3,210.9	3,250.9
Insurance	1,000.6	852.0
Selling, promotion and distribution	27,666.5	22,681.4
Commission on sales	254.6	237.3
Repairs and maintenance	4,078.2	3,716.1
Printing and stationery	606.4	652.8
Travelling and conveyance	2,705.4	2,519.1
Freight outward and handling charges	3,573.7	2,759.8
Communication	340.6	332.4
Provision / write off / (reversal) for doubtful trade receivables / advances / other receivables	2,357.0	119.5
Professional, legal and consultancy	15,868.6	14,126.3
Impairment of investments	370.1	-
Donations	305.8	426.3
Loss on sale / write off of property, plant and equipment and intangible assets, net	-	146.0
Sitting fees to Directors	12.6	11.2
Commission to Directors	20.4	15.6
Payments to auditor (net of input credit, wherever applicable)		
For audit	40.1	38.5
For other services	3.9	12.0
Reimbursement of expenses	11.5	6.5
Impairment of property, plant and equipment, other intangible assets and intangible assets under development	69.9	69.0
Miscellaneous expenses	3,283.5	3,205.6
	78,759.6	**67,972.2**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	4,573.1	4,260.0
Contribution to provident and other funds	333.1	314.6
Staff welfare expenses	34.8	43.7
Consumption of materials, stores and spare parts	3,604.9	4,070.6
Power and fuel	302.8	292.4
Rent	41.6	41.4
Rates and taxes	434.1	1,541.1
Insurance	93.6	79.1
Repairs and maintenance	629.2	564.0
Printing and stationery	16.1	23.0
Travelling and conveyance	144.5	120.8
Communication	26.8	24.0
Professional, legal and consultancy	8,596.9	7,395.0
Miscellaneous expenses	497.7	301.1
	19,329.2	**19,070.8**
Less:		
Receipts from research activities	976.6	905.1
Miscellaneous income	17.9	17.8
	18,334.7	**18,147.9**

NOTE: 38 TAX RECONCILIATION

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Reconciliation of tax expense		
Profit before tax	50,305.7	34,496.5
Income tax rate (%) applicable to the Company[#]	34.944%	34.944%
Income tax calculated at income tax rate	17,578.8	12,054.4
Effect of expenses that are not deductible	385.9	135.2
Withholding tax in respect of income earned outside India	-	685.0
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(10,432.5)	(11,298.1)
Effect of reversal of Minimum Alternate Tax (MAT) credit entitlement[*]	-	5,154.7
Others	(52.7)	(816.5)
Income tax expense recognised in statement of profit and loss	**7,479.5**	**5,914.7**
Effective tax rate	**14.87%**	**17.15%**

[#]The tax rate used for reconciliation above is the corporate tax rate of 34.944% (March 31, 2024: 34.944%) at which the Company is liable to pay tax on taxable income under the Indian Tax Law.

[*]During the previous year, the Company had reassessed the utilisation of Minimum Alternate Tax ("MAT") credit, on the basis of the reassessment the Company had reversed MAT credit amounting to ₹ 5,154.7 Million.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 39

A. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Million

		As at March 31, 2025	As at March 31, 2024
i	**Contingent liabilities**		
a	Claims against the Company not acknowledged as debts	407.6	415.7
b	Liabilities disputed - appeals filed with respect to:		
	Income tax on account of disallowances / additions (Company appeals)*	13,457.5	2,934.4
	Sales tax on account of rebate / classification	84.5	84.5
	Goods and service tax / Excise duty / service tax on account of valuation / cenvat credit / custom duty	433.8	453.6
	ESIC contribution on account of applicability	132.8	132.8
c	Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit enjoyed by the Company	3,474.2	3,474.2
d	Other matters - state electricity board, Punjab Land Preservation Act related matters etc.	76.3	91.4
	Note: includes interest till the date of demand, wherever applicable		
e	**Legal proceedings:**		

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

Antitrust – Lipitor:

The Company and certain of its subsidiaries were named as defendants in a number of putative class action lawsuits and individual actions brought by purchasers and payors in the U.S. alleging that the subsidiaries violated antitrust laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The cases have been transferred to the U.S. District Court for the District of New Jersey for coordinated pre-trial proceedings. Discovery commenced in January 2020 but was stayed in March 2020 pending mediation. Pursuant to the mediator's order of June 03, 2021, mediation briefing and oral argument on certain issues were completed in March 2022. Limited discovery as to certain issues resumed in July 2022. Briefing for class certification and summary judgement motions were completed in 2023. In late-November 2023, the court held argument on defendants' summary judgement motion and plaintiffs' class certification motions. On June 6, 2024, the Court granted Ranbaxy's motion for summary judgment and denied both EPPs' and DPPs' motions for class certification. Plaintiffs appealed the grant of summary judgment and the denial of both class certification motions to the Third Circuit. All three appeals are fully briefed before the Third Circuit but oral argument on those appeals has not yet been scheduled.

On February 3, 2025, an end payor plaintiff that opted out of Pfizer's and EPPs' settlement—filed a motion seeking trial and pretrial dates in the district court. Ranbaxy and Pfizer filed oppositions on February 18, 2025, and February 28, 2025, respectively filed a reply on March 7, 2025, and Ranbaxy and Pfizer both filed sur-replies on March 14, 2025. No argument has been scheduled on this motion.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

		As at March 31, 2025	As at March 31, 2024
	Product Liability – Ranitidine/Zantac MDL:		
	In June 2020, the Company and certain of its subsidiaries were named as defendants in a complaint filed in the Zantac/Ranitidine Multi-District Litigation ("MDL") consolidated in the U.S. District Court for the Southern District of Florida. The lawsuits name over 100 defendants, including brand manufacturers, generic manufacturers, repackagers, distributors, and retailers, involving allegations of injury caused by nitrosamine impurities. On July 08, 2021, the court granted the generic Defendants' motion to dismiss with prejudice. That decision is on appeal. In addition to the federal court proceedings, the Company and two of its affiliates were also named as defendants in state court actions pending California (actions previously pending in New York and Pennsylvania state court were voluntarily dismissed, and actions previously pending in Illinois state court were dismissed on the pleadings with one now on appeal). Finally, certain of the Company's subsidiaries were named in various putative class actions pending in three Canadian provinces. The action pending in British Columbia is taking the lead and, in May 2023, the court in that action granted defendants' motion to strike and denied plaintiffs' motion for class certification.		
	Citalopram follow damages claim in the UK:		
	By judgement dated March 25, 2021, the CJEU (highest European court) upheld the fine against Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited in full and ruled that a settlement agreement between Ranbaxy and Lundbeck (and the other agreements between Lundbeck and the other defendants in the case) had been anticompetitive. The Company may now be subject to "follow-on" claims in national courts of some countries in Europe. The Company has been served with a claim in the England & Wales, with the National Health Service ("NHS") as the Claimant, relating to the delayed entry of generic citalopram. The NHS's damages case is based upon the premise that, but for the anticompetitive behavior, the NHS would have been able to buy cheaper generic alternatives of citalopram, rather than paying Lundbeck (another co-defendant) the full innovator price. The Company is currently seeking for the claim to be struck out on the basis that the Claimants brought the claim out of time, and a preliminary issues hearing took place on April 24, 2024, to determine the issue. On June 21, 2024, the Company received a decision from the CAT, dismissing the preliminary issue, siding with the Claimants. Sun Pharma and the other Defendants have filed an appeal to this decision. Appeal was heard March 26, 2025 and the outcome is still pending. The parties are awaiting the outcome of that hearing. At this stage it is also unclear how many claims will actually be made in practice in other countries. The Company also believes, based on its internal assessment and that of its independent legal counsel, that it has favorable legal arguments in terms of defending the relevant claim and any other potential future damages claims.		
	Note:		
	Future cash outflows in respect of the above matters are determinable only on receipt of judgements/ decisions pending at various forums/authorities.		
	*Income tax matters where department has preferred an appeal against favourable orders received by the Company amounted to ₹ 22,194.4 Million (March 31, 2024: ₹ 22,194.4 Million). These matters are sub-judice in various forums and pertains to various financial years.		
ii	**Commitments**		
a	Estimated amount of contracts remaining to be executed on capital account [net of advances]*	11,930.1	10,720.1
b	Uncalled liability on partly paid investments	0.5	0.5
c	Letters of credit for imports	479.3	527.9
	*The Company is committed to pay milestone payments on certain contracts, however, obligation to pay is contingent upon fulfilment of contractual obligation by parties to the contract.		
B.	**Guarantees given by the bankers on behalf of the Company**	1,320.6	1,302.3

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

NOTE: 40 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue, net (excluding depreciation) (Refer Note 37)	18,334.7	18,147.9
Capital	726.4	436.7

NOTE: 41 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in Million

	As at March 31, 2025		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
Investments*			
Equity instruments - quoted	-	69.3	-
Equity instruments - unquoted	5.5	-	-
Loans to related parties	-	-	35,162.2
Loans to employees / others	-	-	159.3
Security deposits	-	-	432.0
Share application money pending allotment	-	-	31.6
Trade receivables	-	-	117,014.3
Cash and cash equivalents	-	-	4,920.2
Bank balances other than cash and cash equivalents	-	-	4,184.8
Interest accrued	-	-	430.1
Refund due from government authorities	-	-	2,931.5
Other receivables	-	-	222.9
Derivatives designated as hedges	-	0.1	-
Derivatives not designated as hedges	652.4	-	-
	657.9	**69.4**	**165,488.9**
Financial liabilities			
Borrowings	-	-	109,544.7
Interest accrued	-	-	18,423.1
Trade payables	-	-	34,339.4
Payables to employee	-	-	2,347.2
Unpaid dividends	-	-	149.1
Security deposits	-	-	25.2
Payables on purchase of property, plant and equipment and other intangible assets	-	-	488.3
Product settlement, claims, recall charges and trade commitments	-	-	3,116.4
Lease liabilities	-	-	1,834.9
Derivatives designated as hedges	-	70.3	-
Derivatives not designated as hedges	17.9	-	-
	17.9	**70.3**	**170,268.3**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	As at March 31, 2024		
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
Investments*			
Equity instruments - quoted	-	63.3	-
Equity instruments - unquoted	5.5	-	-
Loans to related parties	-	-	40,290.1
Loans to employees / others	-	-	134.0
Security deposits	-	-	456.2
Share application money pending allotment	-	-	31.6
Trade receivables	-	-	88,341.6
Cash and cash equivalents	-	-	3,264.6
Bank balances other than cash and cash equivalents	-	-	119.3
Interest accrued	-	-	333.0
Insurance claim receivables	-	-	173.2
Refund due from government authorities	-	-	5,486.5
Other receivables	-	-	1,390.9
Derivatives designated as hedges	-	109.9	-
Derivatives not designated as hedges	234.6	-	-
	240.1	**173.2**	**140,021.0**
Financial liabilities			
Borrowings	-	-	110,466.1
Interest accrued	-	-	10,772.0
Trade payables	-	-	26,195.8
Payables to employee	-	-	2,153.5
Unpaid dividends	-	-	113.5
Security deposits	-	-	36.7
Payables on purchase of property, plant and equipment and other intangible assets	-	-	339.1
Product settlement, claims, recall charges and trade commitments	-	-	4,545.3
Lease liabilities	-	-	1,803.0
	-	**-**	**156,425.0**

* Exclude investment in subsidiaries and associates ₹ 124,026.3 Million (March 31, 2024 : ₹ 124,230.9 Million) measured at cost (Refer Note 6 (a) and 6 (b))

NOTE: 42 FAIR VALUE HIERARCHY

₹ in Million

	As at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period			
Financial assets			
Investments in equity - quoted#	69.3	-	-
Investments in equity - unquoted	-	-	5.5
Derivatives not designated as hedges	-	652.4	-
Derivatives designated as hedges	-	0.1	-
	69.3	**652.5**	**5.5**
Financial liabilities			
Derivatives not designated as hedges	-	17.9	-
Derivatives designated as hedges	-	70.3	-
	-	**88.2**	**-**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	As at March 31, 2024		
	Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period			
Financial assets			
Investments in equity - quoted[#]	63.3	-	-
Investments in equity - unquoted	-	-	5.5
Derivatives not designated as hedges	-	234.6	-
Derivatives designated as hedges	-	109.9	-
	63.3	**344.5**	**5.5**

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

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

Level 3 inputs are unobservable inputs for the asset or liability.

The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximates the fair value because there is wide range of possible fair value measurements and the costs represents estimate of fair value within that range.

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

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

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

Reconciliation of Level 3 fair value measurements

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Unlisted shares valued at fair value		
Balance at the beginning of the year	5.5	85.5
Reclassified as an investments in the nature of equity in associates due to increased ownership	-	(80.0)
Balance at the end of the year	**5.5**	**5.5**

NOTE: 43 CAPITAL MANAGEMENT

The Company's capital management objectives are:

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

The Company monitors capital on the basis of the carrying amount of debt as presented on the face of the financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share holder's.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(i) Debt equity ratio

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Debt (includes borrowings and lease liabilities)	111,379.6	112,269.1
Total equity, including reserves	243,398.5	236,944.0
Debt to total equity ratio	**0.46**	**0.47**

(ii) Dividend on equity shares paid during the year

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Dividend on equity shares		
Final dividend for the year ended March 31, 2024 of ₹ 5.0 (year ended March 31, 2023: ₹ 4.0) per fully paid share	11,996.7	9,597.3
Interim dividend for the year ended March 31, 2025 of ₹ 10.5 (year ended March 31, 2024: ₹ 8.5) per fully paid share	24,143.0	19,384.3

Dividend are net of waiver, wherever applicable.

(iii) Dividends not recognised at the end of the reporting period

1 The Board of Directors at it's meeting held on May 22, 2025 has recommended payment of final dividend of ₹ 5.50 per share of face value of ₹ 1 each for the year ended March 31, 2025 amounting to ₹ 13,196.3 Million.

2 This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as liability.

NOTE: 44 FINANCIAL RISK MANAGEMENT

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

Credit risk

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

Investments

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

Trade receivables

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

₹ in Million

Trade receivables ageing	Not due	Outstanding for following periods from due date of payment					As at March 31, 2025
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	88,212.0	19,166.1	4,400.5	4,641.9	292.8	301.0	117,014.3
Undisputed Trade Receivables – credit impaired	30.3	72.3	41.4	18.8	403.4	1,267.1	1,833.3
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	58.7	58.7
	88,242.3	**19,238.4**	**4,441.9**	**4,660.7**	**696.2**	**1,626.8**	**118,906.3**

₹ in Million

Trade receivables ageing	Not due	Outstanding for following periods from due date of payment					As at March 31, 2024
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	50,966.8	19,757.0	13,444.2	1,876.9	1,425.3	871.4	88,341.6
Undisputed Trade Receivables – credit impaired	23.4	25.6	16.3	57.3	34.4	475.5	632.5
Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	22.4	26.8	49.2
	50,990.2	**19,782.6**	**13,460.5**	**1,934.2**	**1,482.1**	**1,373.7**	**89,023.3**

Footnote

Trade receivables from parties are non-interest bearing and are generally on terms of 10 to 270 days.

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	681.7	788.8
Addition	1,355.1	36.1
Recoveries/write-offs	(144.8)	(143.2)
Balance at the end of the year	**1,892.0**	**681.7**

Other than trade receivables, the Company has recognised an allowance of ₹ 15.3 Million (March 31, 2024: ₹ 15.3 Million) against past due loans/advance including interest and ₹ 1,540.0 Million (March 31, 2024: ₹ 500.0 Million) of other receivables based on assessment regarding its future recoverability.

Liquidity risk

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

The Company has unutilised working capital lines from banks of ₹ 29,750.0 Million as on March 31, 2025 (March 31, 2024: ₹ 35,780.0 Million).

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

₹ in Million

	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2025
Non derivatives				
Borrowings	109,544.7	-	-	109,544.7
Trade payables	34,339.4	-	-	34,339.4
Lease liabilities	166.4	301.8	1,366.7	1,834.9
Other financial liabilities	24,549.3	-	-	24,549.3
	168,599.8	**301.8**	**1,366.7**	**170,268.3**
Derivatives	88.2	-	-	88.2
	88.2	**-**	**-**	**88.2**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2024
Non derivatives				
Borrowings	106.0	110,360.1	-	110,466.1
Trade payables	26,195.8	-	-	26,195.8
Lease liabilities	133.9	245.5	1,423.6	1,803.0
Other financial liabilities	7,188.1	10,772.0	-	17,960.1
	33,623.8	**121,377.6**	**1,423.6**	**156,425.0**

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign exchange risk

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

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

₹ in Million

	As at March 31, 2025						
	US Dollar	Euro	Russian Rouble	South African Rand	Brazilian Real	Others	Total
Financial assets							
Trade receivables	76,925.9	8,800.3	6,813.3	2,256.1	5,402.2	6,381.8	106,579.6
Cash and cash equivalents	3,348.2	1,236.8	109.7	-	-	113.6	4,808.3
Loans to subsidiaries	34,188.0	-	-	-	-	-	34,188.0
Interest accrued	183.7	-	-	-	-	-	183.7
	114,645.8	**10,037.1**	**6,923.0**	**2,256.1**	**5,402.2**	**6,495.4**	**145,759.6**
Financial liabilities							
Trade payables	14,050.3	2,424.3	1,261.3	-	4.7	743.6	18,484.2
Payables on purchase of property, plant and equipment and other intangible assets	23.0	27.5	-	-	-	17.8	68.3
Product settlement, claims, recall charges and trade commitments	3,116.4	-	-	-	-	-	3,116.4
	17,189.7	**2,451.8**	**1,261.3**	**-**	**4.7**	**761.4**	**21,668.9**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	As at March 31, 2024						
	US Dollar	Euro	Russian Rouble	South African Rand	Brazilian Real	Others	Total
Financial assets							
Trade receivables	47,283.8	6,225.8	3,819.5	5,764.8	8,550.0	6,608.8	78,252.7
Cash and cash equivalents	1,631.7	819.3	94.1	-	-	451.9	2,997.0
Loans to subsidiaries	39,615.0	-	-	-	-	-	39,615.0
Interest accrued	214.0	-	-	-	-	-	214.0
	88,744.5	**7,045.1**	**3,913.6**	**5,764.8**	**8,550.0**	**7,060.7**	**121,078.7**
Financial liabilities							
Trade payables	8,417.8	1,266.3	148.6	-	5.4	579.5	10,417.6
Payables on purchase of property, plant and equipment and other intangible assets	0.4	137.4	-	-	-	6.1	143.9
Product settlement, claims, recall charges and trade commitments	4,545.3	-	-	-	-	-	4,545.3
	12,963.5	**1,403.7**	**148.6**	**-**	**5.4**	**585.6**	**15,106.8**

(b) Sensitivity

For the years ended March 31, 2025 and March 31, 2024, every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities would (decrease) / increase the Company's profit and (decrease) / increase the Company's equity by approximately ₹ (6,204.5) Million and ₹ (5,298.6) Million respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to an equal but opposite effect.

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

(c) Derivative contracts

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

Hedges of highly probable forecasted transactions

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

In respect of the aforesaid hedges of highly probable forecasted transactions, the Company has recorded a net loss of ₹ 180.1 Million for the year ended March 31, 2025 and net gain of ₹ 85.5 Million for the year ended March 31, 2024 in other comprehensive income. The Company also recorded hedges as a component of revenue, loss of ₹ 108.3 Million for the year ended March 31, 2025 and gain of ₹ 223.6 Million for the year ended March 31, 2024 on occurrence of forecasted sale transaction.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

Amount in Million

Hedge Type	Currency/Pair	Sold/Bought	As at March 31, 2025	As at March 31, 2024
Derivatives designated as hedges				
Forward contracts	ZAR/INR	Sold ZAR	ZAR 376.9	-
Forward contracts	USD/INR	Sold USD	USD 468.0	USD 485.0
Derivatives not designated as hedges				
Forward contracts	USD/INR	Sold USD	-	USD 75.0
Forward contracts	GBP/USD	Sold GBP	GBP 7.9	GBP 7.5
Forward contracts	EUR/USD	Sold EUR	EUR 5.0	EUR 9.0
Currency swaps	USD/INR	Sold USD	USD 400.0	USD 400.0

Interest rate risk

As at March 31, 2025 and March 31, 2024, the Company has loan facilities on fixed interest rates. Hence the Company is not exposed to interest rate risk.

Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Company's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2025, the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

NOTE: 45 TRADE PAYABLES

(a) Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Principal amount remaining unpaid to any supplier as at the end of the accounting year	785.6	704.6

Interest paid ₹ 0.01 Million paid during the year (March 31, 2024: ₹ 0.4 Million) towards principal paid amounting to ₹ 0.75 Millon (March 31, 2024: ₹ 10.8 Million) to supplier registered under MSMED Act, beyond the appointed day during the year. There is no amount of interest accrued and remaining unpaid at the end of current accounting year/previous accounting year.

(b) Trade payables ageing

₹ in Million

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2025
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	686.4	-	-	-	-	686.4
Outstanding dues of other than micro and small enterprises	27,071.1	4,614.3	595.6	34.4	1,238.4	33,553.8
Disputed dues of micro and small enterprises	-	86.5	8.6	2.3	1.8	99.2
Disputed dues of other than micro and small enterprises	-	-	-	-	-	-
	27,757.5	**4,700.8**	**604.2**	**36.7**	**1,240.2**	**34,339.4**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	Not due	Outstanding for following periods from due date of payment				As at March 31, 2024
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	656.8	-	-	-	-	656.8
Outstanding dues of other than micro and small enterprises	21,196.6	2,790.3	122.8	86.9	1,294.6	25,491.2
Disputed dues of micro and small enterprises	-	35.9	6.1	4.0	1.8	47.8
Disputed dues of other than micro and small enterprises	-	-	-	-	-	-
	21,853.4	**2,826.2**	**128.9**	**90.9**	**1,296.4**	**26,195.8**

NOTE: 46 EARNINGS PER SHARE

	Year ended March 31, 2025	Year ended March 31, 2024
Profit/(loss) for the year (₹ in Million) - used as numerator for calculating earnings per share	42,826.2	28,581.8
Weighted average number of shares used in computing basic and diluted earnings per share	2,399,334,970	2,399,334,970
Face value per share (in ₹)	1	1
Basic earnings per share (in ₹)	17.8	11.9
Diluted earnings per share (in ₹)	17.8	11.9

NOTE: 47 EMPLOYEE BENEFITS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Scheme (ESIC) and other Funds which covers all regular employees. While both the employees and the Company make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other Statutory Funds are made only by the Company. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 1,112.7 Million (March 31, 2024: ₹ 1,064.0 Million).

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund and Family Pension Fund	999.7	942.5
Contribution to Superannuation Fund	71.8	76.5
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	39.7	43.5
Contribution to Labour Welfare Fund	1.5	1.5

Defined benefit plan

(a) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in gratuity fund and decides its contribution. The Company aims to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium term.

(b) Pension fund

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(c) COVID-19 Employee children education support

The Company have undertaken an obligation to provide financial support towards education expenses of the children of those employees who have lost their lives due to the COVID-19 pandemic.

Risks

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

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

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

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

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

Other long term benefit plan

Actuarial Valuation for compensated absences is done as at the year end and the provision is made as per Company policy with corresponding charge to the statement of profit and loss amounting to ₹ 537.3 Million [March 31, 2024: ₹ 507.3 Million] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	Year ended March 31, 2025			Year ended March 31, 2024		
	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Expense recognised in the statement of profit and loss (Refer Note 34)						
Current service cost	-	-	445.5	-	-	412.4
Interest cost	4.4	73.5	358.8	4.9	76.0	328.0
Expected return on plan assets	-	-	(276.7)	-	-	(273.0)
Expense charged to the statement of profit and loss	4.4	73.5	527.6	4.9	76.0	467.4
Remeasurement of defined benefit obligation recognised in other comprehensive income						
Actuarial loss / (gain) on defined benefit obligation	(4.7)	15.0	259.2	(5.4)	(4.1)	215.0
Actuarial loss / (gain) on plan assets	-	-	(87.1)	-	-	99.6
Expense / (income) charged to other comprehensive income	(4.7)	15.0	172.1	(5.4)	(4.1)	314.6
Reconciliation of defined benefit obligations						
Obligation as at the beginning of the year	62.5	1,028.5	5,021.7	65.8	1,017.8	4,393.7
Current service cost	-	-	445.5	-	-	412.4
Interest cost	4.4	73.5	358.8	4.9	76.0	328.0
Benefits paid	(2.0)	(58.6)	(474.8)	(2.8)	(61.2)	(327.4)
Actuarial (gains) / losses on obligations						
- due to change in demographic assumptions	-	-	109.2	-	-	(57.4)
- due to change in financial assumptions	1.7	39.6	165.8	0.9	23.1	161.6
- due to experience	(6.4)	(24.6)	(15.8)	(6.3)	(27.2)	110.8
Obligation as at the year end	60.2	1,058.4	5,610.4	62.5	1,028.5	5,021.7

₹ in Million

	As at March 31, 2025 Gratuity (Funded)	As at March 31, 2024 Gratuity (Funded)
Reconciliation of liability recognised in the financial statement		
Present value of commitments (as per Actuarial Valuation)	5,610.4	5,021.7
Fair value of plan assets	(4,252.8)	(3,873.0)
Net liability recognised in the financial statement	**1,357.6**	**1,148.7**

₹ in Million

	Year ended March 31, 2025 Gratuity (Funded)	Year ended March 31, 2024 Gratuity (Funded)
Reconciliation of plan assets		
Plan assets as at the beginning of the year	3,873.0	3,656.2
Expected return	276.7	273.0
Actuarial gain/ (loss)	87.1	(99.6)
Employer's contribution during the year	490.8	370.8
Benefits paid	(474.8)	(327.4)
Plan assets as at the year end	**4,252.8**	**3,873.0**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

	As at March 31, 2025			As at March 31, 2024		
	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Assumptions:						
Discount rate	6.70%	6.65%	6.60%	7.15%	7.15%	7.15%
Expected return on plan assets	N.A.	N.A.	6.60%	N.A.	N.A.	7.15%
Expected rate of salary increase	N.A.	N.A.	10.54%- 11.20%	N.A.	N.A.	10.54%- 11.25%
Interest rate guarantee	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Employee turnover	N.A.	N.A.	11.30% - 12.20%	N.A.	N.A.	12.26% - 14.00%
Retirement Age (years)	N.A.	N.A.	60	N.A.	N.A.	60

₹ in Million

	As at March 31, 2025			As at March 31, 2024		
	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Sensitivity analysis:						
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occuring at the end of the reporting period						
Impact on defined benefit obligation						
Delta effect of +1% change in discount rate	(3.2)	(65.3)	(333.6)	(3.6)	(62.4)	(264.7)
Delta effect of -1% change in discount rate	3.6	69.6	376.4	4.0	66.3	295.4
Delta effect of +1% change in salary escalation rate	-	-	358.1	-	-	282.6
Delta effect of -1% change in salary escalation rate	-	-	(324.7)	-	-	(258.9)
Delta effect of +1% change in rate of employee turnover	-	-	(73.7)	-	-	(48.8)
Delta effect of -1% change in rate of employee turnover	-	-	82.0	-	-	53.9
Maturity analysis of projected benefit obligation for next						
1st year	4.6	157.8	1,054.6	4.1	156.6	1,068.0
2nd year	5.6	97.2	658.7	5.0	96.3	671.2
3rd year	5.2	95.0	643.2	6.1	94.4	624.3
4th year	5.9	92.7	617.3	5.6	92.3	595.6
5th year	4.9	90.2	559.9	6.4	90.0	551.3
Thereafter	59.4	1,563.3	5,809.1	69.8	1,620.5	4,686.7
The major categories of plan assets are as under						
Insurer managed funds (Funded with LIC, break-up not available)	-	-	4,252.8	-	-	3,873.0
The contribution expected to be made by the Company for gratuity, during financial year ending March 31, 2026 is ₹ 1,835.3 Million (March 31, 2025: ₹ 1,556.4 Million)						

NOTE: 48 LEASES

a) The Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised. Expenses relating to short-term leases and low-value assets for year ended March 31, 2025 is ₹ 43.85 Million (March 31, 2024: ₹ 48.1 Million).

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Lease liabilities - Maturity analysis - contractual undiscounted cashflows		
Not later than one year	314.8	281.9
Later than one year and not later than five years	965.1	906.1
Later than five years	2,299.3	2,482.4
	3,579.2	**3,670.4**

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Movement of lease liabilities		
Opening balance	1,803.0	1,981.5
Additions	183.8	2.9
Interest on lease liabilities	155.4	160.2
Deletions	(4.4)	(16.7)
Effect of changes in foreign exchange rates	-	*(0.0)
Payment towards lease liabilities	(302.9)	(324.9)
Closing balance	**1,834.9**	**1,803.0**

*₹ (7,345)

b) The Company has given certain premises and plant and machinery under operating lease or leave and license agreements. These are generally not non-cancellable and periods range between 11 months to 5 years under leave and license/lease and are renewable by mutual consent on mutually agreeable terms. The Company has received refundable interest free security deposits where applicable in accordance with the agreed terms.

NOTE: 49 BORROWINGS

Details of long term borrowings:

(I) Unsecured loan from related party of ₹ 109,544.7 Million (March 31, 2024: ₹ 110,360.1 Million). The loan was taken on March 31, 2021 and is repayable by March 31, 2026. The interest rate is 7.5 % p.a.

No loans were due during the year. Further, the Company has not defaulted on interest payment during the year.

NOTE: 50 RELATED PARTY DISCLOSURES (IND AS 24) AS PER ANNEXURE "A"

NOTE: 51 LOANS/ADVANCES GIVEN TO SUBSIDIARIES

(₹ in Million)

	As at March 31, 2025			Maximum balance 2024-25
	Maturity date	Rate of interest	Closing balance	
Loans / advances outstanding from subsidiaries				
Realstone Infra Limited, India	March 24, 2027	7.5%	500.7	500.7
Sun Pharmaceutical Inc. USA	January 17, 2026	SOFR 3 months + 135 bps	8,547.0	8,547.0
Sun Pharmaceutical Inc. USA	February 09, 2029	SOFR 3 months + 135 bps	25,641.0	25,641.0
Neetnav Realestate Private Limited, India	March 14, 2028	7.5%	473.5	473.5
Sun Pharma (Netherlands) B.V. , Netherlands	November 21, 2024	SOFR 3 months + 125 bps	-	6,330.3

These loans have been granted to the above entities for the purpose of their business.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(₹ in Million)

	As at March 31, 2024			Maximum balance 2023-24
	Maturity date	Rate of interest	Closing balance	
Loans / advances outstanding from subsidiaries				
Realstone Infra Limited, India	March 24, 2027	7.5%	500.7	500.7
Sun Pharmaceutical Inc. USA	January 17, 2026	SOFR 3 months + 135 bps	8,340.0	8,340.0
Sun Pharmaceutical Inc. USA	February 09, 2029	SOFR 3 months + 135 bps	25,020.0	25,020.0
Neetnav Realestate Private Limited, India	March 14, 2025	1 year G Sec + 50 bps	174.4	174.4
Sun Pharma (Netherlands) B.V. , Netherlands	November 21, 2024	SOFR 3 months + 125 bps	6,255.0	6,255.0

These loans have been granted to the above entities for the purpose of their business.

NOTE: 52

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

₹ in Million

	Year ended March 31, 2025*	Year ended March 31, 2024*
At the commencement of the year	4,135.8	6,637.7
Add: Provision for the year	1,381.0	1,435.7
Less: Utilisation / settlement / reversal / actualised.	(2,700.1)	(3,937.6)
At the end of the year	**2,816.7**	**4,135.8**

(*) includes provision for trade commitments, discounts, rebates, price reduction and product returns.

NOTE: 53 USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

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

a) Litigations [Refer Note 2 (2.2) (m) and Note 39]

b) Revenue [Refer Note 2(2.2)(n)]

c) Impairment of goodwill and intangible assets [Refer Note 2(2.2) (f)]

d) Impairment of Investment in subsidiaries [Refer Note 2(2.2) (g)]

e) Income tax [Refer Note 2(2.2) (r)]

NOTE: 54 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has recorded an additional amount of ₹ 285.2 Million (March 31, 2024: ₹ 237.5 Million) as deferred revenue pursuant to the requirements of Ind AS 115. Revenue of ₹ 507.6 Million (March 31,2024: ₹ 1,383.2 Million) has been recognised as Revenue from contract with customer pursuant to completion of performance obligation in respect of the above contracts.

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

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price, net of returns	220,205.2	194,768.1
Add / (Less):		
Provision for sales return	303.0	111.6
Rebates, discounts, price reduction and others	5,750.6	3,555.6
	6,053.6	**3,667.2**
Revenue from contract with customers	**226,258.8**	**198,435.3**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Disaggregation of revenue		
Sale of products	215,565.0	191,775.5
Sale of service / others	10,693.8	6,659.8
	226,258.8	**198,435.3**

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Contract balances		
Trade receivables	117,014.3	88,341.6
Contract liabilities	4,995.5	5,276.9

Contract balances of Trade receivables, Contact assets and Contract liabilites as on April 01. 2023 were ₹ 71,250.2 Million, ₹ 231.5 Million and ₹ 6,934.7 Million respectively.

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

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

The Company has recognised revenue of ₹ 148.6 Million (March 31, 2024 ₹ 535.2 Million) from the amounts included under advance received from customers at the beginning of the year.

NOTE: 55

1 Product related intangibles consisting of trademarks, designs, technical knowhow and other intangible assets are available to the Company in perpetuity. The amortisable amount of intangible assets is arrived at based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Company.

2 Exceptional items includes

a) Standalone financial statements for the year ended March 31, 2024 include charge of ₹ 1,492.1 Million towards impairment of an acquired intangible asset under development.

b) The Company's subsidiary Ranbaxy, Inc., and its former subsidiaries Ranbaxy Pharmaceuticals, Inc. and Ranbaxy Laboratories Limited (collectively, "Ranbaxy"), were named as defendants in a lawsuit brought by the State of West Virginia alleging that Ranbaxy violated West Virginia antitrust and consumer protection laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The case was pending in the Circuit Court of Mason County, West Virginia. The parties conducted limited fact discovery and served expert disclosures, and the case was scheduled to begin trial on December 11, 2023. With a view to resolve this dispute and avoid uncertainty, Ranbaxy and the State of West Virginia executed a binding term sheet embodying a comprehensive settlement for an amount of USD 8.39 Million (equivalent to ₹ 698.1 Million) including legal costs during the year ended March 31, 2024. The parties executed a definitive settlement agreement on December 10, 2024, which the court formally approved on December 12, 2024. The definitive settlement agreement makes clear that Ranbaxy denies each and every one of the allegations against it and has not conceded or admitted any liability.

3 In May 2022, FDA inspected Sun Pharma's Halol facility, and the inspection was classified as Official Action Indicated ("OAI") in August 2022. Subsequently, in December 2022, FDA placed the Halol facility on Import Alert 66-40; however, subject to conditions, certain Halol-manufactured finished drug products were exempted from the Import Alert. In December 2022, US FDA issued a Warning Letter summarizing violations of current Good Manufacturing Practice ("cGMP") at the facility (amended in October 2023). The Company is taking corrective measures necessary to get the facility back to fully compliant status.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

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

6 The Company has only one reportable segment namely 'Pharmaceuticals'. In accordance with Ind AS 108 "Operating Segments", segment information has been given in the consolidated Ind AS financial statements, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

7 The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. Certain sections of these Codes came into effect on May 03, 2023. However, the final rules / interpretation have not been issued. The Company will assess the impact of these Codes and give effect in the standalone financial statements when the Rules/Schemes thereunder are notified.

8 Corporate social responsibility (CSR)

As per section 135 of the Companies Act, 2013, the Company is required to spend at least 2% of its average net profits for the immediately preceding three financial years on corporate social responsibility activities. The CSR Committee of the Company monitors the CSR activities and the projects are undertaken in pursuance of the Company's CSR Policy and the Annual Action Plan. Company's Annual Action Plan for the financial year 2024-25 covered CSR activities in the areas - Healthcare; Education; Environment Conservation; Disaster Relief and Rural Development Programme.

₹ in Million

	As at March 31, 2025	As at March 31, 2024
(a) Amount required to be spent by the Company during the year	578.7	481.3
(b) Amount of expenditure incurred	508.3	460.3
(c) Set-off of excess spent of previous years, if any	0.9	21.0
(d) Shortfall / (surplus) at the end of the year	69.5	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	Refer footnote *	N.A.
(g) Details of related party transactions (as per Ind AS 24)#	235.9	200.0
(h) where a provision made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-	-

Represents contribution to Shantilal Shanghvi Foundation, Sun Pharma Science Foundation and Sun Pharma Community Health Care Society.

* Reason for shortfall
Setting up of a Skilling Institute :- In FY 2024–25, Sun Pharma and other Member Companies of the Indian Pharmaceutical Alliance (IPA) collaborated to establish a skilling institute for the purpose of developing talent for pharmaceutical industry through Pharmaceutical Academy for Global Excellence Foundation (PAGE Foundation), a not-for-profit company set up by IPA member companies, at a total estimated cost of approximately ₹ 2,000 Million. Sun Pharma and other participating members will contribute to the cost of the project in an equal ratio. PAGE Foundation has already acquired land in Hyderabad and is in the process of acquiring land in Gujarat.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

Mobile Healthcare Unit :- This is an ongoing activity, and a portion of the funds allocated for the project this year remained unutilised due to changes in circumstances. These included rescheduling of planned activities and dependencies on external stakeholders.

An amount of ₹ 72.4 million was allocated to ongoing projects and remained unspent as of March 31, 2025. It has been transferred to the Unspent CSR Account for FY 2024-25 within the prescribed timelines, in accordance with the provisions of Section 135 of the Companies Act, 2013.

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

10 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that in respect of two softwares the audit trail feature for certain changes made using privileged/ administrative access rights was enabled during the year. Further no instance of audit trail feature being tampered with was noted in respect of accounting software(s) where the audit trail has been enabled. Additionally, in respect of the financial year 2023-24 the Company has preserved the requirements of recording audit trail to the extent it was enabled and recorded in respect of that year.

11 As part of the ongoing simplification of the group structure in India, the Board of Directors of the Company at its meeting held on May 30, 2022, approved the Scheme of Amalgamation for the merger of Wholly-owned Subsidiaries, Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited (collectively "Transferor Companies"), with Sun Pharmaceutical Industries Limited ("Transferee Company") to be effective from such date as may be decided under the authorisation by the Board of Directors of the Transferor Companies and the Board of Directors of the Transferee Company and / or such other date as may be approved by the National Company Law Tribunal pursuant to the provisions of Sections 230 to 232 of Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.

12. Ratios

Ratios and Formulae		Remarks	As at March 31, 2025	As at March 31, 2024	Variance (in %)
a)	Current ratio = Current assets / Current liabilities	Change due to increase in current liabilities on account of classification of borrowing to current during the year.	1.03	3.36	(69.3%)
b)	Debt equity ratio = (Long-term borrowings + Short-term borrowings and lease liabilities) / Total equity		0.46	0.47	(2.1%)
c)	Debt service coverage ratio = (Profit / (loss) after tax but before finance costs, depreciation and amortisation and exceptional items) / (Finance costs + Short-term borrowings + Short term Lease liabilities)	Change due to increase in net profit and increase in current liabilities on account of classification of borrowing to current during the year.	0.54	6.76	(92.0%)
d)	Return on equity ratio (%) = Net profit / (loss) after tax / Equity share capital	Change due to increase in net profit after tax	1784.95%	1191.26%	49.8%
e)	Inventory turnover ratio = (Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress) / Average inventory		1.69	1.53	10.5%

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

Ratios and Formulae		Remarks	As at March 31, 2025	As at March 31, 2024	Variance (in %)
f)	Trade receivables turnover ratio in no. of days = (Average trade receivables * no. of days) / Revenue from contracts with customers		166	147	12.9%
g)	Trade payable turnover ratio in no. of days = (Average trade payable * no. of days) / Purchases during the year		175	209	(16.3%)
h)	Net capital turnover ratio = Revenue from contracts with customers / (Current assets - Current liabilities)	Change due to increase in revenue and increase in current liabilities on account of classification of borrowing to current during the year.	39.46	1.90	1976.8%
i)	Net profit ratio (%) = Net profit / (loss) after tax / Total revenue from operations	Change due to lower profit in previous year on account of impairment of an acquired intangible asset under development	18.62%	14.10%	32.1%
j)	Return on capital employed (%) = Net Profit / (loss) after tax / (Total assets - total liabilities - intangible assets - intangible assets under development - Goodwill + Long term borrowings + Short term borrowings + Lease liabilities)	Change due to increase in net profit after tax	13.19%	9.12%	44.6%
k)	Return on investment (%) = Income generated from FVTPL Investment / Weighted average FVTPL investment		7.27%	6.97%	4.3%

Footnote

Current assets and current liabilities are excluding held for sale assets and liabilities.

13 No proceeding have been initiated or pending against the Company under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

14 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

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

16 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

17 The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

18 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

19 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

However, the Company, as a part of its treasury operations, invests/advances loans to fund the operations of its subsidiaries/associates/ joint venture which have further utilised these funds for their general corporate purposes/ working capital, etc. within the consolidated group of the Company and in the ordinary course of business. These transactions are done on an arms length basis following a due approval process.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

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

20 The management has evaluated the likely impact of prevailing uncertainties relating to imposition or enhancement of reciprocal tariffs for imports in the United States of America and believes that there are no material impacts on the standalone Ind AS financial statements of the Company for the year ended March 31, 2025. However, the management will continue to monitor the situation from the perspective of potential impact on the operations of the Company.

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

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

23. **Details of property not in the name of the Company as at March 31, 2025**

Particulars	Gross carrying value (₹ in Million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold Land	48.2	Ranbaxy Laboratories Limited	No	24-Mar-15	The title deeds are in the name of erstwhile companies that were merged with the Company under relevant provisions of the Companies Act, 1956/2013 in terms of approval of the Honorable High Courts / National Company Law Tribunal of respective states.
Freehold Land including building located thereon	95.9	Solrex Pharmaceuticals Company	No	8-Sep-17	
Freehold Land including building located thereon	3.6	Tamilnadu Dadha Pharamaceuticals Limited	No	1-Aug-97	
Building	4.1	Various	No	8-Sep-17	
Building	89.9	Sun Pharma Global FZE	No	1-Oct-21	

24. **Details of Capital work-in-progress and Intangible assets under development:**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Ageing of Capital work-in-progress					
Projects in progress	3,196.5	1,021.4	232.4	1,012.3	5,462.6
Projects temporarily suspended	-	5.4	-	165.9	171.3
	3,196.5	**1,026.8**	**232.4**	**1,178.2**	**5,633.9**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
Ageing of Capital work-in-progress					
Projects in progress	2,089.0	344.8	996.1	278.8	3,708.7
Projects temporarily suspended	5.4	2.2	0.2	165.9	173.7
	2,094.4	**347.0**	**996.3**	**444.7**	**3,882.4**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	To be completed in				As at March 31, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Capital work-in-progress					
Projects in progress					
Domestic formulation	2,347.5	-	-	-	2,347.5
Active Pharmaceutical Ingredient	598.7	-	-	-	598.7
Others	90.7	-	-	-	90.7
Projects temporarily suspended	-	-	171.3	-	171.3
	3,036.9	**-**	**171.3**	**-**	**3,208.2**

₹ in Million

	To be completed in				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Capital work-in-progress					
Projects in progress					
Domestic formulation	817.7	-	-	-	817.7
Active Pharmaceutical Ingredient	274.5	-	-	-	274.5
Others	45.4	-	-	-	45.4
Projects temporarily suspended	173.7	-	-	-	173.7
	1,311.3	**-**	**-**	**-**	**1,311.3**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Ageing of Intangible assets under development					
Projects in progress	302.3	251.7	710.7	2,493.7	3,758.4
Projects temporarily suspended	-	-	-	-	-
	302.3	**251.7**	**710.7**	**2,493.7**	**3,758.4**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
Ageing of Intangible assets under development					
Projects in progress	387.0	804.9	41.6	2,545.2	3,778.7
Projects temporarily suspended	-	-	-	-	-
	387.0	**804.9**	**41.6**	**2,545.2**	**3,778.7**

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

₹ in Million

	To be completed in				As at March 31, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Intangible assets under development					
Projects in progress					
Others	132.1	-	-	-	132.1
	132.1	**-**	**-**	**-**	**132.1**

₹ in Million

	To be completed in				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Intangible assets under development					
Projects in progress					
Others	154.7	-	-	-	154.7
	154.7	**-**	**-**	**-**	**154.7**

25. Relationship with Struck off Companies

The Company does not have any transactions and balances with companies which are struck off except shares held by 35 shareholders holding 27,037 shares (March 31, 2024 - 38 shareholders holding 30,659 shares) having face value of ₹ 1 per share.

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(Annexure 'A')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

(I) Names of related parties and description of relationships

a. Subsidiaries

Green Eco Development Centre Limited	Ranbaxy Farmaceutica Ltda.
Sun Pharmaceutical (Bangladesh) Limited	Sun Pharma Canada Inc.
Sun Pharmaceutical Industries, Inc.	Sun Pharma Egypt LLC
Sun Farmaceutica Do Brasil Ltda.	Rexcel Egypt LLC
Sun Pharma De Mexico S.A. DE C.V.	Basics GmbH
Sun Pharmaceutical Peru S.A.C.	Sun Pharma Italia srl
Sun Pharma De Venezuela, C.A.	Sun Pharmaceutical Industries S.A.C.
Sun Pharma Laboratories Limited	Ranbaxy (Poland) Sp. Z o.o.
Faststone Mercantile Company Private Limited	SC Terapia SA
Neetnav Real Estate Private Limited	AO Ranbaxy
Realstone Multitrade Private Limited	Ranbaxy South Africa (Pty) Ltd
Skisen Labs Private Limited	Ranbaxy Pharmaceuticals (Pty) Ltd
Sun Pharma Holdings	Sonke Pharmaceuticals Proprietary Limited
Softdeal Pharmaceuticals Private Limited	Sun Pharma Laboratorios,S.L.U.
Sun Pharma (Netherlands) B.V.	Sun Pharma UK Limited (Formerly known as Ranbaxy (U.K.) Limited)
Sun Pharma France	Sun Pharma Holdings UK Limited (Formerly known as Ranbaxy Holdings (U.K.) Limited)
Ranbaxy (Malaysia) Sdn. Bhd.	Ranbaxy Inc.
Ranbaxy Nigeria Limited	Ranbaxy (Thailand) Co., Ltd.
Foundation for Disease Elimination and Control of India	Ohm Laboratories, Inc.
Zenotech Laboratories Limited	Ranbaxy Signature LLC
Chattem Chemicals Inc.	Sun Pharmaceuticals Morocco LLC
The Taro Development Corporation	"Ranbaxy Pharmaceuticals Ukraine" LLC
Alkaloida Chemical Company Zrt.	Sun Pharmaceutical Medicare Limited
Sun Pharmaceutical Industries (Australia) Pty Limited	JSC Biosintez
Aditya Acquisition Company Ltd.	Sun Pharmaceuticals Holdings USA, Inc.
Sun Pharmaceutical Industries (Europe) B.V.	Zenotech Inc
Sun Pharmaceuticals Germany GmbH	Zenotech Farmaceutica Do Brasil Ltda
Sun Pharmaceuticals SA (Pty) Ltd (Refer Footnote 5)	Sun Pharma Distributors Limited
Sun Pharma Philippines, Inc.	Realstone Infra Limited
Caraco Pharmaceuticals Private Limited	Sun Pharmaceuticals (EZ) Limited
Sun Pharma Japan Ltd.	Sun Pharma Global FZE (Refer Footnote 3)
Sun Laboratories FZE	Sun Pharma (Shanghai) Limited
Taro Pharmaceutical Industries Ltd. (TARO) (Refer Footnote 4)	Sun Pharma Japan Technical Operations Limited (Refer Footnote 8)
Taro Pharmaceuticals Inc.	Alchemee, LLC (Formerly known as The Proactiv Company LLC)
Taro Pharmaceuticals U.S.A., Inc.	The Proactiv Company Holdings, Inc. (Formerly known as Galderma Holdings, Inc.)
Taro Pharmaceuticals North America, Inc.	Proactiv YK
Taro Pharmaceuticals Europe B.V.	The Proactiv Company KK
Taro International Ltd.	Alchemee Skincare Corporation (Formerly known as The Proactiv Company Corporation)
3 Skyline LLC	Concert Pharmaceuticals Securities Corp. (Refer Footnote 3)
One Commerce Drive LLC	Concert Pharma U.K. Ltd (Refer Footnote 3)
Dusa Pharmaceuticals, Inc. (Refer Footnote 6)	Concert Pharma Ireland Limited
2 Independence Way LLC	Sun Pharma New Milford Parent LLC
Universal Enterprises Private Limited	Sun Pharma Housatonic LLC
Sun Pharma Switzerland Limited	Sun Pharma Housatonic II LLC
Sun Pharma East Africa Limited	Sun Pharma Housatonic III LLC
PI Real Estate Ventures, LLC	Sun Pharma Middle East FZE LLC (Refer Footnote 2)
Sun Pharma ANZ Pty Ltd	Libra Merger Ltd (Refer Footnote 2 & 7)
	Taro Pharma Corporation, Inc. (Refer Footnote 2)
	Vivaldis Health and Foods Private Limited (Refer Footnote 2)
	Snoopy Merger Sub Inc (Refer Footnote 1)
	Antibe Therapeutics Inc (Refer Footnote 1)
	Sun Pharma Science Foundation

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(Annexure 'A')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

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

a.	**Subsidiaries**	
		Sun Pharma Community Health Care Society
		Sun Pharmaceuticals North Africa (Formerly known as Kemipharm S.A) (Refer Footnote 1)
		Sun Pharma Luxembourg S.A (Formerly known as Valstar S.A.) (Refer Footnote 1)
b	**Associate**	
	Medinstill Development LLC (merged with Medinstill LLC w.e.f November 30, 2024)	
	Dr. Py Institute LLC (merged with Medinstill LLC w.e.f November 30, 2024)	
	Ezerx Health Tech Private Limited	
	Indian Foundation for Quality Management	
c	**Key Management Personnel (KMP)**	
	Dilip Shantilal Shanghvi	Chairman and Managing Director (Managing Director upto May 21, 2024)
	Sudhir Vrundavandas Valia	Non-Executive Director and Non-Independent Director (upto May 22, 2025)
	Sailesh Trambaklal Desai	Wholetime Director (upto March 31, 2024)
	Aalok D. Shanghvi	Wholetime Director (w.e.f. June 01, 2023)
	Vidhi Shanghvi	Wholetime Director (w.e.f. May 22, 2025)
d	**Relatives of Key Management Personnel**	
	Vidhi Shanghvi	appointed as Wholetime Director w.e.f May 22, 2025
	Aalok D. Shanghvi	appointed as Wholetime Director w.e.f June 01, 2023
e	**Independent Directors**	
	Gautam Doshi	
	Pawan Kumar Goenka	
	Rama Bijapurkar	
	Rolf Karl Heinz Hoffmann (w.e.f. June 15, 2023)	
	Sanjay Khatau Asher (upto March 31, 2025)	
f	**Others (Entities in which the KMP, Independent Directors and relatives of KMP and Independent Directors have control or significant influence)**	
	Sun Pharma Advanced Research Company Limited	
	Sun Petrochemicals Private Limited	
	Sidmak Laboratories (India) Private Limited	
	United Medisales Private Limited (upto March 31, 2024)	
	Alfa Infraprop Private Limited	
	Shantilal Shanghvi Foundation	
	Anshul Speciality Molecules Pvt Ltd	
	Aditya Medisales Limited	
	Navbio Ag (w.e.f. June 15, 2023)	
	Sanghvi Properties Private Limited	
	Airamatrix Private Limited	
	Crawford Bayley and Co. (upto March 31, 2025)	

Footnotes

1 Incorporated / Acquired during the year
2 Incorporated / Acquired during the previous year
3 Dissolved / Liquidated during the previous year
4 Holds voting power of 99.99% (beneficial ownership 99.99%) [March 31, 2024 85.66% (beneficial ownership 78.48%)]
5 With effect from March 31, 2024 , Sun Pharmaceuticals SA (Pty) Ltd is in the process of dissolution
6 With effect from March 31, 2024, Dusa Pharmaceuticals, Inc. was merged with Sun Pharmaceutical Industries, Inc.
7 With effect from June 24, 2024, Libra Merger Ltd. was merged with Taro Pharma Industries Ltd
8 With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the company

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(Annexure 'A')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

(II) Detail of related party transaction during the year ended March 31, 2025:

₹ in Million

Type of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of goods	**12,391.1**	**7,471.1**
Subsidiaries	12,386.0	7,456.3
Associate	0.1	-
Others	5.0	14.8
Purchase of property, plant and equipment	**14.7**	**26.3**
Subsidiaries	3.4	1.7
Others	11.3	24.6
Revenue from contracts with customers, net of returns	**186,659.4**	**162,960.9**
Subsidiaries	186,543.1	162,680.4
Others	116.3	280.5
Sale of property, plant and equipment	**21.8**	**55.3**
Subsidiaries	21.2	55.1
Others	0.6	0.2
Other operating income / Other Income	**96.3**	**15.3**
Subsidiaries	83.8	-
Others	12.5	15.3
Receiving of service	**3,616.6**	**3,157.6**
Subsidiaries	3,070.7	2,672.2
Associates	0.7	-
Others	545.2	485.4
Reimbursement of expenses (paid)	**18,652.3**	**17,474.4**
Subsidiaries	18,623.1	17,447.8
Others	29.2	26.6
Rendering of service	**1,199.2**	**1,067.4**
Subsidiaries	1,193.3	1,049.6
Others	5.9	17.8
Reimbursement of expenses (received)	**1,271.1**	**1,183.6**
Subsidiaries	1,228.3	1,143.7
Others	42.8	39.9
Loans given	**299.1**	**15.3**
Subsidiaries	299.1	15.3
Loans received back	**6,330.3**	**-**
Subsidiaries	6,330.3	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(Annexure 'A')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

(II) Detail of related party transaction during the year ended March 31, 2025:

₹ in Million

Type of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
Investment	**125.0**	**-**
Associate	125.0	-
Purchase of Intangible Assets	**137.4**	**-**
Others	137.4	-
Loan taken	**118,692.2**	**145,618.4**
Subsidiaries	118,692.2	145,618.4
Loan repaid	**119,507.6**	**111,125.6**
Subsidiaries	119,507.6	111,125.6
Interest income	**2,498.3**	**2,685.0**
Subsidiaries	2,498.3	2,685.0
Interest expense	**8,501.2**	**7,622.0**
Subsidiaries	8,501.2	7,622.0
Lease rental and hire charges (Income)	**52.3**	**55.7**
Subsidiaries	24.4	16.6
Others	27.9	39.1
Rent expense / Payment towards Lease Liabilities	**241.6**	**248.9**
Subsidiaries	241.6	248.9
CSR	**235.9**	**200.0**
Subsidiaries	35.9	-
Others	200.0	200.0
Remuneration / Compensation	**160.9**	**166.9**
Key management personnel (#)	142.9	*152.1
Relatives of Key management personnel	18.0	14.8
Sitting Fees and Commission paid to Independent Directors	**30.9**	**24.6**

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

* Includes remuneration paid to Aalok D. Shanghvi from the date of appointment as Whole-time Director of the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(Annexure 'A')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Balance outstanding as at the end of the year

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Receivables	**104,472.8**	**80,800.4**
Subsidiaries	104,472.8	80,795.6
Associate (₹ 5,623/-)	0.0	0.0
Others	-	4.8
Payable	**7,018.2**	**3,976.4**
Subsidiaries	6,918.5	3,869.0
Associates	0.2	0.1
Key management personnel	0.1	-
Independent Directors	1.0	0.9
Others	98.4	106.4
Loan taken	**109,544.7**	**110,360.1**
Subsidiaries	109,544.7	**110,360.1**
Loan given	**35,162.2**	**40,290.1**
Subsidiaries	35,162.2	**40,290.1**
Security Deposit given	**73.4**	**73.4**
Subsidiaries	73.4	**73.4**
Security Deposit Received	**0.1**	**1.0**
Subsidiaries	0.1	0.1
Others	-	**0.9**
Other liabilities	**3,116.4**	**4,548.8**
Subsidiaries	3,116.4	**4,548.8**
Advance from customers	**1.1**	**50.8**
Subsidiaries	-	**50.8**
Others	1.1	-
Advance to Suppliers	**1,621.1**	**1,114.8**
Subsidiaries	1,621.1	1,114.8
Accrued Interest income on loans and advances	**355.6**	**331.5**
Subsidiaries	355.6	331.5
Accrued Interest from borrowings	**18,423.1**	**10,772.0**
Subsidiaries	18,423.1	10,772.0
Provisions	**-**	**1,016.1**
Subsidiaries	-	1,016.1
Lease liabilities	**1,498.0**	**1,606.8**
Subsidiaries	1,498.0	1,606.8

a) Transactions with related parties are made on arm's length basis. Outstanding trade balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. As on year ended March 31, 2025, the Company has credit impairment of receivables relating to amounts owed by related parties(wholly owned subsidiaries) amounting to ₹ 1,139.4 Million (March 31, 2024: ₹ 54.9 Million).

b) Provision includes obligation arising from a supply contract to Sun Laboratories FZE, a wholly owned subsidiary of the Company amounting to NIL (March 31, 2024: ₹ 1,016.1 Million).

Notes to the Standalone Financial Statements

for the year ended March 31, 2025

(Annexure 'A')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Disclosure of Material related party transaction as per Company's policy

c) Revenue from contracts with customer - The transactions are made to related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties, who purchase goods and services of the Company.

d) Purchase of Goods - Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar purchase transactions entered into by the Company with the other non-related parties.

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

f) Rendering of Service - The services provided are mainly in nature of conversion charges, R&D charges and royalty income. The Company mutually negotiated and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Company from other non-related parties.

₹ in Million

Type of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
Revenue From Contracts With Customers, Net of Returns		
Sun Laboratories FZE	9,007.4	10,445.2
Sun Pharma Distributors Limited	46,860.5	44,469.7
Sun Pharmaceutical Industries, Inc.	66,700.7	49,672.3
Reimbursement Of Expenses - Paid		
Sun Pharmaceutical Industries, Inc.	11,985.7	12,138.4
Loan Taken		
Sun Pharma Laboratories Limited	118,692.2	145,618.4
Loan Repaid		
Sun Pharma Laboratories Limited	119,507.6	111,125.6

Independent Auditor's Report

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

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the consolidated Ind AS financial statements of Sun Pharmaceutical Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") its associates and joint venture comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

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

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

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

Other Information

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

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

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

Responsibilities of Management for the Consolidated Ind AS Financial Statements

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

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

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

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

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

decisions of users taken on the basis of these consolidated Ind AS financial statements.

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 24 subsidiaries, whose financial statements, without giving effect to the elimination of intra-group transactions, include total assets of INR 5,79,347.5 Million as at March 31, 2025, and total revenues of INR 1,32,588.9 Million and net cash outflows of INR 24,217.4 Million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 16 subsidiaries, whose financial statements and other

financial information, without giving effect to elimination of intra-group transactions, reflect total assets of INR 14,182.0 Million as at March 31, 2025, and total revenues of INR 8,986.4 Million and net cash inflows of INR 148.6 Million for the year ended on that date. These financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries for statutory purposes and have been audited by other auditors. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. In the opinion of management these are not material to the Group. We have not audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by management of the Holding Company.

(c) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 6 subsidiaries, whose financial statements and other financial information, without giving effect to the elimination of intra-group transactions, reflect total assets of INR 2,042.5 Million as at March 31, 2025, and total revenues of INR 129.2 Million and net cash inflows of INR 18.0 Million for the year ended on that date. These unaudited financial statements have been furnished to us by management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group.

(d) The consolidated Ind AS financial statements also include the Group's share of net loss of INR 153.5 Million for the year ended March 31, 2025, as considered in the consolidated Ind AS financial statements, in respect of 11 associates and a joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by management. Our opinion, in so far as it relates amounts and disclosures included in respect of these associates and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates and joint venture, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by management, these financial statements and other financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company

and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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

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

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

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

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries incorporated in India, except a sum of INR 1.6 Million, which is held in abeyance due to pending legal cases.

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

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

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose

financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

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

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

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

vi. Based on our examination which included test checks, except for the instances described in Note 72 to the consolidated Ind AS financial statements, the Holding Company and its subsidiaries incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of accounting software where audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the Holding Company and the above referred subsidiaries as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 72 to the consolidated Ind AS financial statements.

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGT6875

Place of Signature: Mumbai
Date: May 22, 2025

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

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

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

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

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

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

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

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGT6875

Place of Signature: Mumbai
Date: May 22, 2025

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of Sun Pharmaceutical Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

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

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

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

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

Opinion

In our opinion, the Holding Company and its subsidiaries companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

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

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

per Amit Singh
Partner
Membership Number: 408869
UDIN: 25408869BMNXGT6875

Place of Signature: Mumbai
Date: May 22, 2025

Consolidated Balance Sheet

as at March 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3A (I) & (II)	100,359.4	101,923.2
(b) Capital work-in-progress	3D	12,343.4	11,077.3
(c) Goodwill (Net)	47	89,394.2	85,689.9
(d) Other intangible assets	3B	36,109.2	44,868.4
(e) Intangible assets under development	3E	54,096.2	42,461.5
(f) Financial assets			
(i) Investments	4, 5 & 6	46,977.0	64,412.3
(ii) Loans	7	27.9	8.5
(iii) Other financial assets	8	1,770.4	1,179.5
(g) Deferred tax assets (Net)	50	44,075.5	41,036.5
(h) Income tax assets (Net)	9	4,206.7	22,850.3
(i) Other non-current assets	10	5,401.2	4,739.3
Total non-current assets		**394,761.1**	**420,246.7**
(2) Current assets			
(a) Inventories	11	102,433.3	98,682.9
(b) Financial assets			
(i) Investments	12	136,561.0	85,845.4
(ii) Trade receivables	13	130,461.1	112,493.7
(iii) Cash and cash equivalents	14	102,687.7	92,856.5
(iv) Bank balances other than (iii) above	15	10,628.5	12,350.3
(v) Loans	16	483.8	650.2
(vi) Other financial assets	17	17,406.6	9,172.0
(c) Other current assets	18	25,278.6	22,280.1
Total current assets		**525,940.6**	**434,331.1**
Assets classified as held for sale	3C	304.1	418.7
TOTAL ASSETS		**921,005.8**	**854,996.5**

Consolidated Balance Sheet

as at March 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,399.3	2,399.3
(b) Other equity	20	719,780.9	634,268.2
Equity attributable to the equity shareholders of the parent company		**722,180.2**	**636,667.5**
Non-controlling interests	71	2,679.3	34,591.9
Total equity		**724,859.5**	**671,259.4**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	25.2	13.3
(ii) Lease liabilities	54	3,557.4	3,022.9
(iii) Other financial liabilities	22	106.8	-
(b) Provisions	23	4,650.4	4,138.9
(c) Deferred tax liabilities (Net)	50	1,924.4	1,718.6
(d) Other non-current liabilities	24	3,852.4	4,999.4
(e) Non-Current tax liabilities (Net)		87.6	-
Total non-current liabilities		**14,204.2**	**13,893.1**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	18,671.1	28,443.6
(ii) Lease liabilities	54	1,368.2	1,256.9
(iii) Trade payables	74	61,843.4	56,533.0
(iv) Other financial liabilities	26	19,478.4	15,067.0
(b) Other current liabilities	27	11,697.9	10,844.6
(c) Provisions	28	61,551.3	53,575.6
(d) Current tax liabilities (Net)	29	7,331.8	4,117.0
Total current liabilities		**181,942.1**	**169,837.7**
Liabilities directly associated with assets classified as held for sale	3C	-	6.3
Total liabilities		**196,146.3**	**183,737.1**
TOTAL EQUITY AND LIABILITIES		**921,005.8**	**854,996.5**

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

₹ in Million

Particulars		Notes	Year ended March 31, 2025	Year ended March 31, 2024
(I)	Revenue from operations	30	525,784.4	484,968.5
(II)	Other income	31	19,650.4	13,541.9
(III)	**Total income (I + II)**		**545,434.8**	**498,510.4**
(IV)	**Expenses**			
	Cost of materials consumed	32	64,491.0	69,043.3
	Purchases of stock-in-trade		41,479.5	34,661.5
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	1,503.1	2,921.3
	Employee benefits expense	34	99,731.2	94,290.6
	Finance costs	35	2,313.6	2,384.7
	Depreciation and amortisation expense	3 (A & B)	25,753.9	25,566.4
	Other expenses	36	167,718.0	154,181.8
	Net (gain) / loss on foreign currency transactions		(1,855.3)	(361.3)
	Total expenses (IV)		**401,135.0**	**382,688.3**
(V)	**Profit before exceptional items and tax (III-IV)**		**144,299.8**	**115,822.1**
(VI)	Exceptional items	61	6,778.5	4,943.2
(VII)	**Profit before tax (V-VI)**		**137,521.3**	**110,878.9**
(VIII)	**Tax expense / (credit)**			
	Current tax		33,200.5	19,893.0
	Deferred tax		(9,255.0)	(5,498.5)
	Deferred tax - exceptional	61	3,774.8	-
	Total tax expense (VIII)	49	**27,720.3**	**14,394.5**
(IX)	**Profit for the year before share of profit / (loss) of associates and joint venture (VII-VIII)**		**109,801.0**	**96,484.4**
(X)	Share of profit / (loss) of associates (net of tax)		(252.2)	(382.7)
(XI)	Share of profit / (loss) of joint venture (net of tax)		98.7	(1.4)
(XII)	**Profit for the year before non-controlling interests (IX+X+XI)**		**109,647.5**	**96,100.3**
(XIII)	Non-controlling interests	71	357.1	336.5
(XIV)	**Profit for the year attributable to owners of the parent company (XII-XIII)**		**109,290.4**	**95,763.8**
(XV)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	(a) Gain / (loss) on remeasurement of the defined benefit plans		(394.3)	(690.8)
	Income tax on above		137.7	241.5
			(256.6)	**(449.3)**
	(b) Gain / (loss) on equity instruments measured at fair value through other comprehensive income		(56.7)	8,037.4
	Income tax on above		(22.1)	(1,102.6)
			(78.8)	**6,934.8**
	Total (A)		**(335.4)**	**6,485.5**

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

₹ in Million

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
(B) Items that may be reclassified to profit or loss			
(a) Gain / (loss) on debt instruments measured at fair value through other comprehensive income		562.5	926.0
Income tax on above		(55.1)	(61.0)
		507.4	**865.0**
(b) Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge		(74.4)	314.2
Income tax on above		62.9	(29.9)
		(11.5)	**284.3**
(c) Exchange differences in translating the financial statements of foreign operations		9,731.2	6,082.4
Exchange differences on translation of net investment in foreign operations		(767.6)	(2,295.9)
		8,963.6	**3,786.5**
Total (B)		**9,459.5**	**4,935.8**
(XV) Total other comprehensive income (A + B)		**9,124.1**	**11,421.3**
(XVI) Total comprehensive income for the year (XII+XV)		**118,771.6**	**107,521.6**
Other comprehensive income for the year attributable to:			
- Owners of the parent company		9,098.6	10,413.2
- Non-controlling interests		25.5	1,008.1
Total comprehensive income for the year attributable to:			
- Owners of the parent company		118,389.0	106,177.0
- Non-controlling interests		382.6	1,344.6
Earnings per equity share (face value per equity share - ₹ 1)	51		
Basic (in ₹)		45.6	39.9
Diluted (in ₹)		45.6	39.9

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

₹ in Million

Particulars	Equity share capital **	Other Equity											Attributable to owners of parent company	Non-controlling interests	TOTAL
		Reserves and surplus							Other comprehensive income (OCI)						
		Capital reserve	Securities premium	Amalga-mation reserve	Capital redem-ption reserve	Legal reserve	General reserve	Retained earnings	Debt instrument through OCI	Equity instrument through OCI	Foreign currency translation reserve	Effective portion of cash flow hedges			
Balance as at March 31, 2023	**2,399.3**	**3,681.7**	**11,874.1**	**43.8**	**7.5**	**285.5**	**35,621.0**	**436,102.5**	**(1,011.2)**	**3,160.8**	**67,994.9**	**(206.1)**	**559,953.8**	**33,200.9**	**593,154.7**
Profit for the year	-	-	-	-	-	-	-	95,763.8	-	-	-	-	95,763.8	336.5	96,100.3
Exchange difference arising on translation of foreign operations / net investment in foreign operations, net of tax	-	-	-	-	-	-	-	-	-	-	2,940.4	-	2,940.4	846.1	3,786.5
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-	*(449.6)	752.5	6,934.8	-	235.1	7,472.8	162.0	7,634.8
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**95,314.2**	**752.5**	**6,934.8**	**2,940.4**	**235.1**	**106,177.0**	**1,344.6**	**107,521.6**
Payment of dividend	-	-	-	-	-	-	-	(28,981.6)	-	-	-	-	(28,981.6)	(25.4)	(29,007.0)
Buy-back / purchase of equity shares	-	-	-	-	-	-	-	(481.7)	-	-	-	-	(481.7)	(292.2)	(773.9)
Acquisition during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	364.0	364.0
Transfer on sale of equity instrument	-	-	-	-	-	-	-	(407.9)	-	407.9	-	-	-	-	-
Balance as at March 31, 2024	**2,399.3**	**3,681.7**	**11,874.1**	**43.8**	**7.5**	**285.5**	**35,621.0**	**501,545.5**	**(258.7)**	**10,503.5**	**70,935.3**	**29.0**	**636,667.5**	**34,591.9**	**671,259.4**
Profit for the year	-	-	-	-	-	-	-	109,290.4	-	-	-	-	109,290.4	357.1	109,647.5
Exchange difference arising on translation of foreign operations / net investment in foreign operations, net of tax	-	-	-	-	-	-	-	-	-	-	8,943.6	-	8,943.6	20.0	8,963.6
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	-	*(256.7)	504.1	(78.8)	-	(13.6)	155.0	5.5	160.5
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**109,033.7**	**504.1**	**(78.8)**	**8,943.6**	**(13.6)**	**118,389.0**	**382.6**	**118,771.6**
Payment of dividend	-	-	-	-	-	-	-	(36,139.7)	-	-	-	-	(36,139.7)	(33.3)	(36,173.0)
Buy-back / purchase of equity shares (Refer Note 56)	-	-	-	-	-	-	-	3,263.4	-	-	-	-	3,263.4	(32,261.9)	(28,998.5)
Transfer on sale of equity instrument	-	-	-	-	-	-	-	915.5	-	(915.5)	-	-	-	-	-
Balance as at March 31, 2025	**2,399.3**	**3,681.7**	**11,874.1**	**43.8**	**7.5**	**285.5**	**35,621.0**	**578,618.4**	**245.4**	**9,509.2**	**79,878.9**	**15.4**	**722,180.2**	**2,679.3**	**724,859.5**

*Represents remeasurement of the defined benefit plans

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

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

For and on behalf of the Board of Directors of
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(DIN: 00005588)

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Whole-time Director
(DIN: 01951829)

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

ANOOP DESHPANDE
Company Secretary and Compliance Officer

Consolidated Statement of Cash Flow

for the year ended March 31, 2025

₹ in Million

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from operating activities		
Profit / (loss) before tax	137,521.3	110,878.9
Adjustments for:		
Depreciation and amortisation expense	25,753.9	25,566.4
Net (gain) / loss on sale / write off / impairment of property, plant and equipment, other intangible assets, intangible assets under development and goodwill	17.8	1,662.3
Impairment of investments	2,953.0	-
Loss on disposal of subsidiary	217.5	-
Finance costs	2,313.6	2,384.7
Interest income	(12,301.3)	(10,229.1)
Dividend income on investments	(669.0)	(1,033.0)
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	(1,337.8)	2,277.2
Net gain on sale of financial assets measured at fair value through profit or loss	(3,958.1)	(3,301.1)
Net (gain) / loss on sale of financial assets measured at fair value through other comprehensive income	(171.4)	102.0
Provision / impairment / write off / (reversal) for doubtful trade receivables / advances / loans	1,808.3	905.9
Sundry balances written back, net	(56.2)	(292.1)
Effect of exchange rate changes	(3,366.7)	(2,499.2)
Operating profit before working capital changes	**148,724.9**	**126,422.9**
Movements in working capital:		
(Increase) / Decrease in inventories	(1,839.7)	5,988.1
(Increase) / Decrease in trade receivables	(16,020.5)	3,528.9
(Increase) / Decrease in other assets	(593.2)	(3,839.0)
Increase / (Decrease) in trade payables	5,279.7	2,497.2
Increase / (Decrease) in other liabilities	1,820.3	2,409.2
Increase / (Decrease) in provisions	8,117.8	36.9
Cash generated from operations	**145,489.3**	**137,044.2**
Net Income tax (paid) / refund received (including interest on refunds)	(4,768.4)	(15,694.4)
Net cash generated from / (used in) operating activities (A)	**140,720.9**	**121,349.8**
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, other intangible assets and intangible assets under development)	(21,285.8)	(22,018.1)
Proceeds from disposal of property, plant and equipment and other intangible assets	610.1	308.4
Loans / inter corporate deposits given / placed	(33.8)	(207.0)
Loans / inter corporate deposits received back / matured	320.0	-
Purchase of investments		
Associates	(455.0)	(865.9)
Others	(322,632.0)	(290,044.5)
Proceeds from sale of investments (others)	294,175.4	300,944.7
Bank balances not considered as cash and cash equivalents		
Fixed deposits / margin money placed	(22,065.1)	(15,670.1)
Fixed deposits / margin money matured	12,335.2	14,960.3
Acquisition of subsidiary	(2,728.3)	(1,433.2)
Disposal of subsidiary (March 31, 2025: ₹ 0.6)	0.0	-
Interest received	8,037.5	6,132.0
Dividend received	660.2	991.4
Net cash flow from / (used in) investing activities (B)	**(53,061.6)**	**(6,902.0)**
C. Cash flow from financing activities		
Proceeds of borrowings	33,617.0	45,726.5
Repayment of borrowings	(43,438.4)	(81,055.9)
Repayment of principal portion of lease liabilities	(1,345.1)	(1,231.0)
Payment for buy-back of equity shares held by non-controlling interests of subsidiaries	(28,998.5)	(773.9)
Net increase / (decrease) in working capital demand loans	(482.0)	1,430.1
Finance costs (including interest on lease liabilities) paid	(2,238.2)	(2,190.3)
Dividend payment to non-controlling interests	(33.3)	(25.4)
Dividend paid	(36,139.7)	(28,981.7)
Net cash flow from / (used in) financing activities (C)	**(79,058.2)**	**(67,101.6)**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**8,601.1**	**47,346.2**
Cash and cash equivalents at the beginning of the year	92,856.5	46,237.3
Cash and cash equivalents transferred on sale of subsidiary / taken over on acquisition of subsidiary	(0.3)	12.9
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	1,230.4	(739.9)
Cash and cash equivalents at the end of the year	**102,687.7**	**92,856.5**

Consolidated Statement of Cash Flow

for the year ended March 31, 2025

Notes:

₹ in Million

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	32,245.4	24,183.3
In deposit accounts with original maturity less than 3 months	69,718.2	68,430.8
Cheques, drafts on hand	708.2	224.4
Cash on hand	15.9	18.0
Cash and cash equivalents (Refer Note 14)	**102,687.7**	**92,856.5**

Change in financial liability / asset arising from financing activities

₹ in Million

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

₹ in Million

Particulars	Year ended March 31, 2024	
	Borrowings	Derivatives, net [(liabilties) / asset]
Opening balance	61,978.8	(236.6)
Changes from financing cash flows	(33,899.3)	236.6
Taken over on acquisition	16.7	-
The effect of changes in foreign exchange rates	360.7	-
Closing balance	**28,456.9**	**-**

For movement of lease liabilities, refer Note 54.

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

As per our report of even date

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

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

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ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

1. General information

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

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 22, 2025.

2. Material accounting policies

2.1 Statement of compliance

The Group has prepared its consolidated financial statements for the year ended March 31, 2025 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2024 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

2.2 Basis of preparation and presentation

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

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

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

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

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

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

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

a. Basis of consolidation

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

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

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

Changes in the Group's ownership interests in existing subsidiaries

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

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

Investment in Associates and Joint Ventures

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

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

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

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

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

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interest in the associate or joint venture that are not related to the Group.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

b. Current vs. Non-current

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

c. Business combinations

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

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

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

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

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

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

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

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d. Foreign currency

Foreign currency transactions

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate on that date. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 2.2.j below for hedging accounting policies).
- exchange differences relating to the translation of the results and the net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to profit or loss account on the disposal of the foreign operation.

Non-monetary items that are measured in terms of historical cost in foreign currency are measured using the exchange rates at the date of initial transaction.

Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of Group's foreign operations, are translated to the Indian Rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognised in other comprehensive income and presented within equity as part of Foreign Currency Translation Reserve (and attributed to non-controlling interests as appropriate). When a foreign operation is disposed off, the relevant amount in the Foreign Currency Translation Reserve is reclassified profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in the statement of profit and loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

e. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments.

f. Property, plant and equipment

Items of property, plant and equipment are stated in consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated.

Assets in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is recognised on the cost of assets (other than freehold land and Capital work-in-progress) less their residual values on straight-line method over their useful lives. Leasehold improvements are depreciated over period of the lease agreement or the useful life, whichever is shorter. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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The Company depreciates building, plant and equipment, furniture and fixtures, etc. over estimated useful lives based on technical assessment made by technical expert and management estimate.

The estimated useful lives are as follows:

Asset Category	No. of years
Buildings including factory buildings*	4-125
Plant and equipment	2-30
Vehicles	3-15
Office equipment	2-17
Furniture and fixtures	3-15

*Include assets given under operating lease

Software for internal use, which is primarily acquired from third-party vendors and which is an integral part of a property, plant and equipment, including consultancy charges for implementing the software, is capitalised as part of the related property, plant and equipment. Subsequent costs associated with maintaining such software are recognised as expense as incurred. The capitalised costs are amortised over the lower of the estimated useful life of the software and the remaining useful life of the property, plant and equipment.

g. Goodwill and Other Intangible assets

Goodwill

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Group's share of identifiable net assets acquired. Goodwill is measured at cost less accumulated impairment losses. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Any impairment loss for goodwill is recognised directly in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a cash-generating unit to which goodwill is allocated, the goodwill associated with the disposed cash-generating unit is included in the carrying amount of the cash-generating unit when determining the gain or loss on disposal.

Other Intangible assets

Other Intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

Research and development

Expenditure on research activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding are recognised as an expense when incurred. Development activities involve a plan or design for the production of new or substantially improved products and processes. An internally-generated intangible asset arising from development is recognised if and only if all of the following have been demonstrated:

- development costs can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are probable; and
- the Group intends to and has sufficient resources / ability to complete development and to use or sell the asset.

Development expenditure is capitalised when the criteria for recognising an asset are met, usually when a regulatory filing has been made in a major market and approval is considered highly probable.

The expenditure to be capitalised include the cost of materials and other costs directly attributable to preparing the asset for its intended use.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

Acquired research and development intangible assets which are under development, are recognised as In-Process Research and Development assets ("IPR&D"). IPR&D assets are not amortised, but evaluated for potential impairment on an annual basis or when there are indications that the carrying value may not be recoverable. Any impairment charge on such IPR&D assets is recognised in the statement of profit and loss. Intangible assets relating to products under development, other intangible assets not available for use and intangible assets having indefinite useful life are tested for impairment annually, or more frequently when there is an indication that the assets may be impaired. All other intangible assets are tested for impairment when there are indications that the carrying value may not be recoverable.

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The consideration for acquisition of intangible asset which is based on reaching specific milestone that are dependent on the Group's future activity is recognised only when the activity requiring the payment is performed.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, are recognised in the statement of profit and loss as incurred.

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets that are not available for use are amortised from the date they are available for use.

The estimated useful lives for Product related intangibles and Other intangibles range from 3 to 15 years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

De-recognition of intangible assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gain or loss arising on such de-recognition is recognised in the statement of profit and loss, and is measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

h. Impairment of non-financial assets other than goodwill

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit (as defined below) is the higher of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

In respect of assets other than goodwill, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed off is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale.

Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity

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method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with Ind AS 109 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

j. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the date the Company commits to purchase or sell the financial assets.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

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In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all the changes recognised in the statement of profit and loss.

Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In respect of other financial assets (e.g. debt securities, deposits, bank balances etc.) the Group generally invests in instruments with high credit rating and consequently low credit risk. In the unlikely event that the credit risk increases significantly from inception of investment, lifetime ECL is used for recognising impairment loss on such assets.

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For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument.

However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the parent company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the parent company's own equity instruments.

Compound financial instruments

The component of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and lease liabilities, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For instruments not held-for-trading financial liabilities designated as at FVTPL, fair value gains / losses attributable to changes in own credit risk are recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. These gains / losses are not subsequently transferred to profit or loss. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the statement of profit and loss.

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and

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fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, full currency swap, principal only swap, options and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges

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are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

(iii) Net Investment Hedge

The Group designates certain foreign currency liability as hedge against certain net investment in foreign subsidiaries. Hedges of net investments in foreign operations are accounted similar to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR')- a component of equity. The ineffective portion of the gain or loss on these hedges is immediately recognised in profit or loss. The amounts accumulated in equity are included in profit or loss when the foreign operation is disposed or partially disposed.

k. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Rental income from operating lease is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l. Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade, stores and spares and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials, stock-in-trade, stores and spares includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition. Cost of work-in-progress and finished goods comprises direct material, direct labour , amortisation and depreciation of intangible / property, plant and equipment and an appropriate proportion of other variable and fixed overhead expenditure.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

m. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Restructuring

A provision for restructuring is recognised when the Group has a detailed formal restructuring plan and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received from the contract.

Contingent liabilities and contingent assets

Contingent liability is disclosed for,

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the consolidated financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

n. Revenue

Sale of goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks. Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts.

In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). The Group estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Profit Sharing Revenues

The Company from time to time enters into arrangements for the sale of its products in certain markets. Under such arrangements, the Company sells its products to the business partners at a base purchase price agreed upon in the arrangement and is also entitled to a profit share which is over and above the base purchase price. The profit share is typically dependent on the ultimate net sale proceeds or net profits, subject to any reductions or adjustments that are required by the terms of the arrangement.

Revenue in an amount equal to the base purchase price is recognised in these transactions upon delivery of products to the business partners. An additional amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

Out-licensing arrangements

Revenues include amounts derived from product out-licensing agreements. These arrangements typically consist of an initial up-front payment on inception of the license and subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Non-refundable up-front license fees received in connection with product out-licensing agreements are deferred and recognised over the period in which the Company has continuing performance obligations. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period the Company has continuing performance obligations, if the milestones are not considered substantive.

Sales returns

The Group accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Group's estimate of expected sales returns. With respect to established products, the Group considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. With respect to new products introduced by the Group, such products have historically been either extensions of an existing line of product where the Group has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Rendering of services

Revenue from services rendered is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that economic benefits will flow to the Group and the amount of revenue can be measured reliably). Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

o. Dividend and interest income

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

p. Government grants

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the Company deducts such grant amount from the carrying amount of the asset.

q. Employee benefits

Defined benefit plans

The Company operates a defined benefit gratuity plan which requires contribution to be made to a separately administered fund.

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the statement of profit and loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in the statement of profit and loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

Termination benefits

Termination benefits are recognised as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Short-term and Other long-term employee benefits

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

The Group's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value.

Defined contribution plans

The Group's contributions to defined contribution plans are recognised as an expense as and when the services are received from the employees entitling them to the contributions. The Group does not have any obligation other than the contribution made.

r. Income tax

Income tax expense consists of current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

OCI or directly in equity respectively. Current tax is the expected tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is not recognised for the temporary differences that arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits and taxable temporary differences arising upon the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

The Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the consolidated statement of changes in equity as part of the associated dividend payment.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

s. Exceptional items

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

t. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified following amendments :

1. Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

2. Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information to enable understand the impact on the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 April 2025.When applying the amendments, an entity cannot restate comparative information. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 3A (I) PROPERTY, PLANT AND EQUIPMENT

₹ in Million

	Freehold land	Buildings including given on lease *	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
At cost or deemed cost							
As at March 31, 2023	6,676.1	61,395.4	130,773.5	4,438.6	1,186.5	3,246.3	207,716.4
Foreign currency translation difference	(99.5)	(531.2)	(187.2)	12.8	(93.3)	(15.0)	(913.4)
Taken over on acquisition	-	2.3	9.1	1.2	11.9	0.6	25.1
Additions	1,597.9	2,997.1	8,437.7	130.2	334.9	649.8	14,147.6
Disposals	-	(165.0)	(1,392.6)	(36.4)	(192.9)	(449.5)	(2,236.4)
Reclassified to Assets held for Sale	(1.3)	(88.7)	(582.7)	(12.7)	(5.2)	(0.2)	(690.8)
As at March 31, 2024	**8,173.2**	**63,609.9**	**137,057.8**	**4,533.7**	**1,241.9**	**3,432.0**	**218,048.5**
Foreign currency translation difference	106.4	1,103.3	1,439.0	53.6	(35.6)	26.0	2,692.7
Taken over on acquisition	-	-	130.6	-	-	3.1	133.7
Additions	5.2	1,314.0	7,365.3	314.6	350.1	344.8	9,694.0
Disposals	(429.3)	(183.5)	(3,134.7)	(74.7)	(131.7)	(160.0)	(4,113.9)
Reclassified to Assets held for Sale	-	(176.0)	(711.8)	(16.7)	(0.1)	(2.0)	(906.6)
As at March 31, 2025	**7,855.5**	**65,667.7**	**142,146.2**	**4,810.5**	**1,424.6**	**3,643.9**	**225,548.4**
Accumulated depreciation and impairment							
As at March 31, 2023	-	24,068.5	81,063.2	3,419.6	702.8	2,308.0	111,562.1
Foreign currency translation difference	-	(368.6)	(108.9)	10.8	(54.8)	(9.5)	(531.0)
Taken over on acquisition	-	0.1	0.8	0.4	3.7	0.3	5.3
Depreciation expense	-	2,407.2	9,230.8	225.8	167.2	377.0	12,408.0
Disposals	-	(106.7)	(1,177.9)	(33.9)	(166.6)	(192.6)	(1,677.7)
Reclassified to Assets held for Sale	-	(38.2)	(437.4)	(9.6)	(5.0)	(0.2)	(490.4)
As at March 31, 2024	**-**	**25,962.3**	**88,570.6**	**3,613.1**	**647.3**	**2,483.0**	**121,276.3**
Foreign currency translation difference	-	579.7	1,145.5	45.4	(12.1)	20.4	1,778.9
Depreciation expense	-	2,133.3	9,026.1	251.6	196.8	394.7	12,002.5
Disposals	-	(162.2)	(3,035.3)	(68.1)	(106.7)	(142.5)	(3,514.8)
Reclassified to Assets held for Sale	-	(57.8)	(532.5)	(14.8)	(0.1)	(1.9)	(607.1)
As at March 31, 2025	**-**	**28,455.3**	**95,174.4**	**3,827.2**	**725.2**	**2,753.7**	**130,935.8**
Carrying amount							
As at March 31, 2024	**8,173.2**	**37,647.6**	**48,487.2**	**920.6**	**594.6**	**949.0**	**96,772.2**
As at March 31, 2025	**7,855.5**	**37,212.4**	**46,971.8**	**983.3**	**699.4**	**890.2**	**94,612.6**

*includes certain premises given under operating lease or leave and license agreements having gross carrying value of ₹ 342.9 Million (March 31, 2024: ₹ 328.8 Million), forex of ₹ 14.1 Million and accumulated depreciation of ₹ 65.7 Million (March 31, 2024: ₹ 53.4 Million), forex of ₹ 3.0 Million. The depreciation charge for the year in relation to them is ₹ 9.3 Million (March 31, 2024: ₹ 9.5 Million).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 3A (II) RIGHT-OF-USE ASSETS

₹ in Million

	Leasehold land	Buildings	Furniture and fixtures	Vehicles	Office equipment	Total
At cost						
As at March 31, 2023	2,302.3	6,801.5	2.8	3,283.2	23.9	12,413.7
Foreign currency translation difference	(6.6)	(1.4)	(0.3)	3.3	(2.5)	(7.5)
Taken over on acquisition	-	9.0	-	-	-	9.0
Additions	-	304.6	-	864.0	-	1,168.6
Deletions	-	(2,697.0)	-	(1,249.0)	-	(3,946.0)
Reclassified to Assets held for Sale	(2.7)	-	-	-	-	(2.7)
As at March 31, 2024	**2,293.0**	**4,416.7**	**2.5**	**2,901.5**	**21.4**	**9,635.1**
Foreign currency translation difference	24.3	98.3	0.1	94.7	0.5	217.9
Additions	0.7	741.3	-	1,300.9	14.6	2,057.5
Deletions	-	(408.8)	-	(941.0)	(1.1)	(1,350.9)
Reclassified to Assets held for Sale	(0.8)	-	-	-	-	(0.8)
As at March 31, 2025	**2,317.2**	**4,847.5**	**2.6**	**3,356.1**	**35.4**	**10,558.8**
Accumulated depreciation						
As at March 31, 2023	512.3	2,216.1	1.7	1,919.0	15.1	4,664.2
Foreign currency translation difference	1.6	18.7	0.4	5.8	(1.8)	24.7
Taken over on acquisition	-	2.3	-	-	-	2.3
Depreciation expense	46.1	576.4	-	720.8	4.4	1,347.7
Deletions	-	(322.1)	-	(1,232.2)	-	(1,554.3)
Reclassified to Assets held for Sale	(0.5)	-	-	-	-	(0.5)
As at March 31, 2024	**559.5**	**2,491.4**	**2.1**	**1,413.4**	**17.7**	**4,484.1**
Foreign currency translation difference	5.5	45.2	0.1	38.4	0.7	89.9
Depreciation expense	42.3	582.8	0.4	820.3	2.3	1,448.1
Deletions	-	(307.6)	-	(902.3)	-	(1,209.9)
Reclassified to Assets held for Sale	(0.2)	-	-	-	-	(0.2)
As at March 31, 2025	**607.1**	**2,811.8**	**2.6**	**1,369.8**	**20.7**	**4,812.0**
Carrying amount						
As at March 31, 2024	**1,733.5**	**1,925.3**	**0.4**	**1,488.1**	**3.7**	**5,151.0**
As at March 31, 2025	**1,710.1**	**2,035.7**	**-**	**1,986.3**	**14.7**	**5,746.8**

(i) For details of Ind AS 116 disclosure refer Note 54.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 3B OTHER INTANGIBLE ASSETS

Other than internally generated

₹ in Million

	Computer Software	Product related intangibles	Total
At cost or deemed cost			
As at March 31, 2023	5,355.2	121,933.9	127,289.1
Foreign currency translation difference	(11.4)	309.5	298.1
Taken over on acquisition	0.1	1,025.0	1,025.1
Additions	700.7	1,832.9	2,533.6
Disposals	(470.1)	(839.0)	(1,309.1)
Reclassified to Assets held for Sale	(5.5)	-	(5.5)
As at March 31, 2024	**5,569.0**	**124,262.3**	**129,831.3**
Foreign currency translation difference	17.9	898.6	916.5
Taken over on acquisition	-	952.4	952.4
Additions	286.1	2,032.6	2,318.7
Disposals	(1.1)	(17.2)	(18.3)
Reclassified to Assets held for Sale	(5.9)	-	(5.9)
As at March 31, 2025	**5,866.0**	**128,128.7**	**133,994.7**
Accumulated amortisation and impairment			
As at March 31, 2023	3,160.0	70,958.8	74,118.8
Foreign currency translation difference	(4.9)	221.5	216.6
Taken over on acquisition	0.1	-	0.1
Amortisation expense	661.7	11,150.5	11,812.2
Disposals	(469.1)	(712.3)	(1,181.4)
Reclassified to Asset held for sale	(3.4)	-	(3.4)
As at March 31, 2024	**3,344.4**	**81,618.5**	**84,962.9**
Foreign currency translation difference	12.0	611.1	623.1
Amortisation expense	681.2	11,622.1	12,303.3
Disposals	(0.8)	(1.1)	(1.9)
Reclassified to Assets held for Sale	(1.9)	-	(1.9)
As at March 31, 2025	**4,034.9**	**93,850.6**	**97,885.5**
Carrying amount			
As at March 31, 2024	**2,224.6**	**42,643.8**	**44,868.4**
As at March 31, 2025	**1,831.1**	**34,278.1**	**36,109.2**

Footnotes to 3A and 3B:

(a) Buildings include ₹ 8,620 (March 31, 2024: ₹ 8,620) towards cost of shares in a co-operative housing society and also include ₹ 4.5 Million (March 31, 2024: ₹ 4.5 Million) towards cost of flats not registered in the name of the parent company but is entitled to right of use and occupancy.

(b) Product related intangibles consisting of trademarks, brands acquired, research and development, designs, technical know-how, licences, non-compete fees and other intangible assets are available to the Group in perpetuity. The amortisable amount of intangible assets is arrived at, based on the management's best estimates of useful lives of such assets after due consideration as regards their expected usage, the product life cycles, technical and technological obsolescence, market demand for products, competition and their expected future benefits to the Group.

(c) Nil (March 31, 2024: ₹ 1.5 Million) related to impairment of property, plant and equipment and other intangible assets has been included above under depreciation and amortisation expense.

(d) The aggregate amortisation has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

(e) During the year, the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangibles or both.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 3C ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Freehold land	-	1.3
Buildings	118.2	149.4
Computer Software	4.0	6.2
Furniture and fixtures	1.9	3.5
Leasehold land	0.6	10.5
Office equipment	0.1	0.4
Plant and equipment	179.3	246.0
Vehicles	-	1.4
	304.1	**418.7**

Net of accumulated depreciation and amortisation.

LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Lease liabilities	-	6.3
	-	**6.3**

The Company as a part of its ongoing initiative of network strategy and optimization of manufacturing facilities has identified divestment of its Ankleshwar facility. The plan involves transferring above assets and liabilities to a prospective buyer. The transfer is to be completed during the year 2025-26 and hence, these have been classified as held for sale. These assets and liabilities have been carried at cost as the same is lower than the fair value expected out of sale.

In the previous year, the Company had classified Goa and Silvasa facility as held for sale as a part of its divestment plan. During the year, the Company has completed transfer of both the facilities.

NOTE: 3D CAPITAL WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	**11,077.3**	**9,633.5**
Additions	9,025.1	10,030.9
Capitalised	(7,672.3)	(8,359.4)
Disposals	(41.2)	(222.4)
Foreign currency translation difference	(45.5)	(5.3)
Closing balance	**12,343.4**	**11,077.3**

NOTE: 3E INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	**42,461.5**	**40,098.1**
Additions	11,428.7	4,173.3
Capitalised	(859.0)	(791.3)
Impairment (Refer Note 61 B and 36)	(71.3)	(1,561.1)
Foreign currency translation difference	1,136.3	542.5
Closing balance	**54,096.2**	**42,461.5**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

4. INVESTMENT IN ASSOCIATES (NON-CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
(Carrying amount determined using equity method of accounting)				
Unquoted, fully paid				
Equity instruments				
Medinstill LLC	1,999	501.6	1,999	528.3
Tarsier Pharma Ltd	476,284	390.5	455,447	361.8
Intact Solutions LLC	153	-	153	-
WRS Bioproducts Pty. Ltd.	740,071	193.2	740,071	192.3
Remidio Innovative Solutions Private Limited	1,077	-	1,077	131.3
Ezerx Health Tech Private Limited	6,315	295.4	6,315	294.0
Agatsa Software Private Limited	8,538	225.0	8,538	234.2
Less: Impairment in value of investment	-	(225.0)	-	-
Indian Foundation for Quality Management	12,500,000	125.0	-	-
Less: Impairment in value of investment	-	(125.0)	-	-
Haystack Analytics Private Limited	1	-	-	-
Preference shares				
Remidio Innovative Solutions Private Limited	474,511	1,415.1	474,511	1,420.0
Surgimatix Inc	627,184	229.4	627,184	251.4
Haystack Analytics Private Limited	18,319	312.1	-	-
Limited liability partnership				
Trumpcard Advisors and Finvest LLP		677.1		648.0
Generic Solar Power LLP [₹ Nil (March 31, 2024: ₹ Nil)]		-		-
		4,014.4		**4,061.3**
Aggregate carrying value of unquoted investments		4,014.4		4,061.3
Aggregate amount of impairment in value of investments		350.0		-

5. INVESTMENT IN JOINT VENTURE (NON-CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
(Carrying amount determined using equity method of accounting)				
Unquoted, fully paid				
Equity instruments				
Artes Biotechnology GmbH	15,853	472.9	15,853	364.8
		472.9		**364.8**
Aggregate carrying value of unquoted investments		472.9		364.8

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

6. INVESTMENTS (NON-CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments - Quoted - At fair value through other comprehensive income				
Krebs Biochemicals and Industries Limited Shares of ₹ 10 each fully paid	1,036,943	69.3	1,036,943	63.3
Krystal Biotech, Inc. Shares of USD 0.00001 each fully paid	817,483	12,598.3	914,107	13,565.6
scPharmaceuticals Inc. Shares of USD 0.0001 each fully paid	1,702,679	382.8	1,702,679	712.9
Others (equity instruments received as part of distribution)		89.5		174.8
Equity instruments - Quoted - At fair value through Profit or Loss		646.6		718.3
Equity instruments - Unquoted - At fair value through Profit or Loss				
Shimal Research Laboratories Limited Shares of ₹ 10 each fully paid	9,340,000	934.0	9,340,000	934.0
Less: Impairment in value of investment		(934.0)		(934.0)
Biotech Consortium India Limited Shares of ₹ 10 each fully paid	50,000	0.5	50,000	0.5
Less: Impairment in value of investment		(0.5)		(0.5)
Reanal Finomvegyszergyar Zrt.	38,894	220.1	38,894	214.8
Less: Impairment in value of investment		(220.1)		(214.8)
Lyndra Therapeutics Inc. Shares of USD 0.001 each fully paid	78,661,289	2,564.3	78,661,289	2,502.2
Less: Impairment in value of investment		(2,564.3)		-
Others		597.3		415.9
Limited liability partnership - Unquoted - At fair value through other comprehensive income				
ABCD Technologies LLP		404.1		297.2
Debentures/bonds - Quoted - At fair value through other comprehensive income				
Bonds (various small denomination)*		19,490.4		33,041.7
Adani Ports and Special Economic Zone Ltd 4.00% maturing July 30, 2027	11,000,000	888.4	-	-
Vedanta Resources Finance II Plc 10.25% maturing June 03, 2028	12,000,000	1,087.1	-	-
Adani Transmission Step-One Ltd 4.00% maturing August 03, 2026	10,000,000	826.1	-	-
ONGC Videsh Vankorneft Pte Ltd 3.75% maturing July 27, 2026	7,700,000	654.0	-	-
Goldman Sachs Bank USA 5.283% maturing March 18, 2027	5,080,000	437.8	-	-
Vedanta Resources Plc 13.875% maturing on December 09, 2028 (March 31, 2024 - 13.875% maturing on December 09, 2028)	-	-	132,540	971.6
Venture funds - Unquoted - At fair value through Profit or Loss		3,010.5		3,078.5
Others - Quoted - At fair value through other comprehensive income (small denomination U.S. Treasuries, certificate of deposits, commercial papers, etc.)		1,307.5		4,444.2
		42,489.7		**59,986.2**
Aggregate book value (carrying value) of quoted investments		38,477.8		53,692.4
Aggregate amount of quoted investments at market value		38,477.8		53,692.4
Aggregate amount of unquoted investments before impairment		7,730.8		7,443.1
Aggregate amount of impairment in value of investments		3,718.9		1,149.3

*Various small denomination bonds individually below USD 5 Million comprised of sovereign bonds, corporate bonds, perpetual bonds, etc.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 7 LOANS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans to employees		
Secured, considered good	-	0.1
Unsecured, considered good	27.9	8.4
	27.9	**8.5**

NOTE: 8 OTHER FINANCIAL ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Security deposits - unsecured, considered good	524.8	517.9
Share application money pending allotment and money paid towards equity based agreements *	641.1	58.1
Others	604.5	603.5
	1,770.4	**1,179.5**

*March 2025: Pharmazz Inc.; March 2024: Tarsier Pharma Ltd.

9. INCOME TAX ASSET (NET) [NON-CURRENT]

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Advance income tax (net of provisions)*	4,206.7	22,850.3
	4,206.7	**22,850.3**

*Includes amount paid under protest

10. OTHER ASSETS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Capital advances	2,164.7	1,887.8
Prepaid expenses	636.8	328.2
Balances with government authorities*	2,599.7	2,523.3
	5,401.2	**4,739.3**

*Include amount paid under protest

11. INVENTORIES

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Lower of cost and net realisable value		
Raw materials and packing materials	33,870.3	31,008.3
Goods-in-transit	492.9	287.3
	34,363.2	**31,295.6**
Work-in-progress	20,192.3	20,097.6
Finished goods	37,094.2	37,345.0
Stock-in-trade	8,550.0	8,003.0
Goods-in-transit	94.4	459.7
	8,644.4	**8,462.7**
Stores and spares	2,139.2	1,482.0
	102,433.3	**98,682.9**

(i) Inventory write downs are accounted considering the nature of inventory, estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products as well as the provisioning policy. Write downs of inventories amounted to ₹ 25,357.9 Million (March 31, 2024: ₹ 27,144.9 Million). The impact of write downs are recognised in the consolidated statement of profit and loss.

(ii) The cost of inventories recognised as an expense is disclosed in Notes 32, 33 and 36 and as purchases of stock-in-trade in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

12. INVESTMENTS (CURRENT)

	As at March 31, 2025		As at March 31, 2024	
	Quantity	₹ in Million	Quantity	₹ in Million
Equity instruments - Quoted - At fair value through Profit or Loss		175.8		472.4
Bonds/debentures - Quoted - At fair value through other comprehensive income				
Bonds (various small denomination investments)#		19,942.0		24,501.4
NTPC Ltd 4.25% maturing February 26, 2026	24,243,000	2,072.3	-	-
Bharat Petroleum Corporation Ltd 4.00% maturing May 08, 2025	10,140,000	879.7	-	-
AT&T Inc 1.70% maturing March 25, 2026	5,821,000	484.1	-	-
ONGC Videsh 4.625% Regd. Notes maturing July 15, 2024	-	-	160,000	1,329.5
NTPC 4.375% Regd. Medium Term Notes maturing November 26, 2024	-	-	100,000	825.9
State Bank of India 4.875% Notes maturing April 17, 2024	-	-	70,000	583.6
Mutual funds*- Unquoted - At fair value through Profit or Loss				
Aditya Birla Sun Life Liquid Fund Growth Direct Plan	17,495,203	7,325.7	9,231,064	3,597.1
Axis Liquid Fund-Direct Plan Growth	2,527,042	7,287.0	487,063	1,307.1
Bandhan Liquid Fund -Growth-Direct Plan (erstwhile IDFC Cash Fund-Growth-Direct Plan)	1,238,746	3,880.4	1,445,798	4,217.9
DSP Liquidity Fund-Direct Plan-Growth	1,424,412	5,282.1	-	-
Bajaj Finserv Liquid Fund - Direct Plan - Growth	1,472,033	1,666.4	1,468,001	1,547.0
Franklin India Liquid Fund-Super Institutional Plan - Direct Plan - Growth	81,622	318.1	277,141	1,005.2
Mirae Asset Liquid Fund (formerly Mirae Cash Management Fund) Direct Plan Growth	1,420,608	3,891.8	956,226	2,438.7
HDFC Liquid Fund - Direct Plan - Growth Option	1,423,275	7,249.4	803,999	3,813.9
ICICI Prudential Liquid - Direct Plan - Growth	19,280,885	7,401.8	2,801,627	1,001.3
Invesco India Liquid Fund-Direct Plan-Growth	1,054,299	3,753.2	825,637	2,736.9
Kotak Liquid Scheme Plan Direct Plan - Growth	1,418,056	7,429.7	650,127	3,172.0
Baroda BNP Paribas Liquid Fund - Direct Plan Growth	1,412,187	4,223.4	1,560,301	4,345.1
Edelweiss Liquid Fund - Direct Plan Growth	658,590	2,207.0	-	-
LIC Mutual Fund Liquid Fund - Direct Plan Growth	774,127	3,645.5	-	-
SBI Liquid Fund Direct Plan Growth	1,765,499	7,160.8	802,122	3,031.4
Nippon India Liquid Fund Direct Growth Plan	1,143,489	7,257.6	686,750	4,058.0
HSBC Liquid Fund - Direct Plan Growth (Formerly known as HSBC Cash Fund Growth Direct Plan)	2,420,077	6,254.3	1,973,320	4,747.8
UTI Liquid Fund Direct Plan - Growth	1,703,228	7,240.8	717,550	2,840.0
Canara Robeco Liquid-Direct Plan Growth	488,453	1,518.1	-	-
JM High Liquid Fund Direct Plan - Growth	12,351,398	874.8	-	-
Sundaram Liquid Fund Direct Plan Growth	1,065,047	2,440.8	-	-
Tata Liquid Fund-Growth-Direct Plan	1,789,746	7,323.8	-	-
Union KBC Liquid Fund Growth-Direct Plan	705,515	1,764.9	-	-
Others - Quoted - At fair value through other comprehensive income (small denomination U.S Treasuries, certificate of deposits, commercial papers, etc.)		5,609.7		13,656.0
Equity instruments - Quoted - At fair value through Other comprehensive income				
Amneal Pharmaceuticals Inc. Shares of USD 0.01 each fully paid	-	-	1,221,138	617.2
		136,561.0		**85,845.4**
Aggregate book value (carrying value) of quoted investments		29,163.6		41,986.0
Aggregate amount of quoted investments at market value		29,163.6		41,986.0
Aggregate amount of unquoted investments before impairment		107,397.4		43,859.4
Aggregate amount of impairment in value of investments		-		-

*Investments in mutual funds have been fair valued at closing net asset value (NAV).

#Various small denomination bonds individually below USD 5 Million comprised of sovereign bonds, corporate bonds, perpetual bonds, etc .

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 13 TRADE RECEIVABLES

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good	130,461.1	112,493.7
Credit impaired	3,262.0	4,058.1
	133,723.1	**116,551.8**
Less: Allowance for credit impaired	(3,262.0)	(4,058.1)
	130,461.1	**112,493.7**

NOTE: 14 CASH AND CASH EQUIVALENTS

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Balance with banks		
In current accounts	32,245.4	24,183.3
In deposit accounts with original maturity less than 3 months	69,718.2	68,430.8
Cheques, drafts on hand	708.2	224.4
Cash on hand	15.9	18.0
	102,687.7	**92,856.5**

NOTE: 15 BANK BALANCES OTHER THAN DISCLOSED IN NOTE 14 ABOVE

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Deposit accounts (with original maturity more than 3 months but less than 12 months)	10,428.5	12,198.7
Earmarked balances with banks		
Unpaid dividend accounts	148.3	112.7
Balances held as margin money or security against guarantees and other commitments	51.7	38.9
	10,628.5	**12,350.3**

NOTE: 16 LOANS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans to related parties		
Unsecured, considered good (Refer Note 68)	256.3	458.6
Unsecured, credit impaired (Refer Note 68)	1,403.1	1,369.1
Less: Allowance for credit impaired	(1,403.1)	(1,369.1)
	256.3	**458.6**
Loans to employees / others*		
Secured, considered good	0.6	0.7
Unsecured, considered good	226.9	190.9
Unsecured, credit impaired	115.1	112.5
Less: Allowance for credit impaired	(115.1)	(112.5)
	227.5	**191.6**
	483.8	**650.2**

*Others: Loans given to various parties at prevailing market interest rate.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 17 OTHER FINANCIAL ASSETS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest accrued on investments / balances with banks	615.4	427.3
Security deposits (unsecured, considered good)	227.0	255.5
Derivatives designated as hedges	0.1	114.9
Derivatives not designated as hedges	652.4	234.6
Refund due from government authorities	3,803.9	6,145.1
Unbilled Revenue (Refer Note 53)	148.6	108.7
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	11,550.0	-
Others (unsecured)	1,949.2	2,385.9
Less: Allowance for doubtful*	(1,540.0)	(500.0)
	17,406.6	**9,172.0**

*The Group is carrying an allowance of ₹ 1,540.0 Million (March 31, 2024 : ₹ 500.0 Million) based on assessment regarding its future recoverability.

NOTE: 18 OTHER ASSETS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Export incentives receivable	84.9	115.1
Prepaid expenses	3,749.9	4,135.4
Advances for supply of goods and services		
Considered good	5,160.0	4,266.0
Considered doubtful	855.1	777.2
Less: Allowance for doubtful	(855.1)	(777.2)
Balances with government authorities*	15,550.3	13,116.9
Others	733.5	646.7
	25,278.6	**22,280.1**

*Include balances of goods and service tax.

NOTE: 19 EQUITY SHARE CAPITAL

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Authorised				
Equity shares of ₹ 1 each	5,990,000,000	5,990.0	5,990,000,000	5,990.0
Cumulative preference shares of ₹ 100 each	100,000	10.0	100,000	10.0
		6,000.0		**6,000.0**
Issued, subscribed and fully paid up				
Equity shares of ₹ 1 each (Refer Note 41)	2,399,334,970	2,399.3	2,399,334,970	2,399.3
	2,399,334,970	**2,399.3**	**2,399,334,970**	**2,399.3**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 20 OTHER EQUITY

₹ in Million

		As at March 31, 2025	As at March 31, 2024
A)	**Reserves and surplus**		
	Capital reserve	3,681.7	3,681.7
	Securities premium	11,874.1	11,874.1
	Amalgamation reserve	43.8	43.8
	Capital redemption reserve	7.5	7.5
	Legal reserve	285.5	285.5
	General reserve	35,621.0	35,621.0
	Retained earnings	578,618.4	501,545.5
B)	**Items of other comprehensive income (OCI)**		
	Debt instrument through other comprehensive income	245.4	(258.7)
	Equity instrument through other comprehensive income	9,509.2	10,503.5
	Foreign currency translation reserve	79,878.9	70,935.3
	Effective portion of cash flow hedges	15.4	29.0
		719,780.9	**634,268.2**

Refer consolidated statement of changes in equity for detailed movement in above balances.

Nature and purpose of each reserve

Capital reserve - During amalgamation / merger / acquisition, the excess of net assets taken, over the consideration paid, if any, is treated as capital reserve. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Securities premium - The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

Amalgamation reserve - The reserve was created pursuant to scheme of amalgamation in earlier years.

Capital redemption reserve - The Group has recognised capital redemption reserve on buyback of equity shares from its retained earnings. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back.

Legal reserve - The reserve has been created by an overseas subsidiaries in compliance with requirements of local laws.

General reserve - The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained earnings - The reserve is the profit / (loss) that the Company has earned / incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassfied to Statement of Profit and Loss.

Debt instrument through OCI - This represents the cumulative gain and loss arising on fair valuation of debt instruments measured through other comprehensive income. This amount will be reclassified to statement of profit and loss account on derecognition of debt instrument.

Equity instrument through OCI - The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

Foreign currency translation reserve - Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to consolidated profit or loss on the disposal of the foreign operation.

Effective portion of cash flow hedges - The cash flow hedging reserve represents the cumulative effective portion of gain or loss arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedges reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 21 BORROWINGS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Term loans		
From others (unsecured)	25.2	13.3
	25.2	**13.3**

Also refer Note 66 for borrowings (non-current)

NOTE: 22 OTHER FINANCIAL LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Deferred consideration on acquisition of subsidiary (Refer Note 78 a)	106.8	-
	106.8	**-**

NOTE: 23 PROVISIONS (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Employee benefits	4,534.6	3,997.2
Others (Refer Note 60)	115.8	141.7
	4,650.4	**4,138.9**

NOTE: 24 OTHER LIABILITIES (NON-CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Deferred revenue (Refer Note 53)	3,767.4	4,887.4
Others	85.0	112.0
	3,852.4	**4,999.4**

NOTE: 25 BORROWINGS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand		
From banks (unsecured)	1,431.5	2,010.1
From Others (unsecured)	144.5	-
Other loans		
From banks (unsecured)	17,095.1	26,433.5
	18,671.1	**28,443.6**

Also refer Note 67 for borrowings (current)

NOTE: 26 OTHER FINANCIAL LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest accrued	43.7	69.4
Unpaid dividends	149.1	113.5
Security deposits	73.2	69.8
Payables on purchase of property, plant and equipment and other intangible assets	6,735.8	3,638.5
Derivatives designated as hedges	70.3	125.2
Derivatives not designated as hedges	17.9	-
Payables to employee	11,625.7	9,987.8
Others*	762.7	1,062.8
	19,478.4	**15,067.0**

* Include claims, recall charges, milestone obligations, trade and other commitments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 27 OTHER LIABILITIES (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Statutory remittances	10,242.2	9,432.7
Advance from customers (Refer Note 53)	247.6	433.3
Deferred revenue (Refer Note 53)	1,095.9	832.1
Others	112.2	146.5
	11,697.9	**10,844.6**

NOTE: 28 PROVISIONS (CURRENT)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Employee benefits	7,186.4	6,831.9
Others (Refer Note 60)	54,364.9	46,743.7
	61,551.3	**53,575.6**

NOTE: 29 CURRENT TAX LIABILITIES (NET)

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Provision for income tax (Net of advance income tax)	7,331.8	4,117.0
	7,331.8	**4,117.0**

NOTE: 30 REVENUE FROM OPERATIONS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers (Refer Note 53)	520,412.5	477,584.5
Other operating revenues*	5,371.9	7,384.0
	525,784.4	**484,968.5**

*Include government grants of ₹ 4,252.3 Million (March 31, 2024: ₹ 6,342.3 Million) recognised by parent company and its Indian subsidiaries.

NOTE: 31 OTHER INCOME

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on:		
Bank deposits at amortised cost	4,767.2	2,998.3
Loans at amortised cost	10.5	11.2
Investments in debt instruments at fair value through other comprehensive income	3,603.5	3,481.1
Others [Includes interest on income tax refund of ₹ 3,510.6 Million (March 31, 2024: ₹ 3,302.6 Million)]	3,920.1	3,738.5
	12,301.3	**10,229.1**
Dividend income on investments	669.0	1,033.0
Net gain / (loss) on sale of financial assets measured at fair value through profit or loss	3,958.1	3,301.1
Net gain / (loss) on sale of financial assets measured at fair value through other comprehensive income	171.4	(102.0)
Net gain / (loss) arising on financial assets measured at fair value through profit or loss	1,337.8	(2,277.2)
Profit on sale / write off of property, plant and equipment and intangible assets, net	119.0	208.0
Sundry balances written back, net	56.2	292.1
Insurance claims	230.4	85.0
Lease rental and hire charges	186.6	226.1
Miscellaneous income	620.6	546.7
	19,650.4	**13,541.9**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 32 COST OF MATERIALS CONSUMED

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Raw materials and packing materials		
Inventories at the beginning of the year	31,295.6	34,784.5
Purchases during the year	67,269.4	65,805.0
Foreign currency translation difference	289.2	(250.6)
Inventories at the end of the year	(34,363.2)	(31,295.6)
	64,491.0	**69,043.3**

NOTE: 33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year		
Finished goods	37,345.0	34,510.9
Stock-in-trade	8,462.7	9,550.8
Work-in-progress	20,097.6	24,973.8
	65,905.3	**69,035.5**
Less:		
Inventories at the end of the year		
Finished goods	37,094.2	37,345.0
Stock-in-trade	8,644.4	8,462.7
Work-in-progress	20,192.3	20,097.6
	65,930.9	**65,905.3**
Changes in inventories:		
Finished goods	250.8	(2,834.1)
Stock-in-trade	(181.7)	1,088.1
Work-in-progress	(94.7)	4,876.2
Inventories taken over on acquisition	76.8	82.0
Foreign currency translation difference	1,451.9	(290.9)
	1,503.1	**2,921.3**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	88,181.1	83,310.1
Contribution to provident and other funds*	6,573.9	6,012.3
Staff welfare expenses	4,976.2	4,968.2
	99,731.2	**94,290.6**

*Includes gratuity expense of ₹ 871.5 Million (March 31, 2024: ₹ 718.3 Million)

NOTE: 35 FINANCE COSTS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense:		
-for financial liabilities carried at amortised cost	1,305.6	1,548.2
-others (Includes interest on income tax and lease liability)	1,008.0	836.5
	2,313.6	**2,384.7**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 36 OTHER EXPENSES

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of materials, stores and spare parts	8,258.9	7,767.9
Conversion and other manufacturing charges	6,242.6	6,302.6
Power and fuel	7,504.0	7,607.8
Rent	777.4	734.3
Rates and taxes	7,450.9	7,535.0
Insurance	3,272.3	3,043.5
Selling, promotion and distribution	54,600.9	47,443.0
Commission on sales	2,108.6	2,234.9
Repairs and maintenance	8,110.9	7,795.7
Printing and stationery	1,888.6	1,705.8
Travelling and conveyance	9,107.8	8,182.8
Freight outward and handling charges	9,059.1	8,124.7
Communication	976.2	1,455.5
Provision / write off / (reversal) for doubtful trade receivables / advances	1,808.3	905.9
Professional, legal and consultancy	32,609.9	29,531.6
Donations	952.0	1,077.3
Loss on sale / write off of property, plant and equipment and other intangible assets, net	65.5	307.7
Payment to auditors (net of input credit, wherever applicable)	377.5	340.8
Provision for impairment of investments	350.0	-
Loss on disposal of subsidiary	217.5	-
Impairment of property, plant and equipment, goodwill, other intangible assets and intangible asset under development	71.3	70.5
Miscellaneous expenses	11,907.8	12,014.5
	167,718.0	**154,181.8**

NOTE: 37 RESEARCH AND DEVELOPMENT EXPENDITURE INCLUDED IN THE STATEMENT OF PROFIT AND LOSS

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	9,765.9	9,219.9
Contribution to provident and other funds	767.8	712.1
Staff welfare expenses	342.7	395.1
Consumption of materials, stores and spare parts	4,282.2	4,242.7
Power and fuel	345.4	335.9
Rates and taxes	908.9	1,829.4
Rent	223.4	269.7
Insurance	147.5	159.8
Repairs and maintenance	814.6	795.1
Printing and stationery	36.1	55.9
Travelling and conveyance	262.8	241.2
Communication	39.7	37.1
Professional, legal and consultancy	10,614.2	12,053.8
Miscellaneous expenses	2,990.7	929.3
	31,541.9	**31,277.0**
Less:		
Receipts from research activities	181.2	834.5
Miscellaneous income	17.9	17.7
	199.1	**852.2**
	31,342.8	**30,424.8**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 38

a) List of entities included in the consolidated financial statements is as under:

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2025	As at March 31, 2024
	Parent Company			
	Sun Pharmaceutical Industries Limited			
1	Green Eco Development Centre Limited	India	100.00%	100.00%
2	Sun Pharmaceutical (Bangladesh) Limited	Bangladesh	72.50%	72.50%
3	Sun Pharma De Mexico S.A. DE C.V.	Mexico	100.00%	100.00%
4	Sun Pharma Japan Ltd.	Japan	100.00%	100.00%
5	Sun Pharma De Venezuela, C.A.	Venezuela	100.00%	100.00%
6	Sun Pharma Laboratories Limited	India	100.00%	100.00%
7	Faststone Mercantile Company Private Limited	India	100.00%	100.00%
8	Neetnav Real Estate Private Limited	India	100.00%	100.00%
9	Realstone Multitrade Private Limited	India	100.00%	100.00%
10	Skisen Labs Private Limited	India	100.00%	100.00%
11	Sun Pharma Holdings	Mauritius	100.00%	100.00%
12	Softdeal Pharmaceutical Private Limited	India	100.00%	100.00%
13	Sun Pharma (Netherlands) B.V.	Netherlands	100.00%	100.00%
14	Foundation for Disease Elimination and Control of India	India	100.00% (Refer note e)	100.00% (Refer note e)
15	Zenotech Laboratories Limited	India	68.84% (Refer note f)	68.84% (Refer note f)
16	Sun Pharma Community Healthcare Society	India	100.00% (Refer note e)	100.00% (Refer note e)
17	Sun Pharma Science Foundation	India	100.00% (Refer note e)	100.00% (Refer note e)
18	Sun Farmaceutica do Brasil Ltda.	Brazil	99.99%	99.99%
19	Sun Pharma France	France	100.00%	100.00%
20	Sun Pharmaceutical Industries, Inc.	United States of America	100.00%	100.00%
21	Ranbaxy (Malaysia) SDN. BHD.	Malaysia	96.10%	96.10%
22	Ranbaxy Nigeria Limited	Nigeria	86.16%	86.16%
23	Chattem Chemicals Inc.	United States of America	100.00%	100.00%
24	The Taro Development Corporation	United States of America	100.00%	100.00%
25	Alkaloida Chemical Company Zrt.	Hungary	99.99%	99.99%
26	Sun Pharmaceutical Industries (Australia) Pty Limited	Australia	100.00%	100.00%
27	Aditya Acquisition Company Ltd.	Israel	99.99%	99.99%
28	Sun Pharmaceutical Industries (Europe) B.V.	Netherlands	99.99%	99.99%
29	Sun Pharmaceuticals Germany GmbH	Germany	99.99%	99.99%
30	Sun Pharma Global FZE	United Arab Emirates	-	- (Refer note g)
31	Sun Pharmaceuticals SA (Pty) Ltd.	South Africa	-	- (Refer note j)
32	Sun Pharma Philippines, Inc.	Philippines	100.00%	100.00%
33	Caraco Pharmaceuticals Private Limited	India	100.00%	100.00%
34	Sun Pharmaceutical Peru S.A.C.	Peru	100.00%	100.00%
35	Sun Laboratories FZE	United Arab Emirates	100.00%	100.00%
36	Taro Pharmaceutical Industries Ltd. (Taro)	Israel (Refer note b)	99.99%	78.48%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2025	As at March 31, 2024
37	Taro Pharmaceuticals Inc.	Canada	99.99%	78.48%
38	Taro Pharmaceuticals U.S.A., Inc.	United States of America	99.99%	78.48%
39	Taro Pharmaceuticals North America, Inc.	Cayman Islands, British West Indies	99.99%	78.48%
40	Taro Pharmaceuticals Europe B.V.	Netherlands	99.99%	78.48%
41	Taro International Ltd.	Israel	99.99%	78.48%
42	3 Skyline LLC	United States of America	99.99%	78.48%
43	One Commerce Drive LLC	United States of America	99.99%	78.48%
44	Dusa Pharmaceuticals, Inc.	United States of America	-	- (Refer note k)
45	2 Independence Way LLC	United States of America	100.00%	100.00%
46	Universal Enterprises Private Limited	India	100.00%	100.00%
47	Sun Pharma Switzerland Ltd.	Switzerland	99.99%	99.99%
48	Sun Pharma East Africa Limited	Kenya	100.00%	100.00%
49	PI Real Estate Ventures, LLC	United States of America	100.00%	100.00%
50	Sun Pharma ANZ Pty. Ltd.	Australia	100.00%	100.00%
51	Ranbaxy Farmaceutica Ltda.	Brazil	100.00%	100.00%
52	Sun Pharma Canada Inc.	Canada	99.99%	100.00%
53	Sun Pharma Egypt LLC	Egypt	100.00%	100.00%
54	Rexcel Egypt LLC	Egypt	100.00%	100.00%
55	Basics GmbH	Germany	100.00%	100.00%
56	Sun Pharma Italia srl	Italy	100.00%	100.00%
57	Sun Pharmaceutical Industries S.A.C.	Peru	100.00%	100.00%
58	Ranbaxy (Poland) SP. Z O.O.	Poland	100.00%	100.00%
59	SC Terapia SA	Romania	96.81%	96.81%
60	AO Ranbaxy	Russia	100.00%	100.00%
61	Ranbaxy South Africa (Pty) Ltd.	South Africa	100.00%	100.00%
62	Ranbaxy Pharmaceuticals (Pty) Ltd.	South Africa	100.00%	100.00%
63	Sonke Pharmaceuticals Proprietary Limited	South Africa	70.00%	70.00%
64	Sun Pharma Laboratorios, S.L.U.	Spain	100.00%	100.00%
65	Sun Pharma UK Limited	United Kingdom	100.00%	100.00%
66	Sun Pharma Holdings UK Limited	United Kingdom	100.00%	100.00%
67	Ranbaxy Inc.	United States of America	100.00%	100.00%
68	Ranbaxy (Thailand) Co., Ltd.	Thailand	100.00%	100.00%
69	Ohm Laboratories, Inc.	United States of America	100.00%	100.00%
70	Ranbaxy Signature LLC	United States of America	67.50%	67.50%
71	Sun Pharmaceuticals Morocco LLC	Morocco	100.00%	100.00%
72	Ranbaxy Pharmaceuticals Ukraine LLC	Ukraine	100.00%	100.00%
73	Sun Pharmaceutical Medicare Limited	India	100.00%	100.00%
74	JSC Biosintez	Russia	100.00%	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2025	As at March 31, 2024
75	Sun Pharmaceuticals Holdings USA, Inc.	United States of America	100.00%	100.00%
76	Zenotech Inc	United States of America	68.84% (Refer note f)	68.84% (Refer note f)
77	Zenotech Farmaceutica Do Brasil Ltda.	Brazil	45.69% (Refer note f)	45.69% (Refer note f)
78	Sun Pharma Distributors Limited	India	100.00%	100.00%
79	Realstone Infra Limited	India	100.00%	100.00%
80	Sun Pharmaceuticals (EZ) Limited	Bangladesh	72.49%	72.49%
81	Sun Pharma (Shanghai) Co., Ltd.	China	100.00%	100.00%
82	Sun Pharma Japan Technical Operations Limited	Japan	- (Refer note l)	100.00%
83	Alchemee, LLC	United States of America	99.99%	78.48%
84	The Proactiv Company Holdings, Inc.	United States of America	99.99%	78.48%
85	Proactiv YK	Japan	99.99%	78.48%
86	The Proactiv Company KK	Japan	99.99%	78.48%
87	Alchemee Skincare Corporation	Canada	99.99%	78.48%
88	Concert Pharmaceuticals Securities Corp.	United States of America	-	- (Refer note h)
89	Concert Pharma U.K. Ltd.	United Kingdom	-	- (Refer note i)
90	Concert Pharma Ireland Limited	Ireland	100.00%	100.00%
91	Sun Pharma New Milford Parent LLC	United States of America	100.00%	100.00%
92	Sun Pharma Housatonic LLC	United States of America	100.00%	100.00%
93	Sun Pharma Housatonic II LLC	United States of America	100.00%	100.00%
94	Sun Pharma Housatonic III LLC	United States of America	100.00%	100.00%
95	Sun Pharma Middle East FZ - LLC	United Arab Emirates	100.00%	100.00%
96	Libra Merger Ltd.	Israel	- (Refer note m)	99.99%
97	Taro Pharma Corporation, Inc.	United States of America	99.99%	78.48%
98	Vivaldis Health and Foods Private Limited	India	60.11%	60.11%
99	Sun Pharma Luxembourg S.A. (Formely known as Valstar S.A.)	Luxembourg	100.00%	-
100	Sun Pharmaceuticals North Africa S.A. (Formely Known as Kemipharm S.A.)	Morocco	100.00%	-
101	Snoopy Merger Sub, Inc.	United States of America	100.00%	-
102	Antibe Therapeutics Inc.	Canada	99.99%	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

		Country of Incorporation	Effective ownership for the year ended	
			As at March 31, 2025	As at March 31, 2024
	Name of Joint Venture Entity			
103	Artes Biotechnology GmbH	Germany	45.00%	45.00%
	Name of Associates			
104	Medinstill LLC	United States of America	21.38%	19.99%
105	Generic Solar Power LLP	India	28.76%	28.76%
106	Trumpcard Advisors and Finvest LLP	India	40.61%	40.61%
107	Tarsier Pharma Ltd.	Israel	19.27%	20.98%
108	WRS Bioproducts Pty. Ltd.	Australia	12.50%	12.50%
109	Remidio Innovative Solutions Private Limited	India	29.15%	29.15%
110	Agatsa Software Private Limited	India	23.47%	23.47%
111	Ezerx Health Tech Private Limited	India	35.84%	37.76%
112	Surgimatix Inc.	United States of America	13.64%	16.33%
113	Haystack Analytics Private Limited	India	8.16%	-
114	Indian Foundation for Quality Management	India	9.09%	-
	Name of Subsidiary of Associates			
115	Composite Power Generation LLP	India	36.90%	36.90%
116	Vintage Power Generation LLP	India	39.41%	39.41%
117	Vento Power Generation LLP	India	40.55%	40.55%
118	HRE LLC	United States of America	- (Refer note n)	19.22%
119	HRE II LLC	United States of America	- (Refer note n)	19.99%
120	HRE III LLC	United States of America	- (Refer note n)	19.99%
121	Dr. Py Institute LLC	United States of America	- (Refer note n)	19.22%
122	Medinstill Development LLC	United States of America	- (Refer note n)	19.22%
123	ALPS LLC	United States of America	- (Refer note n)	19.22%
124	Intact Pharmaceuticals LLC	United States of America	- (Refer note n)	19.22%
125	Intact Media LLC	United States of America	- (Refer note n)	19.22%
126	Intact Solutions LLC	United States of America	19.92%	19.22%
127	Intact Closed Transfer Connectors LLC	United States of America	- (Refer note n)	19.22%
128	Intact PUR-Needle LLC	United States of America	- (Refer note n)	19.22%
129	Medios Technologies Pte.Ltd.	Singapore	29.15%	29.15%
130	Remidio Innovative Solutions Inc.	United States of America	29.15%	29.15%
b	Following are the details of the Group's holding in Taro:			
	Voting power		99.99%	85.66%
	Beneficial ownership		99.99%	78.48%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

c In respect of entities at Sr. Nos. 3, 34, 60, 72, 74, 81, 99, 100, 103, 104, 107, 108, 112 and 126 the reporting date is different from the reporting date of the parent company.

d In respect of entities at Sr. No. 99, 100, 101, 102 has been incorporated / acquired during the year ended March 31, 2025. Also, for entity at Sr No. 113 and 114 investment has been made during the year ended March 31, 2025.

e Foundation for Disease Elimination and Control of India (a wholly owned subsidiary), Sun Pharma Community Healthcare Society (parent company being founder corporate member) and Sun Pharma Science Foundation (parent company being founder corporate member) are not for profit entities (NPEs). Based on recent clarifications issued on regulatory requirement these entities have been considered for consolidation for FY 2024-25. These entities are immaterial to the Group.

f Books of accounts and other related records / documents of the overseas subsidiaries of the Zenotech Laboratories Limited were missing and due to non-availability of those records / information, Zenotech Laboratories Limited is unable to prepare consolidated accounts.

g With effect from November 23, 2023 Sun Pharma Global FZE has been dissolved.

h With effect from July 14, 2023 Concert Pharmaceuticals Securities Corp. has been dissolved.

i With effect from August 15, 2023 Concert Pharma U.K. Limited has been dissolved.

j With effect from December 21, 2023 , Sun Pharmaceuticals SA (Pty) Ltd. has been dissolved.

k Dusa Pharmaceuticals, Inc. was merged with Sun Pharmaceutical Industries, Inc. w.e.f. March 31, 2024.

l With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the Company.

m Libra Merger Ltd. was merged in to Taro Pharmaceutical Industries Ltd. (Taro) w.e.f June 24, 2024.

n HRE LLC, Dr. Py Institute LLC, Medinstill Development LLC, ALPS LLC, Intact Pharmaceuticals LLC, Intact Media LLC, Intact Closed Transfer Connectors LLC and Intact PUR-Needle LLC were merged in to Intact Solution LLC. HRE II LLC, HRE III LLC were merged in to Medinstill LLC w.e.f. November 30, 2024.

o Material Accounting Policies and other Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide for better understanding of the consolidated position of the Group. Recognising this purpose, the Group has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed when referred from the individual financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 39 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

₹ in Million

		As at March 31, 2025	As at March 31, 2024
A)	**Contingent liabilities**		
I)	Claims against the Group not acknowledged as debts	454.2	499.6
II)	Liabilities disputed - appeals filed with respect to:		
	Income tax on account of disallowances / additions (Company appeals)*	35,403.1	37,488.8
	Sales tax on account of rebate / classification	84.5	84.5
	Goods and Service tax / Excise duty / service tax on account of valuation / cenvat credit / Customs duty	1,048.8	1,909.5
	ESIC contribution on account of applicability	132.8	132.8
III)	Drug Price Equalisation Account [DPEA] on account of demand towards unintended benefit enjoyed by the Group	3,474.2	3,474.2
IV)	Other matters	546.5	400.2

Note: Includes interest till the date of demand, wherever applicable.

V) Legal proceedings:

The parent company and / or its subsidiaries are involved in various legal proceedings, including but not limited to product liability claims, contract disputes, intellectual property disputes, employment claims, antitrust matters, compliance matters, and other legal and regulatory matters relating to the conduct of its business. Some of the key matters are discussed below. Most of the legal proceedings involve complex issues, which are specific to the case and do not have precedents, and, hence, for a majority of these claims, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of the proceedings. This is due to a number of factors, including the stage of the proceedings and the overall length of the discovery process; the entitlement of the parties to an action to appeal a decision; the extent of the claims, including the size of any potential class, particularly when damages are not specified or are indeterminate; the possible need for further legal proceedings to establish the appropriate amount of damages, if any; the settlement posture of the other parties to the litigation; and any other factors that may have a material effect on the litigation. The Company makes its assessment of likely outcomes based on the views of internal legal counsel and in consultation with external legal counsel representing the Company. The Company also believes that disclosure of the amount sought by plaintiffs would not be meaningful because historical evidence indicates that the amounts settled (if any) are significantly different than those claimed by plaintiffs. Some of the legal claims against the Company, if decided against the Company or settled by the Company, may result in significant impact on its consolidated financial statements.

Antitrust – Gx Drug Price Fixing Litigation (read along with Note 61 B (d)) :

SPIINC, Taro Pharmaceutical Industries Ltd. ("Taro Industries") and its subsidiaries, along with more than 70 other pharmaceutical companies and individuals, are named as defendants in lawsuits brought by several putative classes, state Attorneys Generals, municipalities, and individual company purchasers and payors, alleging violations of the antitrust and related laws in the U.S. and Canada.

The U.S.filed cases were filed in or were transferred to the U.S. District Court for the Eastern District of Pennsylvania for coordinated pre-trial proceedings (collectively, the "MDL"). The MDL court designated five complaints, including one Attorneys General complaint and four complaints filed by two putative classes, as "bellwethers" to begin the sequencing of proceedings. Discovery was substantially completed as to the bellwether cases in October 2023. Discovery remains ongoing as to the non-bellwether cases but is expected to close in 2025. The depositions of Sun and Taro witnesses are largely complete, though certain additional depositions may occur pursuant to non-bellwether discovery. Expert discovery and class certification proceedings directed to the bellwethers were completed in December 2024. The GxMDL Court granted partial certification of the End-Payer Plaintiff (EPP) class on March 7, 2025; the EPP class bellwether Defendants filed a petition to appeal that certification on March 21, 2025, which remains pending. The MDL Court has scheduled the first EPP class bellwether trial to begin in August 2025. In April 2024, the Attorneys General bellwether complaint and two other Attorneys General complaints were transferred from the Eastern District of Pennsylvania to the District of Connecticut in which the complaints were originally filed. The Attorneys General cases are proceeding in parallel to the cases remaining in the Eastern District of Pennsylvania; summary judgment proceedings directed to the State AG bellwether began in September 2024 and are scheduled to close in December 2025.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Speakes v. Taro Pharmaceutical Industries Ltd.:

Taro Industries and two of its former officers were named as defendants in a putative shareholder class action litigation in the U.S. District Court for the Southern District of New York, which asserted claims under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") against all defendants and claims under Section 20(a) of the Exchange Act against the individual defendants. The lawsuit generally alleged that the defendants made material misstatements and omissions in connection with an alleged conspiracy to fix drug prices. On September 24, 2018, the court granted in part and denied in part the defendants' motion to dismiss. On April 10, 2024, the parties executed a settlement agreement, in which Taro agreed to pay USD 36 Million, which was fully covered by insurance. A motion for preliminary approval of the settlement was filed with the court on April 15, 2024, and on May 8, 2024, the court entered its order granting preliminary approval. On August 23, 2024, the court entered a Final Order and Judgment approving the settlement.

Taro Industries Shareholders Litigation in Israel:

Derivative Action 53476-06-20 (Haifa District Court, the Economic Division)) Hayat et. al v. Taro Pharmaceutical Industries Ltd. et al.

On June 22, 2020, a motion seeking documents before filing a shareholder derivative action was filed by a single shareholder against Taro Industries and Taro U.S.A. in the Haifa District Court related to alleged U.S. antitrust violations. On September 22, 2020, a subsequent motion seeking documents was filed by a single shareholder against Taro Industries related to alleged misreporting to U.S. Medicaid and three prior state settlements. Both motions were consolidated on February 16, 2021, and remain pending before the Haifa District Court. The Proceedings against Taro Industries and Taro U.S.A. have been stayed by the Haifa District Court thus far, pending the parties providing required status updates regarding the related U.S. litigation to the Haifa District Court at upcoming scheduled status hearings. On August 2024, the parties approached the court with a mutual request to stay the proceedings in order to try to reach an out-of-court resolution.

Class Action 30316-06-24 (Haifa District Court, the Economic Division)) Hayat et. al v. Taro Pharmaceutical Industries Ltd. et al.

On June 10, 2024, a motion to certify a class action was filed against Taro Industries, Sun Pharmaceutical Industries Limited and members of Taro's board in the Haifa District Court. The motion relates to the consideration for the shares purchased by Sun from the minority shareholders in Taro Industries in the framework of a "Going Private" transaction, dated June 24, 2024, alleging damages of USD 245 Million in aggregate. On February 6, 2025, the parties approached the court with a mutual request to stay the proceedings in order to try to reach an out-of-court resolution.

Opioids:

SPIINC is a defendant in the National Prescription Opiate Multi-District Litigation that has been consolidated for pre-trial proceedings in the U.S. District Court for the Northern District of Ohio (consisting of the following cases brought against SPIINC: 73 cases brought by Cities / Counties / Subdivisions, 15 cases brought by Tribal Nations, and 3 cases brought by Hospitals), three additional federal court cases, 35 cases pending in New York state court, and 3 "placeholder" cases filed in Pennsylvania state court in 2024. These cases involve similar allegations and were brought against various manufacturers and distributors of opioid products seeking damages for alleged harms related to opioid use. In July 2024, SPIINC reached a global settlement in principle with the Cities / Counties / Subdivisions, the Tribes, and the States, with Sun agreeing to make a one-time payment of USD 36.75 Million (this is intended to resolve all but the 3 Hospital cases). The parties reported to the Court on April 4, 2025 that the State / Subdivision Master Settlement Agreement is substantially complete. The parties are currently completing the exhibits to the State / Subdivision Master Settlement Agreement while also completing the separate Tribal Master Settlement Agreement. It is anticipated that the State / Subdivision Master Settlement Agreement will be sent to the individual States to determine if they will join the settlement on or about May 19, 2025, and that payment by SPIINC will be due on or about July 16, 2025. SPIINC was also sued by 18 counties in Utah state court alleging opioid-related claims and, in 2023, SPIINC settled those Utah cases, agreeing to pay USD 0.4 Million, which was fully covered by insurance. In addition, SPIINC, the parent company, and Ranbaxy were also named as defendants in two individual Neonatal Abstinence Syndrome personal injury complaints filed in West Virginia state court in March 2022, which were consolidated with other similar cases before the West Virginia Mass Litigation Panel. In April 2023, the court granted all defendants' motions to dismiss and, in December of 2024, the dismissal was affirmed in part and reversed in part and that decision is now on appeal to the West Virginia Supreme Court, where all briefing should be complete by August of 2025. Finally, SPIINC is a defendant in West Virginia federal court in a case brought in 2024 by the Boards of Education for several West Virginia counties alleging damages related to the increased costs for the education of children suffering from Neonatal Abstinence Syndrome, and SPIINC will be filing motions to dismiss in that case in June of 2025.

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for the year ended March 31, 2025

Separately, the parent company and Sun Pharma Canada Inc. are defendants in putative consumer class actions pending in provinces in Canada, as well as a government action brought on behalf of all federal, provincial, and territorial governments. These U.S. and Canadian matters involve similar allegations and were brought against various manufacturers and distributors of opioid products seeking damages for alleged harms related to opioid use or, in the case of the Canadian government action, recovery of historical healthcare costs. The Canadian actions are in preliminary stages. The certification motion in the Quebec class action was heard in late-2022, and, in early-2024, the court authorised the action against the majority of defendants. The certification motion in the government class action was heard at the end of 2023, and in January 2025 the Court certified the class action. This certification order is under appeal, which is to be heard in December 2025. The first phase of the certification motion in the Ontario consumer class action (involving a national class) was heard in October 2023 (and granted December 2023), with the second phase scheduled for March 2026.

Antitrust – Lipitor:

The parent company and certain of its subsidiaries were named as defendants in a number of putative class action lawsuits and individual actions brought by purchasers and payors in the U.S. alleging that the subsidiaries violated antitrust laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The cases have been transferred to the U.S. District Court for the District of New Jersey for coordinated pre-trial proceedings. Discovery commenced in January 2020 but was stayed in March 2020 pending mediation. Pursuant to the mediator's order of June 03, 2021, mediation briefing and oral argument on certain issues were completed in March 2022. Limited discovery as to certain issues resumed in July 2022. Briefing for class certification and summary judgement motions were completed in 2023. In late-November 2023, the court held argument on defendants' summary judgement motion and plaintiffs' class certification motions. On June 6, 2024, the Court granted Ranbaxy's motion for summary judgment and denied both EPPs' and DPPs' motions for class certification. Plaintiffs appealed the grant of summary judgment and the denial of both class certification motions to the Third Circuit. All three appeals are fully briefed before the Third Circuit but oral argument on those appeals has not yet been scheduled.

On February 3, 2025, an end payor plaintiff that opted out of Pfizer's and EPPs' settlement—filed a motion seeking trial and pretrial dates in the district court. Ranbaxy and Pfizer filed oppositions on February 18, 2025, and February 28, 2025, respectively, filed a reply on March 7, 2025, and Ranbaxy and Pfizer both filed sur-replies on March 14, 2025. No argument has been scheduled on this motion.

There also was an antitrust case pending in West Virginia state court that mirrored the allegations in the federal case. In that case, by agreement of the parties Sun settled all claims against it, without any admissions, in the amount of USD 8.25 Million. The parties executed a definitive settlement agreement on December 10, 2024, which the court formally approved on December 12, 2024. The definitive settlement agreement makes clear that Ranbaxy denies each and every one of the allegations against it and has not conceded or admitted any liability.

Product Liability – Ranitidine / Zantac MDL:

In June 2020, the parent company and certain of its subsidiaries were named as defendants in a complaint filed in the Zantac / Ranitidine Multi-District Litigation ("MDL") consolidated in the U.S. District Court for the Southern District of Florida. The lawsuits name over 100 defendants, including brand manufacturers, generic manufacturers, repackagers, distributors, and retailers, involving allegations of injury caused by nitrosamine impurities. On July 08, 2021, the court granted the generic Defendants' motion to dismiss with prejudice. That decision is on appeal. In addition to the federal court proceedings, the parent company and two of its affiliates were also named as defendants in state court actions pending California (actions previously pending in New York and Pennsylvania state court were voluntarily dismissed, and actions previously pending in Illinois state court were dismissed on the pleadings with one now on appeal). Finally, certain of the parent company's subsidiaries were named in various putative class actions pending in three Canadian provinces. The action pending in British Columbia is taking the lead and, in May 2023, the court in that action granted defendants' motion to strike and denied plaintiffs' motion for class certification.

BPO Litigation:

In March 2024, an FDA Citizen Petition was filed alleging the degradation of benzoyl peroxide ("BPO") products, including Proactiv and Taro products, into benzene. Thereafter, numerous lawsuits were filed against BPO manufacturers and sellers. All are "economic harm" class actions; no plaintiff has claimed any physical injury from the use of any BPO acne-treatment product. In March and April 2024, six lawsuits were filed related to Proactiv; all named Alchemee, LLC as a defendant and five also named Taro entities (although only in relation to Proactiv). In September 2024 and in April 2025, all six lawsuits were dismissed with prejudice, and an appeal is pending.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Citalopram follow damages claim in the UK:

By judgement dated 25 March 2021, the CJEU (highest European court) upheld the fine against Ranbaxy (U.K.) Limited and Ranbaxy Laboratories Limited in full and ruled that a settlement agreement between Ranbaxy and Lundbeck (and the other agreements between Lundbeck and the other defendants in the case) had been anticompetitive. The Company may now be subject to "follow-on" claims in national courts of some countries in Europe. The Company has been served with a claim in the England & Wales, with the National Health Service ("NHS") as the Claimant, relating to the delayed entry of generic citalopram. The NHS's damages case is based upon the premise that, but for the anticompetitive behavior, the NHS would have been able to buy cheaper generic alternatives of citalopram, rather than paying Lundbeck (another co-defendant) the full innovator price. The Company is currently seeking for the claim to be struck out on the basis that the Claimants brought the claim out of time, and a preliminary issues hearing took place on April 24, 2024, to determine the issue. On 21 June 2024 , the Company received a decision from the CAT, dismissing the preliminary issue, siding with the Claimants. Sun Pharma and the other Defendants have filed an appeal to this decision. Appeal was heard 26 March 2025 and the outcome is still pending. The parties are awaiting the outcome of that hearing. At this stage it is also unclear how many claims will actually be made in practice in other countries. The Company also believes, based on its internal assessment and that of its independent legal counsel, that it has favorable legal arguments in terms of defending the relevant claim and any other potential future damages claims.

Incyte litigation:

On January 19, 2023, the Company signed a definitive agreement to acquire Concert Pharmaceuticals, Inc. ("Concert") and completed the transaction on March 06, 2023, Concert later merged into Sun Pharmaceutical Industries, Inc. ("SPIINC") on March 31, 2023. Prior to the acquisition, Concert was involved in patent-related proceedings with Incyte Corporation ("Incyte"), both in the U.S. and Europe, in which Incyte challenged certain of Concert's patents before the U.S. Patent Trial and Appeal Board ("PTAB") and the European Patent Office, respectively (the "Concert Patent Challenges"). In one Concert Patent Challenge, Incyte was able to invalidate a Concert patent before the PTAB, which decision was later upheld by the U.S Court of Appeals for the Federal Circuit. In the other Patent Challenge in the U.S., the PTAB had ruled in Sun's favour and upheld the validity of the Concert Patent. On May 7th, 2025, the U.S Court of Appeals for the Federal Circuit ruled in Sun's favour dismissing Incyte's appeal of the PTAB's decision. As a result, this Concert patent remains in effect. The European Patent Challenge remains pending on appeal in the EPO.

In addition, Incyte filed a patent infringement action against Sun in the U.S. District Court for the District of New Jersey. In connection with the litigation, the U.S. District Court of New Jersey granted a preliminary injunction temporarily delaying the launch of LEQSELVITM on November 01, 2024. The lawsuit is ongoing, however, on April 9th, 2025 the U.S. Court of Appeals for the Federal Circuit ruled in favor of Sun Pharma and, effective immediately, vacated the preliminary injunction, which had previously prevented the launch of LEQSELVITM (deuruxolitinib).

Note:

Future cash outflows in respect of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

*Income tax matters where department has preferred an appeal against favourable orders received by the Company amounted to ₹ 38,665.7 Million (March 31, 2024: ₹ 31,560.5 Million). These matters are sub-judice in various forums and pertains to various financial years.

₹ in Million

	As at March 31, 2025	As at March 31, 2024
B) Guarantees given by the bankers on behalf of the Group	1,616.1	1,682.3

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for the year ended March 31, 2025

NOTE: 40 COMMITMENTS

₹ in Million

	As at March 31, 2025	As at March 31, 2024
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)*	24,279.1	11,708.7
ii) Investment related commitments **	40,847.4	5,310.6
iii) Letters of credit for imports	736.8	744.8

* The Group is committed to pay milestone payments on certain contracts, however, obligation to pay is contingent upon fulfilment of contractual obligation by parties to the contract.

** Refer Note 80

NOTE: 41 DISCLOSURES RELATING TO SHARE CAPITAL

i Rights, preferences and restrictions attached to equity shares

The equity shares of the Parent Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

ii Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of reporting period

	Year ended March 31, 2025		Year ended March 31, 2024	
	Number of shares	₹ in Million	Number of shares	₹ in Million
Opening balance	2,399,334,970	2,399.3	2,399,334,970	2,399.3
Closing balance	**2,399,334,970**	**2,399.3**	**2,399,334,970**	**2,399.3**

iii Equity shares held by each shareholder holding more than 5 percent equity shares in the Parent Company are as follows:

Name of shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
Shanghvi Finance Private Limited	967,051,732	40.3	967,051,732	40.3
Dilip Shantilal Shanghvi	230,385,155	9.6	230,385,155	9.6

Equity shares held by promoters / members of promoter group / person acting in concert	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% of holding	% Change during the year	Number of shares	% of holding	% Change during the year
Dilip Shantilal Shanghvi	230,385,155	9.6	-	230,385,155	9.6	0.0
Shanghvi Finance Private Limited	967,051,732	40.3	-	967,051,732	40.3	-
Aditya Medisales Limited	40,153,960	1.7	-	40,153,960	1.7	-
Sudhir V. Valia	14,345,019	0.6	-	14,345,019	0.6	-
Raksha S. Valia	28,830,352	1.2	-	28,830,352	1.2	-
Vibha D. Shanghvi	8,840,280	0.4	-	8,840,280	0.4	-
Aalok D. Shanghvi	2,877,280	0.1	-	2,877,280	0.1	-
Vidhi D. Shanghvi	2,822,427	0.1	-	2,822,427	0.1	-
Shanghvi Family & Friends Benefit Trust (Kumud S. Shanghvi and Dilip S. Shanghvi are Trustees)	1,276,774	0.1	-	1,276,774	0.1	-
Kumud S. Shanghvi	100,000	0.0	-	100,000	0.0	(0.0)
Flamboyawer Finance Private Limited	20,865	0.0	-	20,865	0.0	-
Sanghvi Properties Private Limited	15,479	0.0	-	15,479	0.0	-
Gujarat Sun Pharmaceutical Industries Private Limited	14,362	0.0	-	14,362	0.0	-
Unimed Investments Limited	10,400,850	0.4	-	10,400,850	0.4	-

Change in shareholding during the previous year represents the transfer of 99,465 shares from Kumud S. Shanghvi to Dilip Shantilal Shanghvi.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 42 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue, net (excluding depreciation) (Refer Note 37)	31,342.8	30,424.8
Capital	942.5	498.9

NOTE: 43 CATEGORIES OF FINANCIAL INSTRUMENTS

₹ in Million

	As at March 31, 2025			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Equity accounting
Financial assets				
Investments				
Equity instruments - quoted	822.4	36,518.0	-	-
Equity instruments - unquoted	597.3	404.1	-	-
Bonds / debentures - quoted	-	23,383.8	-	-
Investment in associates and joint venture	-	-	-	4,487.3
Mutual funds - unquoted	107,397.4	-	-	-
Venture funds - unquoted	3,010.5	-	-	-
Others - quoted	-	6,917.2	-	-
Loans to related party	-	-	256.3	-
Loans to employees / others	-	-	255.4	-
Trade receivables	-	-	130,461.1	-
Security deposits	-	-	751.8	-
Cash and cash equivalents	-	-	102,687.7	-
Bank balances other than cash and cash equivalents	-	-	10,628.5	-
Interest accrued on investments / balances with banks	-	-	615.4	-
Refund due from government authorities	-	-	3,803.9	-
Derivatives designated as hedges	-	0.1	-	-
Unbilled revenue	-	-	148.6	-
Share application money pending allotment and money paid towards equity based agreements	-	-	641.1	-
Bank deposit with an original maturity more than 12 months, but with a remaining maturity of less than 12 months	-	-	11,550.0	-
Other financial assets	-	-	1,013.7	-
Derivatives not designated as hedges	652.4	-	-	-
Total	**112,480.0**	**67,223.2**	**262,813.5**	**4,487.3**
Financial liabilities				
Borrowings	-	-	18,696.3	-
Lease liabilities	-	-	4,925.6	-
Trade payables	-	-	61,843.4	-
Interest accrued	-	-	43.7	-
Unpaid dividends	-	-	149.1	-
Security deposits	-	-	73.2	-
Payable on purchase of property, plant and equipment and other intangible assets	-	-	6,735.8	-
Derivatives designated as hedges	-	70.3	-	-
Derivatives not designated as hedges	17.9	-	-	-
Payables to employee	-	-	11,625.7	-
Other financial liabilities	-	-	869.5	-
Total	**17.9**	**70.3**	**104,962.3**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

₹ in Million

	As at March 31, 2024			
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Equity accounting
Financial assets				
Investments				
Equity instruments - quoted	1,190.7	15,133.8	-	-
Equity instruments - unquoted	2,918.1	297.2	-	-
Bonds / debentures - quoted	-	61,253.7	-	-
Investment in associates and joint venture	-	-	-	4,426.1
Mutual funds - unquoted	43,859.4	-	-	-
Venture funds - unquoted	3,078.5	-	-	-
Others - quoted	-	18,100.2	-	-
Loans to related party	-	-	458.6	-
Loans to employees / others	-	-	200.1	-
Trade receivables	-	-	112,493.7	-
Security deposits	-	-	773.4	-
Cash and cash equivalents	-	-	92,856.5	-
Bank balances other than cash and cash equivalents	-	-	12,350.3	-
Interest accrued on investments / balances with banks	-	-	427.3	-
Refund due from government authorities	-	-	6,145.1	-
Derivatives designated as hedges	-	114.9	-	-
Unbilled revenue	-	-	108.7	-
Share application money pending allotment	-	-	58.1	-
Other financial assets	-	-	2,489.4	-
Derivatives not designated as hedges	234.6	-	-	-
Total	**51,281.3**	**94,899.8**	**228,361.2**	**4,426.1**
Financial liabilities				
Borrowings	-	-	28,456.9	-
Lease liabilities	-	-	4,279.8	-
Trade payables	-	-	56,533.0	-
Interest accrued	-	-	69.4	-
Unpaid dividends	-	-	113.5	-
Security deposits	-	-	69.8	-
Payable on purchase of property, plant and equipment and other intangible assets	-	-	3,638.5	-
Derivatives designated as hedges	-	125.2	-	-
Payables to employee	-	-	9,987.8	-
Other financial liabilities	-	-	1,062.8	-
Total	**-**	**125.2**	**104,211.5**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 44 FAIR VALUE HIERARCHY

Financial assets and liabilities measured at fair value on a recurring basis at the end of each reporting period

₹ in Million

	As at March 31, 2025		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
Equity instruments - quoted#	36,518.0	-	-
Equity instruments - quoted	822.4	-	-
Equity instruments - unquoted	-	-	597.3
Equity instruments - unquoted#	-	-	404.1
Bonds / debentures - quoted	23,383.8	-	-
Mutual funds - unquoted	107,397.4	-	-
Venture funds - unquoted	-	3,010.5	-
Others - quoted	6,917.2	-	-
Derivatives designated as hedges	-	0.1	-
Derivatives not designated as hedges	-	652.4	-
Total	**175,038.8**	**3,663.0**	**1,001.4**
Financial liabilities			
Derivatives designated as hedges	-	70.3	-
Derivatives not designated as hedges	-	17.9	-
Total	**-**	**88.2**	**-**

₹ in Million

	As at March 31, 2024		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
Equity instruments - quoted#	15,133.8	-	-
Equity instruments - quoted	1,190.7	-	-
Equity instruments - unquoted	-	-	2,918.1
Equity instruments - unquoted#	-	-	297.2
Bonds / debentures - quoted	61,253.7	-	-
Mutual funds - unquoted	43,859.4	-	-
Venture funds - unquoted	-	3,078.5	-
Others - quoted	18,100.2	-	-
Derivatives designated as hedges	-	114.9	-
Derivatives not designated as hedges	-	234.6	-
Total	**139,537.8**	**3,428.0**	**3,215.3**
Financial liabilities			
Derivatives designated as hedges	-	125.2	-
Total	**-**	**125.2**	**-**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liabilities.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximates the fair value because there is wide range of possible fair value measurements and the costs represents estimate of fair value within that range.

#These investments in equity instruments are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at fair value through other comprehensive income.

There were no transfers between Level 1 and 2 in the periods.

The management considers that the carrying amount of financial assets and financial liabilities carried at amortised cost approximates their fair value.

Reconciliation of Level 3 fair value measurements

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Unlisted shares valued at fair value		
Balance at the beginning of the year	3,215.3	732.0
Purchases	269.1	2,649.0
Provision for impairment of Investment (Refer Note 61 A)	(2,603.0)	-
Reclassified as an investment in associates due to increased ownership	-	(80.0)
Fair value changes and foreign exchange fluctuations	120.0	(85.7)
Balance at the end of the year	**1,001.4**	**3,215.3**

NOTE: 45 CAPITAL MANAGEMENT

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Group monitors capital on the basis of the carrying amount of debt as presented in the consolidated financial statements. The Group's objective for capital management is to maintain an optimum overall financial structure.

a) Debt equity ratio

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Debt (Includes borrowings and lease liabilities)	23,621.9	32,736.7
Total equity, including reserves	722,180.2	636,667.5
Debt to total equity ratio	0.03	0.05

b) Dividend on equity shares paid during the year

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Dividend on equity shares		
Final dividend for the year ended March 31, 2024 of ₹ 5.0 (year ended March 31, 2023: ₹ 4.0) per fully paid share	11,996.7	9,597.3
Interim dividend for the year ended March 31, 2025 of ₹ 10.5 (year ended March 31, 2024: ₹ 8.5) per fully paid share	24,143.0	19,384.3

Dividends are net of waiver, wherever applicable.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

c) Dividends not recognised at the end of the reporting period

1. The Board of Directors at it's meeting held on May 22, 2025 have recommended payment of final dividend of ₹ 5.5 per share of face value of ₹ 1 each for the year ended March 31, 2025 amounting to ₹ 13,196.3 Million.
2. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as liability.

NOTE: 46 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Group grants credit terms in the normal course of business.

Investments

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any significant losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Trade receivables

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Financial assets for which loss allowances is measured using the expected credit loss

₹ in Million

Trade receivables ageing	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
(i) Undisputed trade receivables – considered good	110,336.7	18,275.2	892.0	661.6	146.9	148.7	130,461.1
(ii) Undisputed trade receivables – credit impaired	88.7	393.9	158.4	235.1	341.8	1,090.5	2,308.4
(iii) Disputed trade receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivables – credit impaired	-	51.3	140.1	311.8	116.9	333.5	953.6
	110,425.4	**18,720.4**	**1,190.5**	**1,208.5**	**605.6**	**1,572.7**	**133,723.1**

₹ in Million

Trade receivables ageing	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
(i) Undisputed trade receivables – considered good	95,437.5	14,012.6	1,163.0	1,307.6	212.3	200.0	112,333.0
(ii) Undisputed trade receivables – credit impaired	73.6	311.3	362.1	1,967.9	98.9	730.4	3,544.2
(iii) Disputed trade receivables – considered good	-	112.4	27.9	20.4	-	-	160.7
(iv) Disputed trade receivables – credit impaired	-	39.3	45.5	93.0	31.5	304.6	513.9
	95,511.1	**14,475.6**	**1,598.5**	**3,388.9**	**342.7**	**1,235.0**	**116,551.8**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Unbilled revenue

As at March 31, 2025 is ₹ 148.6 Million (March 31, 2024: ₹ 108.7 Million)

Trade receivables from parties are non-interest bearing and are generally on terms of 7 to 150 days.

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	4,058.1	4,149.3
Addition	799.4	746.8
Recoveries / reversals / write-offs / foreign exchange fluctuation	(1,595.5)	(838.0)
Balance at the end of the year	**3,262.0**	**4,058.1**

Other than Trade receivables, the Group has recognised an allowance of ₹ 1,518.2 Million (March 31, 2024: ₹ 1,481.6 Million) against past due loans including interest and ₹ 1,540.0 Million (March 31, 2024: ₹ 500.0 Million) of other receivables based on assessment regarding its future recoverability.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group has unutilised working capital lines from banks of ₹ 98,182.8 Million as on March 31, 2025 (March 31, 2024: ₹ 88,642.1 Million).

The table below provides details regarding the contractual maturities of significant financial liabilities:

₹ in Million

	As at March 31, 2025			
	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivatives				
Borrowings	18,671.1	25.2	-	18,696.3
Lease liabilities	1,368.2	2,504.1	1,053.3	4,925.6
Trade payables	61,843.4	-	-	61,843.4
Other financial liabilities	19,408.1	106.8	-	19,514.9
	101,290.8	**2,636.1**	**1,053.3**	**104,980.2**
Derivatives	88.2	-	-	88.2

₹ in Million

	As at March 31, 2024			
	Less than 1 year	1 - 3 years	More than 3 years	Total
Non-derivatives				
Borrowings	28,443.6	-	13.3	28,456.9
Lease liabilities	1,256.9	1,732.7	1,290.2	4,279.8
Trade payables	56,533.0	-	-	56,533.0
Other financial liabilities	14,941.8	-	-	14,941.8
	101,175.3	**1,732.7**	**1,303.5**	**104,211.5**
Derivatives	125.2	-	-	125.2

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Foreign exchange risk

The Group's foreign exchange risk arises from its foreign operations, foreign currency revenues and expenses (primarily in US Dollar, Euro, South African Rand, Japanese Yen, Brazilian Real and Russian Ruble) and foreign currency borrowings (primarily in US Dollar). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses both derivative and non-derivative financial instruments, such as foreign exchange forward contracts, option contracts, currency swap contracts and foreign currency financial liabilities, to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

(a) Significant foreign currency risk exposure relating to trade receivables, cash and cash equivalents, borrowings and trade payables

₹ in Million

	As at March 31, 2025						
	US Dollar	Euro	Russian Ruble	South African Rand	Japanese Yen	Brazilian Real	Total
Financial assets							
Receivables	111,768.3	11,104.0	7,298.0	2,256.1	2,652.0	5,402.2	140,480.6
Cash and cash equivalents	3,720.1	1,731.6	110.0	-	-	-	5,561.7
	115,488.4	**12,835.6**	**7,408.0**	**2,256.1**	**2,652.0**	**5,402.2**	**146,042.3**
Financial liabilities							
Borrowings	10,287.7	438.5	-	-	-	-	10,726.2
Payables	21,259.7	3,565.2	1,261.3	-	542.5	4.7	26,633.4
	31,547.4	**4,003.7**	**1,261.3**	**-**	**542.5**	**4.7**	**37,359.6**

₹ in Million

	As at March 31, 2024						
	US Dollar	Euro	Russian Ruble	South African Rand	Japanese Yen	Brazilian Real	Total
Financial assets							
Receivables	87,753.4	7,573.3	4,821.1	5,764.8	3,188.9	8,550.0	117,651.5
Cash and cash equivalents	2,030.4	1,161.8	308.1	-	299.2	-	3,799.5
	89,783.8	**8,735.1**	**5,129.2**	**5,764.8**	**3,488.1**	**8,550.0**	**121,451.0**
Financial liabilities							
Borrowings	8,416.6	-	-	-	-	-	8,416.6
Payables	20,407.4	3,451.9	148.6	-	445.6	5.4	24,458.9
	28,824.0	**3,451.9**	**148.6**	**-**	**445.6**	**5.4**	**32,875.5**

(b) Sensitivity

For the years ended March 31, 2025 and March 31, 2024 every 5% strengthening of the Indian rupee against foreign currencies for the above mentioned financial assets / liabilities would decrease Group's profit and Group's equity by approximately ₹ 5,434.1 Million and approximately ₹ 4,428.8 Million respectively. A 5% weakening of the Indian rupee and the respective major currencies would lead to an equal but opposite effect.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(c) Derivative contracts

The Group is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollar, Euro, South African Rand, Japanese Yen, Brazilian Real and Russian Ruble and foreign currency debt is primarily in US Dollar. The Group uses foreign currency forward contracts, foreign currency option contracts, interest rate swap and currency swap contracts (collectively"derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank or a financial institution.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Hedges of highly probable forecasted transactions

The Group designates its derivative contracts that hedge foreign exchange risk associated with its highly probable forecasted transactions as cash flow hedges and measures them at fair value. The effective portion of such cash flow hedges is recorded as in other comprehensive income, and re-classified in the income statement as revenue in the period corresponding to the occurrence of the forecasted transactions. The ineffective portion of such cash flow hedges is immediately recorded in the consolidated statement of profit and loss.

In respect of the aforesaid hedges of highly probable forecasted transactions, the Group has recorded a net loss of ₹ 74.4 Million for the year ended March 31, 2025 and net gain of ₹ 314.2 Million for the year ended March 31, 2024 in other comprehensive income. The Group also recorded hedges as a component of revenue, net loss of ₹ 108.3 Million for year ended March 31, 2025 and net gain of ₹ 223.6 Million for year ended March 31, 2024 on occurrence of forecasted sale transaction.

Changes in the fair value of forward contracts and option contracts that economically hedge monetary assets and liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the consolidated statement of profit and loss. The changes in fair value of the forward contracts and option contracts, as well as the foreign exchange gains and losses relating to the monetary items, are recognised in the consolidated statement of profit and loss.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contracts:

Amount in Million

Hedge Type	Currency / Pair	Sold / Bought	As at March 31, 2025	As at March 31, 2024
Derivatives designated as hedges				
Forward contracts	ZAR / INR	Sold ZAR	ZAR 376.9	-
Forward contracts	USD / INR	Sold USD	USD 468.0	USD 485.0
Forward contracts	USD / NIS	Sold USD	-	USD 34.8
Forward contracts	USD / AUD	Bought AUD	-	AUD 16.2
Derivatives not designated as hedges				
Forward contracts	GBP / USD	Sold GBP	GBP 7.9	GBP 7.5
Forward contracts	EUR / USD	Sold EUR	EUR 5.0	EUR 9.0
Forward contracts	USD / INR	Sold USD	-	USD 75.0
Currency swaps	USD / INR	Sold USD	USD 400.0	USD 400.0

Interest rate risk

The Group has loan facilities on floating interest rate, which exposes the Group to risk of changes in interest rates. The Group monitors the interest rate movement and manages the interest rate risk by evaluating interest rate swaps etc. based on the market / risk perception.

For the year ended March 31, 2025 and March 31, 2024, every 50 basis point decrease in the floating interest rate component applicable on its closing balance of loans and borrowings would increase the Group's profit by approximately ₹ 93.4 Million and ₹ 142.2 Million respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Group's active pharmaceutical ingredients business are generally more volatile. Cost of raw materials forms the largest portion of the Group's cost of revenues. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. As of March 31, 2025, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 47 GOODWILL (NET):

i) Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill has been allocated as follows:

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Goodwill in respect of:		
Sun Pharmaceutical Industries, Inc.	31,452.7	30,681.8
Sun Pharmaceutical Industries, Inc. - Concert	13,023.9	12,708.5
Sun Farmaceutica do Brasil Ltda.	324.7	363.8
Sun Pharma Japan Ltd.	117.7	113.3
Taro Pharmaceutical Industries Ltd.	17,063.0	16,649.7
SC Terapia SA	22,760.6	22,209.4
Ranbaxy Farmaceutica Ltda.	473.0	461.5
Basics GmbH	424.3	413.3
Zenotech Laboratories Limited	595.4	595.4
Sun Pharmaceutical Industries Limited	1,677.4	1,677.4
Ranbaxy South Africa (Pty) Ltd	3.2	3.1
JSC Biosintez	219.7	197.7
Sun Pharma Luxembourg S.A (formerly known as Valstar S.A.)	1,651.5	-
Sun Pharmaceutical Medicare Limited	1.0	1.0
Vivaldis Health and Foods Private Limited	887.2	887.2
Total (A)	**90,675.3**	**86,963.1**
Less:		
Capital reserve in respect of:		
Alkaloida Chemical Company Zrt.	1,177.9	1,171.8
Ranbaxy Nigeria Limited	1.8	1.8
Sun Pharmaceutical Industries Limited	27.5	27.5
Ranbaxy (Malaysia) SDN. BHD.	73.9	72.1
Total (B)	**1,281.1**	**1,273.2**
Total (A-B)	**89,394.2**	**85,689.9**

ii) **Below is the reconciliation of the carrying amount of goodwill:**

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance	85,689.9	83,580.3
Add / (less): Acquisition during the year (Refer Note 78)	1,596.0	887.2
Add / (less): Foreign currency translation difference	2,108.3	1,222.4
Closing balance	**89,394.2**	**85,689.9**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

The carrying amount of goodwill is stated above. The recoverable amounts have been determined based on value in use calculations which uses cash flow projections covering a period of five years (which are based on key assumptions such as expected growth rates based on past experience, margins and Management's expectations / extrapolation of normal increase / steady terminal growth rate) and appropriate discount rates that reflects current market assessments of time value of money and risks specific to these investments. The cash flow projections include estimates for five years developed using internal forecasts and terminal growth rate thereafter. The planning horizon reflects the assumptions for short to mid-term market developments. The average growth rate used in extrapolating cash flows beyond the planning period ranged from (8.0%) to 5.5 % for March 31, 2025 [March 31, 2024 (8.0%) to 5.5 %] . Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated on the weighted average cost of capital for respective CGU or group of CGUs. Discount rate used ranged from 4.5% to 14.8 % for March 31, 2025 [March 31, 2024 5.3% to 13.0 %] . The discount rate considered for the Company's operation in the United States ranges from 4.0% to 7.0% for March 31, 2025 [March 31, 2024 5.6% to 7.7 %] and for SC Terapia SA has been considered at 9.2% [March 31, 2024 8.0 %]. The management believes that any reasonable possible change in key assumptions on which recoverable amount is based is not expected to cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

NOTE: 48 Disclosures mandated by the Companies Act, 2013 Schedule III Part II by way of additional information is given in Annexure 'A'.

NOTE: 49 INCOME TAXES

Tax reconciliation

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Reconciliation of tax expense		
Profit before tax	137,521.3	110,878.9
Income tax rate in India (%)	34.944%	34.944%
Income tax expense calculated at corporate tax rate	**48,055.4**	**38,745.5**
Effect of deduction claimed under chapter VI A of Income Tax Act, 1961	(10,755.1)	(16,329.8)
Effect of income that is exempt from tax	-	(44.8)
Effect of expenses that are not deductible	2,305.3	1,671.9
Effect of incremental deduction allowed on account of research and development costs	(140.1)	(358.4)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets (net)	(13,515.9)	(18,956.9)
Effect of difference between Indian and foreign tax rates and non taxable subsidiaries	(2,094.6)	(3,216.7)
Tax payable under Minimum Alternate Tax (MAT)	-	9,435.0
Effect of reversal / creation of Minimum Alternate Tax (MAT) credit entitlement	-	3,159.4
Reversal of deferred tax asset (Refer Note 61 A)	3,774.8	-
Others	90.5	289.3
Income tax expense recognised in consolidated statement of profit and loss	**27,720.3**	**14,394.5**
Effective tax rate %	**20.2%**	**13.0%**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 50 DEFERRED TAX

i) Deferred tax assets (Net)

₹ in Million

	Opening balance April 01, 2024	Profit / (loss) movement during the year *	Other comprehensive income movement during the year	Taken over on acquisition	MAT Credit utilisation	Closing balance March 31, 2025
Deferred tax assets						
Expenses that are allowed on payment basis	10,602.3	(734.8)	137.7	-	-	10,005.2
Unabsorbed depreciation / carried forward losses	13,322.5	(5,541.8)	-	268.0	-	8,048.7
Inventory and other related items	16,585.2	2,598.4	-	-	-	19,183.6
Others	10,920.7	170.1	138.3	-	-	11,229.1
	51,430.7	**(3,508.1)**	**276.0**	**268.0**	**-**	**48,466.6**
MAT credit entitlement	13,819.0	5,743.1	-	-	(3,063.9)	16,498.2
	65,249.7	**2,235.0**	**276.0**	**268.0**	**(3,063.9)**	**64,964.8**
Less : Deferred tax liabilities	-					
Difference between written down value of property, plant and equipment, capital work-in-progress and intangible assets under development as per books of accounts and income tax	23,845.7	(3,101.3)	-	-	-	20,744.4
Others	367.5	(277.3)	54.7	-	-	144.9
	24,213.2	**(3,378.6)**	**54.7**	**-**	**-**	**20,889.3**
	41,036.5	**5,613.6**	**221.3**	**268.0**	**(3,063.9)**	**44,075.5**

₹ in Million

	Opening balance April 01, 2023	Profit / (loss) movement during the year*	Other comprehensive income movement during the year	Taken over on acquisition	Closing balance March 31, 2024
Deferred tax assets					
Expenses that are allowed on payment basis	11,233.0	(872.2)	241.5	-	10,602.3
Unabsorbed depreciation / carried forward losses	14,973.1	(1,650.6)	-	-	13,322.5
Inventory and other related items	11,594.9	4,990.3	-	-	16,585.2
Others	6,785.8	4,170.1	(35.2)	-	10,920.7
	44,586.8	**6,637.6**	**206.3**	**-**	**51,430.7**
MAT credit entitlement	10,323.9	3,495.1	-	-	13,819.0
	54,910.7	**10,132.7**	**206.3**	**-**	**65,249.7**
Less : Deferred tax liabilities					
Difference between written down value of property, plant and equipment, capital work-in-progress and intangible assets under development as per books of accounts and income tax	19,187.4	4,658.3	-	-	23,845.7
Others	534.1	(142.2)	(24.4)	-	367.5
	19,721.5	**4,516.1**	**(24.4)**	**-**	**24,213.2**
	35,189.2	**5,616.6**	**230.7**	**-**	**41,036.5**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

ii) Deferred tax liabilities (Net)

₹ in Million

	Opening balance April 01, 2024	Profit / (loss) movement during the year *	Other comprehensive income movement during the year	Taken over on acquisition	Disposal of Subisidary	Closing balance March 31, 2025
Deferred tax liabilities						
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax and others	439.6	209.7	-	245.7	-	895.0
Difference in carrying value and tax base of investments	1,182.7	(149.0)	97.9	-	-	1,131.6
	1,622.3	**60.7**	**97.9**	**245.7**	**-**	**2,026.6**
Less : Deferred tax assets						
Expenses that are allowed on payment basis	9.0	135.7	-	-	-	144.7
Others	(105.3)	95.6	-	-	(32.8)	(42.5)
	(96.3)	**231.3**	**-**	**-**	**(32.8)**	**102.2**
	1,718.6	**(170.6)**	**97.9**	**245.7**	**32.8**	**1,924.4**

₹ in Million

	Opening balance April 01, 2023	Profit / (loss) movement during the year*	Other comprehensive income movement during the year	Taken over on acquisition	Closing balance March 31, 2024
Deferred tax liabilities					
Difference between written down value of property, plant and equipment and capital work-in-progress as per books of accounts and income tax and others	2,867.5	(2,517.7)	-	89.8	439.6
Difference in carrying value and tax base of investments	-	-	1,182.7	-	1,182.7
	2,867.5	**(2,517.7)**	**1,182.7**	**89.8**	**1,622.3**
Less : Deferred tax assets					
Expenses that are allowed on payment basis	451.8	(442.8)	-	-	9.0
Others	220.4	(325.7)	-	-	(105.3)
	672.2	**(768.5)**	**-**	**-**	**(96.3)**
MAT credit entitlement	1,878.4	(1,878.4)	-	-	-
	2,550.6	**(2,646.9)**	**-**	**-**	(96.3)
	316.9	**129.2**	**1,182.7**	**89.8**	**1,718.6**

*Movement during the year includes foreign currency translation difference amounting to ₹ 304.0 Million (March 31, 2024 : ₹ 156.9 Million)

iii) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Tax losses (Include capital in nature)	66,361.6	60,244.0
Unabsorbed depreciation	2,374.6	31,551.7
Unused tax credits (MAT credit entitlement)	-	3,744.4
Deductible temporary differences	-	2,580.9

Unused tax losses will expire from financial year 2025-26 to 2042-43. However, in case of certain overseas subsidiaries there is no expiry period for tax losses and unused tax credits.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 51 EARNINGS PER SHARE

	Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year (₹ in Million) - used as numerator for calculating earnings per share	109,290.4	95,763.8
Weighted average number of shares used in computing basic and diluted earnings per share	2,399,334,970	2,399,334,970
Face value per share (in ₹)	1.0	1.0
Basic earnings per share (in ₹)	45.6	39.9
Diluted earnings per share (in ₹)	45.6	39.9

NOTE: 52 SEGMENT REPORTING

The Chief Operating Decision Maker ('CODM') evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by reportable segments. The Group's reportable segments are as follows:

1. India
2. United States of America
3. Emerging markets
4. Rest of the world

The reportable segments derives their revenues from the sale of pharmaceuticals products (generics, specialty, API, etc.). The CODM reviews revenue as the performance indicator. The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Group's consolidated financial statements.

Revenue by geography

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
India	173,755.8	153,967.6
United States of America	170,076.6	158,856.1
Emerging markets	99,559.7	92,415.5
Rest of the world	77,020.4	72,345.3
	520,412.5	**477,584.5**

Non-current assets by geography in the below table include property, plant and equipment, capital work-in-progress, other intangible assets, intangible assets under development and other non-current assets

₹ in Million

	As at March 31, 2025	As at March 31, 2024
India	107,116.0	113,531.5
United States of America	55,191.7	56,595.0
Emerging markets	24,260.9	13,235.7
Rest of the world	21,740.8	21,707.5
	208,309.4	**205,069.7**

In view of the interwoven / intermix nature of business and manufacturing facility, other segmental information is not ascertainable.

No customer contributed more than 10.0% of total revenues for the year ended March 31, 2025 and March 31, 2024.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 53 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has recorded an additional amount of ₹ 285.2 Million (March 31, 2024: ₹ 237.5 Million) as deferred revenue pursuant to the requirements of Ind AS 115. Revenue of ₹ 1,153.6 Million (March 31, 2024: ₹ 1,383.2 Million) has been recognised as Revenue from contract with customer pursuant to completion of performance obligation in respect of the above contracts.

The reconciling items of revenue recognised in the consolidated statement of profit and loss with the contracted price are as follows:

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price, net of returns	788,661.0	724,143.2
Less:		
Provision for sales return	(5,935.3)	(4,374.6)
Chargebacks, Rebates, discounts and others	(262,313.2)	(242,184.1)
	(2,68,248.5)	**(246,558.7)**
Revenue from contracts with customers	**520,412.5**	**477,584.5**

Disaggregation of Revenue from contract with customers:

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	514,779.8	471,304.5
Sale of service / others	5,632.7	6,280.0
	520,412.5	**477,584.5**

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Contract balances		
Trade receivables	130,461.1	112,493.7
Contract assets	148.6	108.7
Contract liabilities	5,110.9	6,152.8

Contract balances of Trade receivables, Contract assets and Contract liabilities as at April 01, 2023 were ₹ 114,385.1 Million, ₹ 291.1 Million and ₹ 7,265.9 Million respectively.

Contract assets are initially recognised for revenue from sale of goods. Contract liabilities are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

The performance obligation is satisfied when control of the goods or services are transferred to the customers based on the contractual terms. Payment terms with customers vary depending upon the contractual terms of each contract.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 54 LEASES

(a) The Company has recognised a lease liability measured at the present value of the remaining lease payments, and right-of-use (ROU) asset at an amount equal to lease liability (adjusted for any related prepayments). Management has exercised judgement in determining whether extension and termination options are reasonably certain to be exercised. Expenses related to short-term leases and low-value assets for the year ended March 31, 2025 is ₹ 167.2 Million (March 31, 2024: ₹ 212.5 Million).

(b) The following is the movement of lease liabilities:

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Balance as at beginning of the year	4,279.8	6,879.9
Additions	2,057.5	1,168.6
Deletions	(158.4)	(2,499.0)
Taken over on acquisition	-	7.1
Interest expense on lease liability	337.5	369.8
Payment towards lease liabilities	(1,682.6)	(1,600.8)
Reclassified to held for sale	-	(0.1)
Foreign currency translation difference	91.8	(45.7)
Balance at end of the year	**4,925.6**	**4,279.8**

(c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Less than one year	1,554.3	1,566.0
Later than one year and not later than five years	3,569.0	3,338.2
Later than five years	764.9	1,176.8

(d) The Company has given certain premises under operating lease or leave and license agreements. These are generally not non-cancellable and periods range between 11 months to 3 years under leave and license / lease and are renewable by mutual consent on mutually agreeable terms. The Company has received refundable interest free security deposits where applicable in accordance with the agreed terms.

NOTE: 55 EMPLOYEE BENEFITS

Defined contribution plan

Contributions are made to Regional Provident Fund (RPF), Family Pension Fund, Employees State Insurance Corporation (ESIC) and other Funds which covers all regular employees of the parent company and Indian subsidiaries. While the employees and the parent company and Indian subsidiaries make predetermined contributions to the Provident Fund and ESIC, contribution to the Family Pension Fund and other statutory funds are made only by the parent company and Indian subsidiaries. The contributions are normally based on a certain percentage of the employee's salary. Amount recognised as expense in respect of these defined contribution plans, aggregate to ₹ 1,710.9 Million (March 31, 2024: ₹ 1,603.3 Million).

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Provident Fund and Family Pension Fund	1,594.6	1,477.8
Contribution to Superannuation Fund	71.9	76.7
Contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	42.7	47.2
Contribution to Labour Welfare Fund	1.7	1.6

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Defined benefit plan

(a) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement / termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the parent company and Indian subsidiaries review the level of funding in gratuity fund. The parent company and Indian subsidiaries decides its contribution based on the results of its annual review. The parent company and Indian subsidiaries aim to keep annual contributions relatively stable at a level such that the fund assets meets the requirements of gratuity payments in short to medium-term.

(b) Pension fund

The parent company has an obligation towards pension, a defined benefit retirement plan, with respect to certain employees, who had already retired before March 01, 2013, will continue to receive the pension as per the pension plan.

(c) COVID-19 Employee children education support

The parent company and its Indian subsidiaries have undertaken an obligation to provide financial support towards education expenses of the children of those employees who have lost their lives due to the COVID-19 pandemic.

Risks

These plans typically expose the parent company and its Indian subsidiaries to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

i) Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

ii) Interest rate risk - A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Other long-term benefit plan

Actuarial valuation for compensated absences is done as at the year end and the provision is made as per the parent company and Indian subsidiaries rules with corresponding charge to the consolidated statement of profit and loss amounting to ₹ 974.1 Million (March 31, 2024: ₹ 957.0 Million) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long-term employee benefit plans are actuarially determined as at the year end using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in other comprehensive income whereas gains and losses in respect of other long-term employee benefit plans are recognised in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

₹ in Million

	Year ended March 31, 2025			Year ended March 31, 2024		
	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Expense recognised in the consolidated statement of profit and loss (Refer Note 34)						
Current service cost	-	-	731.8	-	-	639.0
Interest cost	5.7	73.5	530.7	6.2	76.0	465.0
Expected return on plan assets	-	-	(391.0)	-	-	(385.7)
Expense charged to the consolidated statement of profit and loss	**5.7**	**73.5**	**871.5**	**6.2**	**76.0**	**718.3**
Remeasurement of defined benefit obligation recognised in other comprehensive income						
Actuarial loss / (gain) on defined benefit obligation	(6.1)	15.0	520.4	(6.8)	(4.1)	555.7
Actuarial loss / (gain) on plan assets	-	-	(135.0)	-	-	146.0
Expense / (income) charged to other comprehensive income	**(6.1)**	**15.0**	**385.4**	**(6.8)**	**(4.1)**	**701.7**
Reconciliation of defined benefit obligations						
Obligations as at the beginning of the year	78.8	1,028.5	7,427.2	83.4	1,017.8	6,224.9
Current service cost	-	-	731.8	-	-	639.0
Interest cost	5.7	73.5	530.7	6.2	76.0	465.0
Taken over on acquisition	-	-	-	-	-	5.7
Benefits paid	(2.2)	(58.6)	(588.3)	(4.0)	(61.2)	(463.1)
Actuarial (gains) / losses on obligations						
- due to change in demographic assumptions	-	-	173.5	-	-	(18.2)
- due to change in financial assumptions	2.2	39.6	270.4	1.2	23.1	337.5
- due to experience	(8.3)	(24.6)	76.5	(8.0)	(27.2)	236.4
Obligation as at the year end	**76.2**	**1,058.4**	**8,621.8**	**78.8**	**1,028.5**	**7,427.2**

₹ in Million

	As at March 31, 2025 Gratuity (Funded)	As at March 31, 2024 Gratuity (Funded)
Reconciliation of liability / (asset) recognised in the consolidated balance sheet		
Present value of commitments (as per actuarial valuation)	8,621.8	7,427.2
Fair value of plan assets	(6,258.3)	(5,471.0)
Net liability recognised in the consolidated financial statement	**2,363.5**	**1,956.2**

₹ in Million

	Year ended March 31, 2025 Gratuity (Funded)	Year ended March 31, 2024 Gratuity (Funded)
Reconciliation of plan assets		
Plan assets as at the beginning of the year	5,471.0	5,164.8
Expected return	391.0	385.7
Actuarial gain / (loss)	135.0	(146.0)
Employer's contribution during the year	849.6	529.6
Benefits paid	(588.3)	(463.1)
Plan assets as at the year end	**6,258.3**	**5,471.0**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

	As at March 31, 2025			As at March 31, 2024		
	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Assumptions:						
Discount rate	6.70%	6.65%	In range of 6.6% to 7.20%	7.15%	7.15%	In range of 7.15% to 7.20%
Expected return on plan assets	N.A.	N.A.	In Range of 6.60% to 7.30%	N.A.	N.A.	In range of 7.15% to 7.30%
Expected rate of salary increase	N.A.	N.A.	In range of 10.54%- 11.25%	N.A.	N.A.	In range of 7.00% to 11.25%
Interest rate guarantee	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Morality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Employee turnover	N.A.	N.A.	In range of 11.30% - 25.00%	N.A.	N.A.	In range of 12.26% to 25.00%
Retirement age (years)	N.A.	N.A.	58 to 60	N.A.	N.A.	58 to 60

₹ in Million

	As at March 31, 2025			As at March 31, 2024		
	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)	COVID-19 Education (Unfunded)	Pension Fund (Unfunded)	Gratuity (Funded)
Sensitivity analysis:						
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period.						
Impact on defined benefit obligation						
Delta effect of +1% change in discount rate	(4.2)	(65.3)	(553.4)	(4.6)	(62.4)	(428.7)
Delta effect of -1% change in discount rate	4.7	69.6	629.7	5.1	66.3	482.3
Delta effect of +1% change in salary escalation rate	-	-	598.0	-	-	460.6
Delta effect of -1% change in salary escalation rate	-	-	(538.5)	-	-	(419.1)
Delta effect of +1% change in rate of employee turnover	-	-	(132.8)	-	-	(87.1)
Delta effect of -1% change in rate of employee turnover	-	-	149.0	-	-	97.0
Maturity analysis of projected benefit obligation for next						
1st year	6.1	157.8	1,506.0	5.3	156.6	1,413.4
2nd year	7.3	97.2	969.0	6.4	96.3	940.6
3rd year	6.8	95.0	917.1	7.7	94.4	906.5
4th year	7.7	92.7	903.7	7.2	92.3	841.9
5th year	6.4	90.2	834.4	8.1	90.0	797.4
Thereafter	77.4	1,563.3	9,930.7	88.8	1,620.5	7,889.1
The major categories of plan assets are as under:						
Insurer managed funds (Funded with LIC, break-up not available)	-	-	6,258.3	-	-	5,471.0

The contribution expected to be made by the parent company and its Indian subsidiaries for gratuity during financial year ending March 31, 2026 is ₹ 3,142.7 Million (March 31, 2025 ₹ 2,605.7 Million).

In the United States, the Company sponsors a defined contribution 401(k) retirement savings plan for all eligible employees who meet minimum age and service requirements. The Company has no further obligations under the plan beyond its annual matching contributions.

The Group also has certain other defined benefits plans in various geographies. However, since they are not material , individual disclosures have not been made.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 56

On June 24, 2024, the Group completed its acquisition of all outstanding ordinary shares of Taro Pharmaceutical Industries Limited ("Taro"), other than shares already held by the Group for a consideration of USD 347.4 Million (equivalent to ₹28,998.5 Million). On completion of buyback, the Company has transferred ₹ 3,263.4 Million to the retained earnings.

NOTE: 57 RELATED PARTY DISCLOSURES (IND AS-24) - AS PER ANNEXURE 'B' .

NOTE: 58

Expenditure related to Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 1,405.8 Million (March 31,2024: ₹ 1,167.0 Million).

NOTE: 59

The Group does not have any material associates or joint venture warranting a disclosure in respect of individual associate or joint venture. The Group's share of other comprehensive income is ₹ Nil (March 31, 2024: ₹ Nil) in respect of such associates and joint venture. The unrecognised share of loss is ₹ Nil (March 31, 2024: ₹ Nil) in respect of such associates and joint venture.

NOTE: 60

In respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, provision has been made, which would be required to settle the obligation. The said provisions are made as per the best estimate of the management and disclosure as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets" has been given below:

₹ in Million

	Year ended March 31, 2025 *	Year ended March 31, 2024*
Opening balance	46,885.4	49,008.3
Add: Provision for the year	80,996.1	51,013.0
Add: Taken over on acquisition	-	10.3
Less: Utilisation / settlement / reversal	(74,292.5)	(53,484.7)
Add / (less): Foreign currency translation difference	891.7	338.5
Closing balance (Also refer Note 61)	**54,480.7**	**46,885.4**

*Includes provision for trade commitments, discounts, rebates, price reductions, product returns, chargeback, medicaids, contingency provision and clawback.

NOTE: 61

A) Exceptional items of ₹ 6,778.5 Million and Exceptional tax expense of ₹ 3,774.8 Million for year ended March 31, 2025 includes:

a) Charge of USD 37.44 Million (equivalent to ₹ 3,161.7 Million) including legal expenses of USD 0.7 Million (equivalent to ₹ 58.2 Million) on agreement of a settlement in principle on the primary financial terms, with no admission of wrongdoing, in the National Prescription Opiate Litigation that has been consolidated for pre-trial proceedings in the U.S. District Court for the Northern District of Ohio. The settlement is subject to the negotiation and execution of a definitive settlement agreement between the parties.

The Company continues to defend related matters in the United States of America that were not consolidated into the National Prescription Opiate Litigation as well as similar putative class actions pending in the provinces in Canada.

b) Charge of USD 11.7 Million (equivalent to ₹ 1,013.8 Million) towards integration and restructuring of operations in the United States. Deferred tax asset of USD 43.6 Million (equivalent to ₹ 3,774.8 Million) has also been written off on account of this restructuring.

c) Charge of USD 30.05 Million (equivalent to ₹ 2,603.0 Million) towards impairment of investment in Lyndra Therapeutics Inc. due to closure of its operations.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

B) Exceptional items of ₹ 4,943.2 Million for year ended March 31, 2024 include:

a) Charge of ₹ 1,492.1 Million towards impairment of an acquired intangible asset under development.

b) Foreign exchange loss of ₹ 2,013.5 Million pertaining to Ranbaxy Nigeria Limited on account of devaluation of Naira against US Dollar subsequent to changes in Nigerian Foreign exchange market regulations and methodology by the Central Bank of Nigeria and FMDQ exchange respectively.

c) Impact of relocation of Alchemee operations from California to New York and consequent one time transitional expenses amounting to USD 6.2 Million (equivalent to ₹ 507.4 Million).

d) The Company's subsidiary Ranbaxy, Inc., and its former subsidiaries Ranbaxy Pharmaceuticals, Inc. and Ranbaxy Laboratories Limited (collectively, "Ranbaxy"), were named as defendants in a lawsuit brought by the State of West Virginia alleging that Ranbaxy violated West Virginia antitrust and consumer protection laws in connection with a 2008 patent litigation settlement agreement with Pfizer concerning generic Lipitor (Atorvastatin). The case was pending in the Circuit Court of Mason County, West Virginia. The parties conducted limited fact discovery and served expert disclosures, and the case was scheduled to begin trial on December 11, 2023. With a view to resolve this dispute and avoid uncertainty, Ranbaxy and the State of West Virginia executed a binding term sheet embodying a comprehensive settlement for an amount of USD 8.39 Million (equivalent to ₹ 698.1 Million) including legal costs. The parties executed a definitive settlement agreement on December 10, 2024, which the court formally approved on December 12, 2024. The definitive settlement agreement makes clear that Ranbaxy denies each and every one of the allegations against it and has not conceded or admitted any liability.

e) The Company had incurred a one-time cost of ₹ 232.1 Million in relation to restructuring of operations in Japan.

NOTE: 62

a) In May 2022, FDA inspected Sun Pharma's Halol facility, and the inspection was classified as Official Action Indicated ("OAI") in August 2022. Subsequently, in December 2022, FDA placed the Halol facility on Import Alert 66-40; however, subject to conditions, certain Halol-manufactured finished drug products were exempted from the Import Alert. In December 2022, US FDA issued a Warning Letter summarizing violations of current Good Manufacturing Practice ("cGMP") at the facility (amended in October 2023). The Company is taking corrective measures necessary to get the facility back to fully compliant status.

b) In September 2013, FDA had placed Sun Pharma's Mohali facility on Import Alert; the site was also subjected to certain provisions of the Consent Decree of Permanent Injunction entered against Ranbaxy Laboratories Ltd. in January 2012 (Ranbaxy Laboratories Ltd. was merged with Sun Pharma in March 2015). In March 2017, FDA removed the Import Alert on Mohali facility and indicated that the site was in substantial compliance with the provisions mentioned in the Consent Decree. In August 2022, FDA inspected the Mohali facility, and the inspection was classified as OAI. In April 2023, FDA issued a Consent Decree Correspondence / Non-Compliance letter to the Mohali facility in which FDA directed the Company to take certain corrective actions at the Mohali facility, and certain actions before releasing finished drug product batches into the United States. These actions include, but are not limited to, retaining an independent cGMP expert to conduct batch certifications of drug products manufactured at the Mohali facility for shipment to the U.S. market.

c) In December 2023, FDA inspected Sun Pharma's Dadra facility and has subsequently determined the inspection classification status of this facility as Official Action Indicated (OAI). In June 2024, US FDA issued a Warning Letter summarizing violations of cGMP at the facility. The Company is taking corrective measures necessary to get the facility back to fully compliant status.

NOTE: 63

The management has evaluated the likely impact of prevailing uncertainties relating to imposition or enhancement of reciprocal tariffs for imports in the United States of America and believes that there are no material impacts on the consolidated financial statements of the Company for the year ended March 31, 2025. However, the management will continue to monitor the situation from the perspective of potential impact on the operations of the Company.

NOTE: 64

The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. Certain sections of these Codes came into effect on May 03, 2023. However, the final rules / interpretation have not been issued. The Company will assess the impact of these Codes and give effect in the Consolidated financial statements when the Rules / Schemes thereunder are notified.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 65

a) No proceeding have been initiated or pending against the parent company and its Indian subsidiaries under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.

b) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

c) The Group has not granted any loans or advances in the nature of loans to promoters, directors, and KMPs, either severally or jointly with any other person. No trade or other receivable are due from directors either severally or jointly with any other person.

d) The parent company and its Indian subsidiaries do not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) The parent company and its Indian subsidiaries has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

f) The parent company and its Indian subsidiaries have not been declared wilful defaulter by any bank or financial institution or government or any other government authorities.

g) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. However, the Company, as a part of its treasury operations, invests / advances loans to fund the operations of its subsidiaries / associates / joint venture which have further utilised these funds for their general corporate purposes / working capital, etc. within the consolidated group of the Company and in the ordinary course of business. These transactions are done on an arms length basis following a due approval process.

Further, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE: 66 DETAILS OF LONG-TERM BORROWINGS AND CURRENT MATURITIES OF LONG-TERM DEBT [INCLUDED UNDER SHORT-TERM BORROWINGS]

A Term loan from others:

(i) The Company has Unsecured loan from others of ₹ 25.2 Million (March 31, 2024: ₹ 13.3 Million) comprising of loan taken by Vivaldis Health and Foods Private Limited (Vivaldis). The Company had acquired 60.11% in Vivaldis on May 11, 2023. The unsecured loan carries interest rate of 9.00% and is to be repaid by March 2028.

NOTE: 67 DETAILS OF SECURITIES FOR CURRENT BORROWINGS ARE AS UNDER

Borrowings / debt availed by subsidiaries are usually supported by the letter of awareness issued by the parent company.

NOTE: 68 LOANS / ADVANCES DUE FROM AN ASSOCIATE

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Interest bearing with specified repayment schedule:		
Medinstill LLC and its subsidiaries (Refer Note 57)		
Considered good	256.3	458.6
Credit impaired	1,403.1	1,369.1
Less: Allowance for credit impaired	(1,403.1)	(1,369.1)
	256.3	**458.6**

Loans have been granted to the above entity for the purpose of its business.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 69

The Parent Company holds 24.91% in the capital of Shimal Research Laboratories Limited. However, as the Parent Company does not have any 'Significant Influence' in Shimal Research Laboratories Limited, as is required under Ind AS 28 - "Investments in Associates and Joint Ventures", the said investment in Shimal Research Laboratories Limited has not been accounted as an "Associate Entity".

NOTE: 70

As part of the ongoing simplification of the group structure in India, the Board of Directors of the Company at its meeting held on May 30, 2022, approved the Scheme of Amalgamation for the merger of Wholly-owned Subsidiaries, Sun Pharmaceutical Medicare Limited, Green Eco Development Centre Limited, Faststone Mercantile Company Private Limited, Realstone Multitrade Private Limited and Skisen Labs Private Limited (collectively "Transferor Companies"), with Sun Pharmaceutical Industries Limited ("Transferee Company"). Subsequently, in supersession of the approval granted on May 30, 2022, the Board of Directors of the Company at its meeting held on November 01, 2023 approved a Composite Scheme of Arrangement covering two aspects (1) Amalgamation of the same five wholly-owned subsidiaries into the Company, and (2) Reclassification of general reserves to retained earnings with an appointed date of April 01, 2023 and / or such other date as may be approved by the National Company Law Tribunal pursuant to the provisions of Sections 230 to 232 of Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder.

NOTE: 71 DISCLOSURE OF A SUBSIDIARY THAT HAS NON-CONTROLLING INTEREST THAT IS MATERIAL TO THE GROUP

Name of Subsidiary	Principal place of business	Country of incorporation	Held by non-controlling interest	As at March 31, 2025	As at March 31, 2024
Taro Pharmaceutical Industries Ltd. and its subsidiaries (TARO Group)	United States of America	Israel	Beneficial ownership	0.01%	21.52%
			Voting power	0.01%	14.34%

Above disclosure is not applicable to the Group for current financial year, since the Group has acquired all of outstanding ordinary shares of Taro Group. Refer Note 56.

Name of Subsidiary	Profit / (loss) allocated to non-controlling interests	Accumulated non-controlling interests
	Year ended March 31, 2024	Year ended March 31, 2024
TARO Group	706.2	32,089.1
Individually immaterial subsidiaries with non-controlling interests	(369.7)	2,303.1
Total	**336.5**	**34,392.2**

The summarised consolidated financial information of TARO Group before inter-company eliminations:

₹ in Million

	As at March 31, 2024
Consolidated balance sheet of TARO Group	
Non-current assets	71,720.6
Current assets	107,984.5
Non-current liabilities	(473.7)
Current liabilities	(30,118.1)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

₹ in Million

	Year ended March 31, 2024
Consolidated statement of profit and loss of TARO Group	
Total income	57,965.0
Total expenses excluding exceptional item	50,767.2
Profit after tax	3,281.4
Total comprehensive income for the year	6,126.4

₹ in Million

	Year ended March 31, 2024
Consolidated cash flows information of TARO Group	
Net cash generated from / (used in) operating activities	10,270.7
Net cash generated from / (used in) investing activities	6,981.9

NOTE: 72

The Parent Company and its subsidiaries incorporated in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that in respect of two softwares the audit trail feature for certain changes made using privileged / administrative access rights was enabled during the year. Further no instance of audit trail feature being tampered with was noted in respect of accounting software(s) where the audit trail has been enabled. Additionally, in respect of the financial year 2023-24 the Parent Company and its subsidiaries incorporated in India has preserved the requirements of recording audit trail to the extent it was enabled and recorded in respect of that year.

NOTE: 73

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

NOTE: 74 TRADE PAYABLE AGEING

₹ in Million

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Outstanding dues	48,688.2	12,321.8	318.5	122.1	274.9	61,725.5
Disputed dues	-	96.5	11.5	5.4	4.5	117.9
	48,688.2	**12,418.3**	**330.0**	**127.5**	**279.4**	**61,843.4**

₹ in Million

	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
Outstanding dues	46,456.6	9,551.9	189.9	130.7	143.2	56,472.3
Disputed dues	-	40.4	9.8	6.2	4.3	60.7
	46,456.6	**9,592.3**	**199.7**	**136.9**	**147.5**	**56,533.0**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 75 DETAILS OF CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Ageing of Capital work-in-progress

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress	5,203.9	1,993.5	818.6	4,134.0	12,150.0
Projects temporarily suspended	-	8.3	18.2	166.9	193.4
	5,203.9	**2,001.8**	**836.8**	**4,300.9**	**12,343.4**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
Projects in progress	3,463.8	2,819.6	499.2	4,080.1	10,862.7
Projects temporarily suspended	8.9	20.4	19.4	165.9	214.6
	3,472.7	**2,840.0**	**518.6**	**4,246.0**	**11,077.3**

Overdue Capital work-in-progress

₹ in Million

	To be completed in				As at March 31, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Formulation	608.8	-	-	-	608.8
Active Pharmaceutical Ingredient	2,347.5	-	-	-	2,347.5
Others	90.7	-	-	-	90.7
Projects temporarily suspended	-	-	193.4	-	193.4
	3,047.0	**-**	**193.4**	**-**	**3,240.4**

₹ in Million

	To be completed in				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Formulation	1,311.0	-	-	-	1,311.0
Active Pharmaceutical Ingredient	274.5	-	-	-	274.5
Others	45.4	-	-	-	45.4
Projects temporarily suspended	214.7	-	-	-	214.7
	1,845.6	**-**	**-**	**-**	**1,845.6**

Ageing of intangible assets under development

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2025
Projects in progress	13,226.5	1,773.8	36,595.5	2,500.4	54,096.2
	13,226.5	**1,773.8**	**36,595.5**	**2,500.4**	**54,096.2**

₹ in Million

	Less than 1 year	1-2 years	2-3 years	More than 3 years	As at March 31, 2024
Projects in progress	3,712.4	36,137.0	61.3	2,550.8	42,461.5
	3,712.4	**36,137.0**	**61.3**	**2,550.8**	**42,461.5**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Overdue intangible assets under development

₹ in Million

	To be completed in				As at March 31, 2025
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Others	132.4	-	-	-	132.4
	132.4	**-**	**-**	**-**	**132.4**

₹ in Million

	To be completed in				As at March 31, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Others	154.7	-	-	-	154.7
	154.7	**-**	**-**	**-**	**154.7**

NOTE: 76 USE OF ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

a) Litigations (Refer Note 2 (m) and Note 39)

b) Revenue (Refer Note 2 (n))

c) Impairment of goodwill and intangible assets (Refer Note 2 (g), (h) and Note 47)

d) Contingent consideration (Refer Note 2 (c))

e) Income taxes (Refer Note 2 (r))

NOTE: 77 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions and balances with companies which are struck off except shares held by 35 shareholders holding 27,037 shares (March 31, 2024 - 38 shareholders holding 30,659 shares) having face value of ₹ 1 per share.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

NOTE: 78 BUSINESS COMBINATIONS

(a) On July 12, 2024, the Group acquired Valstar S.A. and its subsidiary Kemipharm S.A. for a consideration of USD 30.7 Million (equivalent to ₹ 2,564.8 Million) from its existing shareholders.

As per Ind AS 103 on Business Combination, purchase consideration has been allocated according to the fair value of the acquired assets and liabilities. The resulting differential has been accounted as goodwill.

	₹ in Million
Assets	
Cash	3.2
Trade receivable	34.9
Other current assets	127.1
Inventories	76.8
Property, Plant and equipment	133.7
Intangible assets	952.4
Total Assets	**1,328.1**
Liabilities	
Trade payable	113.3
Deferred tax	245.7
Income tax liability	0.3
Total liabilities	**359.3**
Total net identifiable assets at fair value	**968.8**
Total purchase price	**2,564.8**
Paid	2,460.4
Deferred consideration	104.4
Goodwill	1,596.0

From the date of acquisition, it has contributed revenue of ₹ 82.5 Million and loss before tax of ₹ 200.0 Million to the Group. If the business combinations had taken place at the beginning of the year, the revenue and profit before exceptional item and tax of the Group would have been ₹ 525,816.8 Million and ₹ 144,221.2 Million respectively. Hence the figures for the year ended March 31, 2025 are not comparable to the previous year presented.

(b) During previous year, the Group had acquired Vivaldis Health and Foods Private Limited ("Vivaldis") for a Cash consideration of ₹ 1,433.2 Million to acquire 60.11% shareholding with the remaining 39.89 % to be acquired in future as per certain terms and conditions.

The acquisition was accounted for as a business combination using the acquisition method of accounting in accordance with Ind AS 103 'Business Combinations'. The purchase price was provisionally allocated to the assets acquired and liabilities assumed based on the estimated fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired was allocated to goodwill. The Group has completed the purchase price allocation during the current year. Adjustments have been made on the finalisation of purchase price allocation and previous year's number have been restated accordingly.

Details of amounts paid, including allocation based on Purchase Price Accounting in accordance with Ind AS 103 are summarised below:

	₹ in Million	
	Final Purchase Price Allocation	**Provisional Purchase Price Allocation**
Purchase consideration as per Ind AS 103	1,433.2	1,433.2
Fair value of net identifiable assets acquired:		
Assets	1,255.1	587.8
Less: Liabilities	345.1	177.1
	910.0	410.7
Goodwill	887.2	1,186.8
Non-controlling interest	364.0	164.3

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

Fair Value of Net Identifiable Assets acquired has been finalised at ₹ 910.0 Million (Provisional Fair Value as on March 31, 2024 was ₹ 410.7 Million) due to identification of / change in value of intangible assets reflecting new information obtained about facts and circumstances that existed as on the acquisition date. As a result, allocation of Purchase Price towards Goodwill has gone down to ₹ 887.2 Million.

NOTE 79

During the year ended March 31, 2025, the Group completed the acquisition of 100% shareholding in Antibe Therapeutics Inc., Canada for a consideration of CAD 4.5 Million (equivalent to ₹ 267.9 Million) from its existing shareholders.

NOTE 80

During the year ended March 31, 2025, the Group has entered into an agreement to acquire Checkpoint Therapeutics, Inc. for a upfront cash payment of USD 4.10 per share of common stock amounting to consideration of upto USD 355 Million. Also, stockholders will receive a contingent value right for upto USD 0.70 per share on achievement of a milestone. Acquisition is subject to approvals and closing conditions.

NOTE 81

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

NOTE 82

Figures for previous year have been regrouped / reclassified wherever considered necessary.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E / E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Names of related parties where there are transactions and description of relationships

(a)	**Key Management Personnel (KMP)**	
	Dilip Shantilal Shanghvi	Chairman and Managing Director (Managing Director upto May 21, 2024)
	Sailesh Trambaklal Desai	Whole-time Director (upto March 31, 2024)
	Sudhir Vrundavandas Valia	Non-Executive Director and Non-Independent Director
	Aalok D. Shanghvi	Whole-time Director (w.e.f. June 01, 2023)
	Vidhi Shanghvi	Whole-time Director (w.e.f. May 22, 2025)
(b)	**Relatives of Key Management Personnel**	
	Vidhi Shanghvi (appointed as Whole-time Director w.e.f. May 22, 2025)	
	Aalok D. Shanghvi (appointed as Whole-time Director w.e.f. June 01, 2023)	
(c)	**Independent Directors**	
	Gautam Doshi	
	Pawan Kumar Goenka	
	Rama Bijapurkar	
	Rolf Karl Heinz Hoffmann (w.e.f. June 15, 2023)	
	Sanjay Khatau Asher (up to March 31, 2025)	
(d)	**Others (Entities in which the KMP, Independent Directors and relatives of KMP and Independent Directors have control or significant influence)**	
	Alfa Infraprop Private Limited	
	Shanghvi Finance Private Limited	
	Shantilal Shanghvi Foundation	
	Sidmak Laboratories (India) Private Limited	
	Sun Petrochemicals Private Limited	
	Sun Pharma Advanced Research Company Limited	
	United Medisales Private Limited (up to March 31, 2024)	
	Anshul Speciality Molecules Private Limited	
	Aditya Medisales Limited	
	Navbio Ag (w.e.f. June 15, 2023)	
	Sanghvi Properties Private Limited	
	SPARCLIFE Inc.	
	Shri Nagardas Dhanji Shanghvi Trust (Trade Name - Sudarshan Netralai)	
	Airamatrix Private Limited	
	Crawford Bayley and Co. (upto March 31, 2025)	
(e)	**Associates**	
	Medinstill LLC	
	Medinstill Development LLC (merged with Intact Solutions LLC w.e.f. November 30, 2024)	
	Dr. Py Institute LLC (merged with Intact Solutions LLC w.e.f. November 30, 2024)	
	Intact Solutions LLC	
	Remidio Innovative Solutions Private Limited	
	WRS Bioproducts Pty. Ltd.	
	Indian Foundation for Quality Management	
	Ezerx Health Tech Private Limited	
(f)	**Unconsolidated Subsidiary (upto March 31, 2024)(Refer Note 38 e)**	
	Foundation for Disease Elimination and Control of India	

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Details of related party transaction:

₹ in Million

	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of goods	**239.2**	**184.8**
Others	147.7	184.8
Associates	91.5	-
Purchase of property, plant and equipment and other intangible assets	**148.7**	**24.6**
Others	148.7	24.6
Revenue from contracts with customers, net of returns	**302.8**	**467.7**
Others	302.8	467.7
Sale of property, plant and equipment	**0.6**	**0.2**
Others	0.6	0.2
Other operating revenue / Other Income	**12.5**	**15.3**
Others	12.5	15.3
Receiving of service	**662.0**	**816.9**
Others	662.0	816.9
Reimbursement of expenses (Paid)	**64.9**	**277.3**
Others	64.9	277.3
Rendering of service	**29.7**	**664.0**
Others	29.7	664.0
Reimbursement of expenses (Received)	**221.8**	**142.5**
Others	221.8	140.4
Associates	-	2.1
Loan given	**33.8**	**207.0**
Associates	33.8	207.0
Loan received back	**320.0**	**-**
Associates	320.0	-
Interest income	**57.4**	**-**
Associates	57.4	-
Advance given	**-**	**15.9**
Others	-	15.9
Lease rental and hire charges (Income)	**93.1**	**94.7**
Others	44.1	54.6
Associates	49.0	40.1
Rent expense / payment towards lease liabilities	**4.8**	**9.6**
Others	4.8	9.6
Investments	**125.0**	**161.2**
Associates	125.0	161.2
Remuneration / compensation	**163.1**	**284.9**
Key management personnel	145.1	270.1*
Relatives of Key management personnel	18.0	14.8
CSR	**700.0**	**652.3**
Others	700.0	650.0
Unconsolidated subsidiary	-	2.3
Sitting fees and commission paid to Independent directors	31.8	25.7

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

(Annexure 'B')

Ind AS- 24 - "RELATED PARTY DISCLOSURES"

Balance outstanding as at end of the year:

₹ in Million

	As at March 31, 2025	As at March 31, 2024
Receivables	**503.0**	**642.5**
Others	503.0	642.5
Associate (March 31, 2025: ₹ 5,623 / -)	0.0	-
Payables	**200.3**	**482.5**
Associates	8.9	0.1
Key management personnel	18.6	92.9
Independent directors	1.1	1.3
Others	171.7	388.2
Security deposit given	**0.5**	**0.5**
Others	0.5	0.5
Security deposit received	**-**	**0.9**
Others	-	0.9
Loan given	**256.3**	**458.6**
Associates	256.3	458.6
Lease liability	**-**	**81.6**
Others	-	81.6
Advance from customers	**1.1**	**-**
Others	1.1	-
Advance (Includes capital and supply of goods / services)	**431.3**	**417.0**
Others	431.3	417.0

*Includes remuneration paid to Aalok D. Shanghvi from the date of appointment as Whole-time Director of the Company.

Key Management Personnel (KMP) and Relatives of KMP who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits'. As these employee benefits are lump sum amount provided on the basis of actuarial valuation, the same is not included above and there is no Share-based payments to key management personnel and relatives of KMP.

The transactions with related parties are made on an arm's length basis. Outstanding trade balances at the year-end are unsecured and there have been no guarantees provided or received for any related party receivables or payables.

Receiving of Service: The service received are mainly in nature of royalty payments and other expenses. The Company mutually negotiates and agrees the price and payment terms with the related parties by benchmarking the same to the services to non-related parties entered into by the counter-party and similar services received by the Company from other non-related parties.

Disclosure of additional information pertaining to the Parent Company, subsidiaries, associates and joint ventures as per Schedule III of Companies Act, 2013:

(Annexure 'A')

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
Parent Entity - Sun Pharmaceutical Industries Limited		33.6	243,398.5	39.2	42,826.2	(2.5)	(232.0)	36.0	42,594.2
Subsidiaries									
Indian									
1	Green Eco Development Centre Limited	0.0	1.2	(0.0)	(0.0)	-	-	(0.0)	(0.0)
2	Sun Pharma Laboratories Limited	48.1	348,578.9	57.5	62,796.8	(1.5)	(132.2)	52.9	62,664.6
3	Faststone Mercantile Company Private Limited	0.0	3.5	0.0	0.1	-	-	0.0	0.1
4	Neetnav Real Estate Private Limited	0.7	5,141.1	(0.0)	(41.3)	-	-	(0.0)	(41.3)
5	Realstone Multitrade Private Limited	0.0	2.4	0.0	0.0	-	-	0.0	0.0
6	Skisen Labs Private Limited	(0.0)	(0.7)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
7	Softdeal Pharmaceutical Private Limited	0.2	1,353.5	0.4	394.9	(0.0)	(1.0)	0.3	393.9
8	Universal Enterprises Private Limited	0.0	4.9	(0.0)	(0.1)	-	-	(0.0)	(0.1)
9	Realstone Infra Limited	(0.1)	(376.1)	(0.1)	(85.5)	-	-	(0.1)	(85.5)
10	Sun Pharmaceutical Medicare Limited	(0.6)	(4,338.8)	(0.5)	(500.9)	(0.1)	(5.1)	(0.4)	(506.0)
11	Zenotech Laboratories Limited	0.2	1,416.1	0.0	31.0	0.0	0.2	0.0	31.2
12	Sun Pharma Distributors Limited	1.5	11,099.1	2.9	3,171.9	0.0	4.4	2.7	3,176.3
13	Caraco Pharmaceuticals Private Limited	(0.0)	(0.4)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
14	Vivaldis Health and Foods Private Limited	0.1	927.0	(0.0)	(29.6)	-	-	(0.0)	(29.6)
15	Sun Pharma Community Healthcare Society	0.0	28.0	0.0	3.1	-	-	0.0	3.1
16	Sun Pharma Science Foundation	0.0	10.2	0.0	0.4	-	-	0.0	0.4
17	Foundation for Disease Elimination and Control of India	(0.0)	(0.1)	0.0	0.2	-	-	0.0	0.2
Foreign									
1	Sun Pharmaceutical (Bangladesh) Limited	0.4	2,598.1	0.2	266.6	-	-	0.2	266.6
2	Sun Farmaceutica Do Brasil Ltda.	(0.3)	(2,298.0)	(0.1)	(77.3)	-	-	(0.1)	(77.3)
3	Sun Pharma De Mexico S.A. DE C.V.	0.1	1,046.6	0.0	49.3	-	-	0.0	49.3
4	Sun Pharmaceutical Peru S.A.C.	(0.0)	(3.1)	0.0	2.4	-	-	0.0	2.4
5	Sun Pharma De Venezuela, C.A.	(0.0)	(0.0)	-	-	-	-	-	-
6	Sun Pharma France	(0.2)	(1,562.1)	(0.0)	(38.4)	-	-	(0.0)	(38.4)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
7	Ranbaxy (Malaysia) SDN. BHD.	0.5	3,941.6	0.8	837.4	-	-	0.7	837.4
8	Ranbaxy Nigeria Limited	(0.5)	(3,437.2)	(0.3)	(324.5)	-	-	(0.3)	(324.5)
9	Sun Pharma (Netherlands) B.V	14.4	104,614.7	(0.8)	(839.3)	2.3	212.0	(0.5)	(627.3)
10	Alkaloida Chemical Company Zrt.	8.8	63,525.2	1.2	1,297.9	-	-	1.1	1,297.9
11	Sun Pharmaceutical Industries (Australia) Pty Limited	0.3	2,375.8	(0.5)	(501.9)	-	-	(0.4)	(501.9)
12	Aditya Acquisition Company Ltd.	(0.0)	(0.7)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
13	Sun Pharmaceutical Industries (Europe) B.V.	0.1	414.5	0.1	75.7	-	-	0.1	75.7
14	Sun Pharmaceuticals Germany GmbH	0.0	174.4	0.1	96.2	-	-	0.1	96.2
15	Sun Pharma Philippines, Inc.	(0.1)	(498.2)	0.0	10.2	-	-	0.0	10.2
16	Sun Pharma Japan Ltd. (Consolidated with its Subsidiary)	0.1	1,076.6	(0.8)	(905.4)	-	-	(0.8)	(905.4)
17	Sun Laboratories FZE	0.2	1,784.2	3.0	3,292.8	(0.4)	(39.2)	2.7	3,253.6
18	Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	21.0	151,863.9	(1.6)	(1,694.3)	7.0	639.0	(0.9)	(1,055.3)
19	Sun Pharma Switzerland Ltd.	(0.0)	(2.9)	(0.0)	(5.2)	-	-	(0.0)	(5.2)
20	Sun Pharma Holdings	16.1	116,505.5	(0.1)	(70.8)	-	-	(0.1)	(70.8)
21	Sun Pharma East Africa Limited	(0.0)	(100.5)	0.0	0.4	-	-	0.0	0.4
22	Sun Pharma ANZ Pty Ltd	0.2	1,537.5	0.1	149.0	-	-	0.1	149.0
23	Ranbaxy Farmaceutica Ltda.	(0.1)	(523.8)	0.7	803.6	-	-	0.7	803.6
24	Sun Pharma Canada Inc.	0.1	631.5	0.1	82.3	-	-	0.1	82.3
25	Sun Pharma Egypt Ltd LLC	0.0	252.7	0.1	116.4	-	-	0.1	116.4
26	Rexcel Egypt LLC	(0.0)	(16.3)	0.0	3.0	-	-	0.0	3.0
27	Basics GmbH	0.2	1,231.4	0.2	207.6	-	-	0.2	207.6
28	Sun Pharma Italia srl	0.0	311.0	0.0	0.2	-	-	0.0	0.2
29	Sun Pharmaceutical Industries S.A.C.	0.0	174.0	0.0	32.0	-	-	0.0	32.0
30	Ranbaxy (Poland) SP. Z O.O.	0.1	408.0	0.0	26.0	-	-	0.0	26.0
31	SC Terapia SA	2.9	20,903.5	5.8	6,381.9	-	-	5.4	6,381.9
32	AO Ranbaxy	0.4	2,584.5	0.3	321.5	-	-	0.3	321.5
33	JSC Biosintez	0.5	3,537.4	0.3	376.8	-	-	0.3	376.8
34	Ranbaxy South Africa (Pty) Ltd. (Consolidated with its Subsidiary)	0.2	1,318.7	0.1	92.9	-	-	0.1	92.9
35	Ranbaxy Pharmaceuticals (Pty) Ltd.	0.5	3,650.3	0.4	481.0	-	-	0.4	481.0

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2024-25		2024-25		2024-25		2024-25	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
36	Sun Pharma Laboratorios,S.L.U.	0.1	905.8	0.1	66.9	-	-	0.1	66.9
37	Sun Pharma UK Limited	0.3	2,257.4	0.1	103.4	-	-	0.1	103.4
38	Sun Pharma Holdings UK Limited	0.5	3,399.6	(0.0)	(1.4)	-	-	(0.0)	(1.4)
39	Sun Pharmaceutical Holding USA Inc. (Consolidated with its Subsidiaries and its Associate)	8.2	59,386.8	0.2	262.7#	(3.1)	(285.6)	(0.0)	(22.9)#
40	Ranbaxy (Thailand) Co., Ltd.	0.0	320.9	0.0	47.0	-	-	0.0	47.0
41	Sun Pharmaceuticals Morocco LLC	(0.0)	(104.6)	0.1	73.6	-	-	0.1	73.6
42	Ranbaxy Pharmaceuticals Ukraine LLC	0.1	508.0	0.1	57.5	-	-	0.0	57.5
43	Sun Pharma (Shanghai) Co., Ltd.	0.0	7.3	(0.0)	(15.3)	-	-	(0.0)	(15.3)
44	Sun Pharmaceuticals (EZ) Limited	(0.1)	(572.8)	(0.5)	(523.5)	-	-	(0.4)	(523.5)
45	Sunpharma Middle East FZ LLC	(0.0)	(0.4)	(0.0)	(5.7)	-	-	(0.0)	(5.7)
46	Sun Pharmaceuticals North Africa S.A. (Formely Known as Kemipharm)	0.0	96.6	(0.2)	(200.2)	-	-	(0.2)	(200.2)
47	Sun Pharma Luxembourg S.A. (Formely known as Valstar S.A.)	(0.2)	(1,537.1)	(0.0)	(47.9)	-	-	(0.0)	(47.9)
Non controlling interest in all subsidiaries		0.4	2,679.3	(0.3)	(357.1)	(0.3)	(25.5)	(0.3)	(382.6)
Intercompany elimination and consolidation adjustments		(59.0)	(427,754.4)	(8.5)	(9,282.5)	98.5	8,963.6	(0.3)	(318.9)
Total		**100.0**	**724,859.5**	**100.0**	**109,290.4**	**100.0**	**9,098.6**	**100.0**	**118,389.0**

Includes share of loss and share of TCI, from its associate of ₹ 40.9 Million.

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries, associates and joint ventures are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

Disclosure of additional information pertaining to the Parent Company, subsidiaries, associates and joint ventures as per Schedule III of Companies Act, 2013:

(Annexure 'A')

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2023-24		2023-24		2023-24		2023-24	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
Parent Entity - Sun Pharmaceutical Industries Limited		35.3	236,944.0	29.8	28,581.8	(1.3)	(139.8)	26.8	28,442.0
Subsidiaries									
Indian									
1	Green Eco Development Centre Limited	0.0	1.2	(0.0)	(0.0)	-	-	(0.0)	(0.0)
2	Sun Pharma Laboratories Limited	42.6	285,914.3	49.4	47,267.1	(2.3)	(243.6)	44.3	47,023.5
3	Faststone Mercantile Company Private Limited	0.0	3.4	0.0	0.1	-	-	0.0	0.1
4	Neetnav Real Estate Private Limited	0.8	5,182.4	(0.0)	(32.7)	-	-	(0.0)	(32.7)
5	Realstone Multitrade Private Limited	0.0	2.3	0.0	0.0	-	-	0.0	0.0
6	Skisen Labs Private Limited	(0.0)	(0.6)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
7	Softdeal Pharmaceutical Private Limited	0.1	959.6	0.1	69.2	(0.0)	(0.3)	0.1	68.9
8	Universal Enterprises Private Limited	0.0	5.0	(0.0)	(0.1)	-	-	(0.0)	(0.1)
9	Realstone Infra Limited	(0.0)	(290.5)	(0.1)	(84.9)	-	-	(0.1)	(84.9)
10	Sun Pharmaceutical Medicare Limited	(0.6)	(3,832.8)	(0.5)	(443.1)	(0.1)	(7.7)	(0.4)	(450.8)
11	Zenotech Laboratories Limited	0.2	1,384.9	0.1	60.9	0.0	0.4	0.1	61.3
12	Sun Pharma Distributors Limited	1.2	7,922.8	2.6	2,502.3	(0.8)	(81.6)	2.3	2,420.7
13	Caraco Pharmaceuticals Private Limited	(0.0)	(0.3)	(0.0)	(0.1)	-	-	(0.0)	(0.1)
14	Vivaldis Health and Foods Private Limited	0.1	457.2	0.0	46.4	-	-	0.0	46.4
Foreign									
1	Sun Pharmaceutical (Bangladesh) Limited	0.4	2,523.0	0.2	202.2	-	-	0.2	202.2
2	Sun Farmaceutica Do Brasil Ltda.	(0.4)	(2,472.0)	0.5	439.5	-	-	0.4	439.5
3	Sun Pharma De Mexico S.A. DE C.V.	0.2	1,188.7	(0.1)	(48.3)	-	-	(0.0)	(48.3)
4	Sun Pharmaceutical Peru S.A.C.	(0.0)	(192.4)	0.0	2.6	-	-	0.0	2.6
5	Sun Pharma De Venezuela, C.A.	(0.0)	(0.0)	-	-	-	-	-	-
6	Sun Pharma France	(0.2)	(1,486.8)	0.1	112.6	-	-	0.1	112.6
7	Ranbaxy (Malaysia) SDN. BHD.	0.4	2,815.7	0.7	640.0	-	-	0.6	640.0
8	Ranbaxy Nigeria Limited	(0.5)	(3,320.3)	(5.0)	(4,743.9)	-	-	(4.5)	(4,743.9)
9	Sun Pharma (Netherlands) B.V	14.8	99,379.9	0.4	374.2	58.6	6,105.4	6.1	6,479.6
10	Alkaloida Chemical Company Zrt.	9.0	60,717.3	1.6	1,570.4	-	-	1.5	1,570.4
11	Sun Pharmaceutical Industries (Australia) Pty Limited	0.4	2,904.2	(0.8)	(786.6)	-	-	(0.7)	(786.6)
12	Aditya Acquisition Company Ltd.	(0.0)	(0.6)	0.0	0.3	-	-	0.0	0.3

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2023-24		2023-24		2023-24		2023-24	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
13	Sun Pharmaceutical Industries (Europe) B.V.	0.0	329.2	0.1	53.9	-	-	0.1	53.9
14	Sun Pharmaceuticals Germany GmbH	0.0	74.4	0.1	71.2	-	-	0.1	71.2
15	Sun Pharmaceuticals SA (Pty) Ltd.	-	-	0.0	0.0	-	-	0.0	0.0
16	Sun Pharma Philippines, Inc.	(0.1)	(505.1)	0.0	5.9	-	-	0.0	5.9
17	Sun Pharma Japan Ltd. (Consolidated with its Subsidiary)	0.3	1,931.5	(0.3)	(250.7)	-	-	(0.2)	(250.7)
18	Sun Laboratories FZE	(0.2)	(1,578.5)	(0.1)	(82.7)	13.8	1,432.2	1.3	1,349.5
19	Taro Pharmaceutical Industries Ltd. (TARO) (Consolidated with its Subsidiaries)	22.2	149,113.3	3.4	3,281.4	7.2	751.9	3.8	4,033.3
20	Sun Pharma Switzerland Ltd.	0.0	2.2	(0.0)	(7.0)	-	-	(0.0)	(7.0)
21	Sun Pharma Holdings	16.9	113,753.9	(0.1)	(70.3)	-	-	(0.1)	(70.3)
22	Sun Pharma East Africa Limited	(0.0)	(96.5)	0.1	74.6	-	-	0.1	74.6
23	Sun Pharma ANZ Pty Ltd	0.2	1,418.7	0.1	96.5	-	-	0.1	96.5
24	Ranbaxy Farmaceutica Ltda.	(0.2)	(1,407.1)	0.2	226.3	-	-	0.2	226.3
25	Sun Pharma Canada Inc.	0.1	564.9	0.2	166.8	-	-	0.2	166.8
26	Sun Pharma Egypt Ltd LLC	0.0	145.3	(0.1)	(94.2)	-	-	(0.1)	(94.2)
27	Rexcel Egypt LLC	(0.0)	(20.1)	(0.0)	(10.9)	-	-	(0.0)	(10.9)
28	Basics GmbH	0.3	1,711.0	0.2	208.3	-	-	0.2	208.3
29	Sun Pharma Italia srl	0.0	300.3	0.2	203.2	-	-	0.2	203.2
30	Sun Pharmaceutical Industries S.A.C.	0.0	129.3	0.0	11.4	-	-	0.0	11.4
31	Ranbaxy (Poland) SP. Z O.O.	0.1	361.7	0.0	26.6	-	-	0.0	26.6
32	SC Terapia SA	2.5	16,780.9	5.7	5,497.3	-	-	5.2	5,497.3
33	AO Ranbaxy	0.3	1,767.9	(0.2)	(198.6)	-	-	(0.2)	(198.6)
34	JSC Biosintez	0.4	2,798.4	0.2	197.6	-	-	0.2	197.6
35	Ranbaxy South Africa (Pty) Ltd. (Consolidated with its Subsidiary)	0.2	1,162.6	0.2	171.5	-	-	0.2	171.5
36	Ranbaxy Pharmaceuticals (Pty) Ltd.	0.4	3,007.0	0.6	615.1	-	-	0.6	615.1
37	Sun Pharma Laboratorios,S.L.U.	0.1	816.1	0.2	144.7	-	-	0.1	144.7
38	Sun Pharma UK Limited	0.3	2,044.4	0.1	88.3	-	-	0.1	88.3
39	Sun Pharma Holdings UK Limited	0.5	3,241.6	(0.0)	(0.9)	-	-	(0.0)	(0.9)
40	Sun Pharmaceutical Holding USA Inc. (Consolidated with its Subsidiaries and its Associate)	8.6	57,891.3	(1.4)	(1,294.6)#	(1.7)	(182.1)	(1.4)	(1,476.7)#
41	Ranbaxy (Thailand) Co., Ltd.	0.0	248.4	0.0	9.9	-	-	0.0	9.9
42	Sun Pharmaceuticals Morocco LLC	(0.0)	(165.0)	0.1	84.1	-	-	0.1	84.1
43	Ranbaxy Pharmaceuticals Ukraine LLC	0.1	465.7	0.1	55.4	-	-	0.1	55.4

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

S.No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		2023-24		2023-24		2023-24		2023-24	
		As % of consolidated net assets	₹ in Million	As % of consolidated profit or (loss)	₹ in Million	As % of consolidated OCI	₹ in Million	As % of consolidated TCI	₹ in Million
44	Sun Pharma (Shanghai) Co., Ltd.	0.0	22.4	0.0	25.6	-	-	0.0	25.6
45	Sun Pharmaceuticals (EZ) Limited	(0.0)	(60.2)	(0.0)	(15.9)	-	-	(0.0)	(15.9)
46	Sunpharma Middle East FZ LLC	0.0	4.8	(0.0)	(0.8)	-	-	(0.0)	(0.8)
47	Libra Merger Limited	0.0	0.8	(0.0)	(0.0)	-	-	(0.0)	(0.0)
	Non controlling interest in all subsidiaries	5.2	34,591.9	(0.4)	(336.5)	(9.7)	(1,008.1)	(1.3)	(1,344.6)
	Intercompany elimination and consolidation adjustments	(62.0)	(416,297.6)	11.6	11,081.5	36.4	3,786.5	14.0	14,868.0
	Total	**100.0**	**671,259.4**	**100.0**	**95,763.8**	**100.0**	**10,413.2**	**100.0**	**106,177.0**

Includes share of loss and share of TCI, from its associate of ₹ 298.0 Million.

Note: The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries, associates and joint ventures are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

PART "A": Subsidiaries

₹ in Million

Sr No	Name of the Subsidiary Company	Date of acquisition / incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Green Eco Development Centre Limited	12.11.2010	INR	1.00	7.0	(5.9)	1.2	0.1	-	-	(0.0)	-	(0.0)	-	100.00%
2	Sun Pharmaceutical (Bangladesh) Limited	29.03.2001	BDT	0.70	42.2	2,556.0	3,768.4	1,170.2	-	1,909.0	371.4	108.9	262.5	-	72.50%
3	Sun Pharmaceutical Industries, Inc.	20.11.2002	USD	85.48	-	106,055.6	207,826.4	101,770.8	4,126.0	127,390.7	974.2	(1,665.0)	2,639.2	-	100.00%
4	Sun Farmaceutica do Brasil Ltda.	22.05.2009	BRL	14.84	82.7	(2,360.0)	3,005.2	5,282.5	-	4,650.9	(45.7)	38.3	(84.0)	-	99.99%
5	Sun Pharma De Mexico S.A. DE C.V.	03.12.2002	MXN	4.19	4.2	1,031.0	1,533.2	498.0	-	1,687.7	104.9	69.4	35.5	-	100.00%
6	Sun Pharmaceutical Peru S.A.C.	27.06.2006	PEN	23.36	197.8	(204.3)	0.4	6.9	-	-	(3.1)	-	(3.1)	-	100.00%
7	Sun Pharma De Venezuela, C.A.	06.11.2011	VES	1.23	0.0	(0.0)	-	0.0	-	-	-	-	-	-	100.00%
8	Chattem Chemicals Inc.	24.11.2008	USD	85.48	-	8,396.6	6,242.2	(2,154.4)	-	6,906.0	2,337.8	263.9	2,073.9	-	100.00%
9	The Taro Development Corporation	20.09.2010	USD	85.48	-	7,280.8	9,152.1	1,871.3	-	-	131.5	-	131.5	-	100.00%
10	Alkaloida Chemical Company Zrt.	05.08.2005	USD	85.48	7,629.5	56,020.8	64,526.8	876.5	953.1	6,418.4	1,277.8	149.8	1,128.0	-	99.99%
11	Sun Pharmaceutical Industries (Australia) Pty Limited	11.03.2008	AUD	53.39	8,761.9	(6,384.2)	4,193.2	1,815.5	-	2,986.5	(475.7)	-	(475.7)	-	100.00%
12	Aditya Acquisition Company Ltd.	22.04.2007	ILS	22.98	0.0	(0.8)	0.8	1.6	-	-	0.1	-	0.1	-	99.99%
13	Sun Pharmaceutical Industries (Europe) B.V.	29.06.2007	EUR	92.37	1.7	435.3	4,046.4	3,609.4	-	5,286.8	109.9	27.3	82.6	-	99.99%
14	Sun Pharmaceuticals Germany GmbH	11.08.2008	EUR	92.37	2.3	163.3	2,610.8	2,445.2	-	4,622.6	121.5	22.8	98.7	-	99.99%
15	Sun Laboratories FZE	13.03.2011	USD	85.48	1,047.2	737.1	4,774.1	2,989.8	-	12,375.6	2,657.9	-	2,657.9	-	100.00%
16	Sun Pharma Japan Ltd.	01.03.2012	JPY	0.57	90.5	1,089.8	7,232.3	6,052.0	-	7,364.6	155.1	0.5	154.6	-	100.00%
17	Sun Pharma Philippines, Inc.	08.12.2011	PHP	1.49	12.9	(513.8)	1,001.1	1,502.0	-	974.9	20.2	13.8	6.4	-	100.00%
18	Caraco Pharmaceuticals Private Limited	12.01.2012	INR	1.00	0.1	(0.5)	0.0	0.4	-	-	(0.1)	-	(0.1)	-	100.00%
19	Sun Pharma Laboratories Limited	09.03.2012	INR	1.00	400.5	348,178.4	369,973.1	21,394.2	109,230.1	119,619.7	79,245.4	16,448.6	62,796.8	-	100.00%
20	Taro Pharmaceutical Industries Ltd. (Taro)	20.09.2010	USD	85.48	58.4	155,540.4	159,111.6	3,512.8	7,329.6	12,551.8	(2,870.8)	52.7	(2,923.5)	-	99.99%
21	Taro Pharmaceuticals Inc.	20.09.2010	USD	85.48	31,848.6	150,745.7	188,261.8	5,667.5	46,389.0	24,292.3	10,118.5	2,308.8	7,809.7	-	99.99%
22	Taro Pharmaceuticals U.S.A., Inc.	20.09.2010	USD	85.48	12.4	(22,770.4)	120,441.6	143,199.6	692.9	27,900.4	(6,118.1)	4,125.8	(10,243.9)	-	99.99%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

₹ in Million

Sr No	Name of the Subsidiary Company	Date of acquisition / incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
23	Taro Pharmaceuticals North America, Inc.	20.09.2010	USD	85.48	0.0	31,850.8	31,850.8	-	-	-	(1.9)	-	(1.9)	-	99.99%
24	Taro Pharmaceuticals Europe B.V.	20.09.2010	EUR	92.37	1.7	1.3	11.3	8.3	-	3.7	0.3	0.1	0.2	-	99.99%
25	Taro International Ltd.	20.09.2010	USD	85.48	0.0	3,073.2	3,398.2	325.0	-	2,180.8	240.2	62.1	178.1	-	99.99%
26	Faststone Mercantile Company Private Limited	01.04.2012	INR	1.00	0.1	3.3	3.5	0.1	-	-	0.1	0.0	0.1	-	100.00%
27	Neetnav Real Estate Private Limited	01.04.2012	INR	1.00	0.1	5,141.0	6,102.6	961.5	-	1.6	(41.3)	(0.0)	(41.3)	-	100.00%
28	Realstone Multitrade Private Limited	01.04.2012	INR	1.00	0.1	2.3	2.5	0.1	-	-	0.1	0.0	0.1	-	100.00%
29	Skisen Labs Private Limited	01.04.2012	INR	1.00	163.6	(164.3)	0.0	0.7	0.0	-	(0.1)	-	(0.1)	-	100.00%
30	Softdeal Pharmaceutical Private Limited	01.04.2012	INR	1.00	0.1	1,353.4	1,871.4	517.9	678.2	2,298.5	531.7	136.8	394.9	-	100.00%
31	Universal Enterprises Private Limited	03.09.2012	INR	1.00	4.5	0.4	8.1	3.2	-	-	(0.1)	-	(0.1)	-	100.00%
32	Sun Pharma Switzerland Ltd.	10.06.2013	CHF	96.93	9.7	(12.5)	3.6	6.4	-	25.0	(5.2)	0.0	(5.2)	-	99.99%
33	Sun Pharma Holdings	29.10.2013	USD	85.48	292,396.5	(176,144.4)	117,593.1	1,341.0	-	-	(71.6)	-	(71.6)	-	100.00%
34	PI Real Estate Ventures, LLC	15.07.2014	USD	85.48	-	3,355.4	3,355.4	-	-	256.4	132.8	-	132.8	-	100.00%
35	Sun Pharma East Africa Limited	13.06.2014	KES	0.66	0.1	(98.2)	847.9	946.0	-	921.6	34.1	15.4	18.7	-	100.00%
36	Basics GmbH	24.03.2015	EUR	92.37	450.3	433.0	7,354.9	6,471.6	-	4,252.3	259.4	63.9	195.5	-	100.00%
37	Ranbaxy Pharmaceuticals Ukraine LLC	24.03.2015	UAH	2.07	82.5	445.4	617.8	89.9	-	943.3	97.0	18.2	78.8	-	100.00%
38	Sun Pharmaceuticals Morocco LLC	24.03.2015	MAD	8.87	108.5	(371.0)	2,374.7	2,637.2	-	3,379.7	87.5	17.8	69.7	-	100.00%
39	Sun Pharmaceutical Industries S.A.C.	24.03.2015	PEN	23.36	101.4	74.3	723.5	547.8	-	761.5	53.5	14.2	39.3	-	100.00%
40	Sun Pharma Holdings UK Limited	24.03.2015	GBP	110.42	3,373.9	164.5	3,539.5	1.1	-	-	(1.4)	-	(1.4)	-	100.00%
41	Sun Pharma France	24.03.2015	EUR	92.37	4,151.8	(5,706.1)	4,075.4	5,629.7	-	4,535.5	(34.4)	-	(34.4)	-	100.00%
42	Sun Pharma Italia srl	24.03.2015	EUR	92.37	4.6	306.1	2,659.6	2,348.9	-	4,482.1	58.3	55.3	3.0	-	100.00%
43	Ranbaxy Pharmaceuticals (Pty) Ltd	24.03.2015	ZAR	4.66	3,263.1	308.8	7,162.4	3,590.5	-	8,735.3	670.2	197.6	472.6	-	100.00%
44	Ranbaxy South Africa (Pty) Ltd	24.03.2015	ZAR	4.66	81.6	544.8	939.0	312.6	-	510.2	54.4	11.3	43.1	-	100.00%
45	Sonke Pharmaceuticals Proprietary Limited	24.03.2015	ZAR	4.66	9.3	986.8	1,407.1	411.0	-	1,919.6	148.6	39.6	109.0	-	70.00%
46	Sun Pharma Egypt LLC	24.03.2015	EGP	1.69	475.9	(221.1)	860.6	605.8	-	829.9	113.1	-	113.1	-	100.00%
47	Rexcel Egypt LLC	24.03.2015	EGP	1.69	3.5	(19.8)	72.3	88.6	-	28.7	3.0	-	3.0	-	100.00%
48	Sun Pharma UK Limited	24.03.2015	GBP	110.42	2,401.6	(143.6)	3,151.6	893.6	-	5,799.9	150.1	37.8	112.3	-	100.00%
49	Ranbaxy (Poland) SP. Z O.O.	24.03.2015	PLN	22.06	94.6	313.3	608.5	200.6	-	917.0	37.8	11.1	26.7	-	100.00%
50	Ranbaxy Nigeria Limited	24.03.2015	NGN	0.06	2.2	(3,451.7)	1,030.9	4,480.4	-	1,029.8	(298.2)	5.5	(303.7)	-	86.16%
51	Ranbaxy (Thailand) Co., Ltd.	24.03.2015	THB	2.52	289.7	1.4	1,356.5	1,065.4	-	2,389.7	49.3	31.2	18.1	-	100.00%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

₹ in Million

Sr No	Name of the Subsidiary Company	Date of acquisition / incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
52	Ohm Laboratories, Inc.	24.03.2015	USD	85.48	20.4	(34,625.6)	10,373.5	44,978.7	-	8,030.1	(2,974.6)	(608.7)	(2,365.9)	-	100.00%
53	Ranbaxy Signature LLC	24.03.2015	USD	85.48	-	1,084.3	3.9	(1,080.4)	-	-	(0.2)	-	(0.2)	-	67.50%
54	Ranbaxy Inc.	24.03.2015	USD	85.48	1,090.7	(35,859.5)	(33,105.6)	1,663.2	-	-	(2,667.4)	(3.2)	(2,664.2)	-	100.00%
55	AO Ranbaxy	24.03.2015	RUB	1.00	163.5	1,784.4	11,568.9	9,621.0	-	11,512.4	(404.0)	(91.8)	(312.2)	-	100.00%
56	Sun Pharma Laboratorios,S.L.U.	24.03.2015	EUR	92.37	92.4	821.6	2,228.5	1,314.5	-	2,887.1	91.3	22.8	68.5	-	100.00%
57	Ranbaxy (Malaysia) SDN. BHD.	24.03.2015	MYR	19.25	159.8	3,781.7	4,858.4	916.9	-	4,195.3	1,148.0	276.9	871.1	-	96.10%
58	Ranbaxy Farmaceutica Ltda.	24.03.2015	BRL	14.84	257.8	(774.0)	4,967.5	5,483.7	-	6,605.3	450.6	(244.0)	694.6	-	100.00%
59	Sun Pharma ANZ Pty Ltd	24.03.2015	AUD	53.39	1,710.8	(173.3)	3,055.9	1,518.4	-	4,864.3	206.9	63.3	143.6	-	100.00%
60	Sun Pharma Canada Inc.	24.03.2015	CAD	59.53	133.9	499.7	3,500.3	2,866.7	-	4,235.1	175.2	30.1	145.1	-	99.99%
61	SC Terapia SA	24.03.2015	RON	18.55	463.7	18,835.8	24,635.9	5,336.4	212.0	26,340.4	7,528.3	1,127.9	6,400.4	-	96.81%
62	Sun Pharma (Netherlands) B.V.	24.03.2015	USD	85.48	66,322.8	39,526.7	108,036.0	2,186.5	13,465.0	4,556.9	4,247.8	270.9	3,976.9	-	100.00%
63	JSC Biosintez	19.12.2016	RUB	1.00	0.3	3,494.5	4,545.8	1,051.0	2.0	3,331.0	572.9	118.1	454.8	-	100.00%
64	Sun Pharmaceuticals Holdings USA, Inc.	18.11.2016	USD	85.48	-	44,650.2	45,571.3	921.1	-	-	0.9	-	0.9	-	100.00%
65	Foundation for Disease Elimination and Control of India	21.09.2016	INR	1.00	0.1	(0.2)	0.2	0.3	-	1.3	0.2	-	0.2	-	100.00%
66	Zenotech Laboratories Limited	27.07.2017	INR	1.00	610.3	351.0	1,110.3	149.0	-	430.5	106.9	50.8	56.1	-	68.84%
67	Sun Pharmaceutical Medicare Limited	16.01.2017	INR	1.00	2.5	(4,341.3)	7,706.1	12,044.9	-	4,097.0	(499.1)	1.8	(500.9)	-	100.00%
68	Sun Pharma Distributors Limited	19.03.2019	INR	1.00	1.5	11,097.6	48,182.3	37,083.2	404.1	168,832.3	4,257.4	1,085.5	3,171.9	-	100.00%
69	Realstone Infra Limited	31.01.2020	INR	1.00	2.5	(378.5)	3,577.1	3,953.1	-	-	(85.5)	-	(85.5)	-	100.00%
70	Sun Pharmaceuticals (EZ) Limited	25.10.2020	BDT	0.70	42.2	(802.1)	2,553.8	3,313.7	-	92.0	(506.0)	-	(506.0)	-	72.49%
71	Sun Pharma (Shanghai) Co.,Ltd	21.12.2020	RMB	11.78	11.8	(4.0)	12.8	5.0	-	91.0	8.6	0.5	8.1	-	100.00%
72	Alchemee, LLC	28.02.2022	USD	85.48	-	207.3	1,106.8	899.5	-	4,726.0	(108.7)	37.0	(145.7)	-	99.99%
73	Proactiv YK	28.02.2022	JPY	0.57	-	502.0	555.2	53.2	-	1,182.5	25.0	17.9	7.1	-	99.99%
74	The Proactiv Company KK	28.02.2022	JPY	0.57	-	89.7	270.9	181.2	-	-	9.6	0.8	8.8	-	99.99%
75	The Proactiv Company Holdings, Inc. (Formerly known as Galderma Holdings, Inc.)	28.02.2022	USD	85.48	-	(11.6)	-	11.6	-	-	-	-	-	-	99.99%
76	Alchemee Skincare Corporation (Formerly known as The Proactiv Company Corporation)	28.02.2022	USD	85.48	-	1,027.0	1,083.3	56.3	-	419.6	205.2	-	205.2	-	99.99%
77	Concert Pharma Ireland Limited	06.03.2023	USD	85.48	-	-	-	-	-	-	-	-	-	-	100.00%
78	Taro Pharma Corporation, Inc.	05.02.2024	USD	85.48	0.0	-	0.0	-	-	-	-	-	-	-	99.99%
79	Vivaldis Health and Foods Private Limited	11.05.2023	INR	1.00	4.3	297.1	487.4	186.0	-	813.0	118.7	29.9	88.8	-	60.11%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2025

₹ in Million

Sr No	Name of the Subsidiary Company	Date of acquisition / incorporation of subsidiary	Reporting Currency	Closing rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend	% of Shareholding
80	Sun Pharma Middle East FZE LLC	02.02.2024	AED	23.27	5.8	(6.2)	127.9	128.3	-	77.6	(6.8)	(0.6)	(6.2)	-	100.00%
81	Sun Pharma Luxembourg S.A(Formely known as Valstar S.A.)	12.07.2024	EUR	92.37	14.3	(1,576.5)	563.8	2,126.0	-	-	(95.3)	0.4	(95.7)	-	100.00%
82	Sun Pharmaceuticals North Africa SA (Formely Known as Kemipharm)	12.07.2024	MAD	8.87	1,330.7	(1,740.2)	716.6	1,126.1	-	104.2	(423.7)	0.2	(423.9)	-	100.00%
83	Snoopy Merger Sub, Inc.	14.02.2025	USD	85.48	-	-	-	-	-	-	-	-	-	-	100.00%
84	Antibe Therapeutics Inc.	17.03.2025	CAD	59.53	-	-	-	-	-	-	-	-	-	-	99.99%
85	Sun Pharma Community Healthcare Society	20.07.1994	INR	1.00	-	27.9	32.9	5.0	1.4	40.3	3.1	-	3.1	-	100.00%
86	Sun Pharma Science Foundation	10.06.1994	INR	1.00	-	10.2	10.3	0.1	-	6.4	0.4	-	0.4	-	100.00%

Note:

1 0.0' represents amount less than 0.05 Million and rounded off.

2 In respect of entities at Sr. Nos. 5, 6, 37, 55, 63, 71, 81 and 82 the reporting date is as of December 31, 2024 and different from the reporting date of the parent company.

3 In respect of entitiy at Sr. No. 81 to 84 has been incorporated / acquired during the year ended March 31, 2025.

4 Foundation for Disease Elimination and Control of India (a wholly owned subsidiary) , Sun Pharma Community Healthcare Society (parent company being founder corporate member) and Sun Pharma Science Foundation (parent company being founder corporate member) are not for profit entities (NPEs). Based on recent clarifications issued on regulatory requirement, these entities have been considered for consolidation for FY 2024-25. These entities are immaterial to the Group.

5 Books of accounts and other related records / documents of the overseas subsidiaries of the Zenotech Laboratories Limited were missing and due to non-availability of those records / information, Zenotech Laboratories Limited is unable to prepare consolidated accounts.

6 With effect from November 23, 2023 Sun Pharma Global FZE has been dissolved.

7 With effect from July 14, 2023 Concert Pharmaceuticals Securities Corp. has been dissolved.

8 With effect from August 15, 2023 Concert Pharma U.K. Limited has been dissolved.

9 With effect from December 21, 2023, Sun Pharmaceuticals SA (Pty) Ltd has been dissolved.

10 Dusa Pharmaceuticals, Inc. was merged with Sun Pharmaceutical Industries, Inc w.e.f. March 31, 2024.

11 With effect from January 31, 2025, Sun Pharma Japan Technical Operations Limited has been ceased to be the subsidiary of the Company.

12 Libra Merger Ltd was merged in to Taro Pharmaceutical Industries Ltd. (Taro) w.e.f June 24, 2024.

13 3 Skyline LLC and One Commerce drive LLC are being consolidated with Taro Pharmaceuticals U.S.A.,Inc.

14 The above does not include 2 Independence Way LLC as they have no operation and does not have any Assets, Liabilities or Equity as on the close of their financial year.

15 Sun Pharma New Milford Parent LLC, Sun Pharma Housatonic LLC, Sun Pharma Housatonic II LLC and Sun Pharma Housatonic III LLC are being consolidated with Sun Pharmaceutical Industries, Inc.

FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

Part "B": Associate Companies and Joint Ventures

Sr. No	Name of Associates / Joint Ventures	Joint Venture	Associate										
		Artes Biotechnology GmbH	Generic Solar Power LLP	Trumpcard Advisors and Finvest LLP (Consolidated)	Medinstill LLC (Consolidated)	Tarsier Pharma Ltd (Formerly known as Tarsius Pharma Ltd.)	WRS Bioproducts Pty Ltd	Ezerx Health Tech Private Limited	Agatsa Software Private Limited	Remidio Innovative Solutions Pvt Ltd	Surgimatix Inc	Haystack Analytics Private Limited	Indian Foundation for Quality Management
1	Latest Balance Sheet Date	31-Dec-24	31-Mar-25	31-Mar-25	31-Dec-24	31-Dec-24	31-Dec-24	31-Mar-25	31-Mar-25	31-Mar-25	31-Dec-24	31-Mar-25	31-Mar-25
	Date of investment	13.02.2014	09.10.2015	31.03.2017	13.03.2014	09.10.2018	03.10.2021	19.10.2023	17.10.2023	03.02.2023	20.02.2024	19.06.2024	30.05.2024
2	Shares of Associate / Joint Ventures held by the company on the year end												
	No.	15,853	NA	NA	1,999	476,284	740,071	6,315	8,538	475,588	627,184	18,320	12,500,000
	Amount of Investment in Associates / Joint Venture	472.9	-	677.1	501.6	390.5	193.2	295.4	-	1,415.1	229.4	312.1	-
	Extend of Holding %	45.00%	28.76%	40.61%	21.38%	19.27%	12.50%	35.84%	23.47%	29.15%	13.64%	8.16%	9.09%
3	Description of how there is significant influence	NA	#	#	#	#	#	#	#	#	#	#	#
4	Reason why the associate / joint venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	Networth attributable to Shareholding as per latest Balance Sheet (adjusted till March 31st, 2025)	211.4	-	346.6	(2,101.7)	(53.2)	(10.5)	94.4	-*	409.5	24.0	28.9	128.7
6	Profit / (loss) for the year												
	i. Considered in Consolidation	100.3	-	29.2	(40.9)	(46.2)	(5.3)	1.4	(9.3)	(136.5)	(28.3)	(17.9)	-
	ii. Not Considered in Consolidation	122.6	0.0	42.7	(150.4)	(193.6)	(37.1)	2.5	-*	(331.8)	(179.2)	(201.5)	(56.3)

* This information is currently not available due to ongoing arbitration proceedings between the Company and Agatsa.

Power to participate in the financial and operating policy decisions of the investee.

For and on behalf of the Board of Directors of
Sun Pharmaceutical Industries Limited

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer

Mumbai, May 22, 2025

Notice of Annual General Meeting

NOTICE is hereby given that the **Thirty-third (33rd) Annual General Meeting of Sun Pharmaceutical Industries Limited will be held on Thursday, July 31, 2025 at 4.00 P.M. IST (Indian Standard Time) through Video Conferencing / Other Audio-Visual Means** to transact the following business:

Ordinary Business:

1. Adoption of Standalone Financial Statements

To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon.

2. Adoption of Consolidated Financial Statements

To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of the Auditors thereon.

3. Declaration of Dividend

To declare Final Dividend of ₹ 5.50/- (Rupees Five and paise fifty only) per Equity Share of ₹ 1/- (Rupee One only) each for the financial year 2024-25.

Special Business:

4. Appointment of Ms. Vidhi Shanghvi (DIN: 06497350) as a Whole-time Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), Ms. Vidhi Shanghvi (DIN: 06497350), was appointed as an Additional Director with effect from May 22, 2025, be and is hereby appointed as a Director of the Company, effective from May 22, 2025.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, and other applicable provisions, if any, of the Act, Regulation 17 and other applicable provisions, if any, of the Listing Regulations, Ms. Vidhi Shanghvi (DIN: 06497350), be and is hereby appointed as the Whole-time Director of the Company for a term of five years, effective from May 22, 2025 at such terms and conditions as per her letter of appointment and the key terms of appointment and remuneration are as follows,

1) Period of Appointment:

Ms. Vidhi Shanghvi shall hold office as a Whole-time Director of the Company for a term of five years effective from May 22, 2025 to May 21, 2030 and such appointment may be terminated by either party giving the other thirty days' notice in writing.

2) Remuneration:

The remuneration (including variation in any components of the remuneration) payable shall be determined by the Board of Directors, from time to time, within the maximum limits as set forth below:

a. **Salary** (including bonus, perquisites, long-term incentive, variable pay, etc. up to ₹ 3,00,00,000/- (Rupees Three Crore only) per annum.

Perquisites: She will be entitled to furnished/ non-furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company-maintained car, telephone, and such other perquisites in accordance with the Company's rules, the monetary value of which will be determined in accordance with the Income Tax Rules, 1962.

b. **Company's contribution to Provident Fund and superannuation fund** or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of her tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

c. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, Ms. Vidhi Shanghvi shall be entitled to receive a total remuneration, including perquisites, etc., not exceeding the ceiling limits as approved by the shareholders herein above, as minimum remuneration.

3) Other Terms and Conditions:

a. Subject to the provisions of the Act, Ms. Vidhi Shanghvi, as a Whole-time Director, shall have the power of general conduct and management of the affairs of the Company. She shall be entitled to exercise all such powers and do all such acts which are directed or required of her in her capacity as the Whole-time Director, by the Act or any other law for the time being in force.

b. Ms. Vidhi Shanghvi is liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors shall have the discretion and authority to modify the foregoing terms of remuneration within the limits as approved by the shareholders and that the Board of Directors of the Company be and is hereby authorised to take such steps as they may deem fit, expedient or desirable to give effect to this resolution."

Please click ***here*** for the explanatory statement

5. Retirement of Mr. Sudhir Valia (DIN: 00005561), Non-Executive and Non-Independent Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152 of the Companies Act, 2013, Mr. Sudhir Valia (DIN: 00005561), Non-executive & Non-Independent Director, retires by rotation with effect from the conclusion of the 33rd Annual General Meeting and the vacancy caused shall not be filled up."

Please click ***here*** for the explanatory statement

6. Appointment of Mr. Dilip Shanghvi (DIN: 00005588) as an Executive Director of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 196 and Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), Regulation 17 and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Dilip Shanghvi (DIN: 00005588) be and is hereby appointed as an Executive Director of the Company, for a term of five years at such terms and conditions and remuneration as may be agreed to between the Board of Directors and Mr. Dilip Shanghvi in accordance with the requirements of the Act and the key terms of the appointment are as follows,

1) Period of Appointment:

Mr. Dilip Shanghvi shall hold office for a term of five years, effective from 01 September 2025 to 31 August 2030 and such appointment may be terminated by either party giving the other thirty days' notice in writing.

2) Remuneration:

The remuneration (including variation in any components of the remuneration) payable shall be determined by the Board of Directors, from time to time, within the maximum limits as set forth below:

a. **Salary** (including bonus, perquisites, long-term incentive, variable pay, etc.) up to ₹ 12,00,00,000/- (Rupees Twelve Crore only) per annum.

Perquisites: He will be entitled to furnished/ non-furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company-maintained car, telephone, and such other perquisites in accordance with the Company's rules, the monetary value of which will be determined in accordance with the Income Tax Rules, 1962.

b. **Company's contribution to Provident Fund and superannuation fund** or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

c. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, Mr. Dilip Shanghvi shall be entitled to receive a total remuneration, including perquisites, etc., not exceeding the ceiling limits as approved by the shareholders herein above, as minimum remuneration.

3) Other Terms and Conditions:

a. Mr. Dilip Shanghvi shall be entitled to exercise all such powers and do all such acts which are directed or required of him in his capacity as an Executive Director, by the Act or any other law for the time being in force.

b. Mr. Dilip Shanghvi is liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors shall have the discretion and authority to modify the foregoing terms of remuneration within the limits as approved by the shareholders and that the Board of Directors of the Company be and is hereby authorised to take such steps as they may deem fit, expedient or desirable to give effect to this resolution."

Please click ***here*** for the explanatory statement

7. Appointment of Mr. Kirti Ganorkar (DIN: 10620142) as the Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Kirti Ganorkar (DIN: 10620142) be and is hereby appointed as the Managing Director of the Company, for a term of five years, effective from 01 September 2025 at such terms and conditions as per his letter of appointment and the key terms of appointment and remuneration are as follows,

1) **Period of Appointment:**

Mr. Kirti Ganorkar shall hold office as the Managing Director of the Company for a term of five years from 01 September 2025, until 31 August 2030, and such appointment may be terminated by either party giving the other thirty days' notice in writing.

2) **Remuneration:**

The remuneration (including variation in any components of the remuneration) payable shall be determined by the Board of Directors, from time to time, within the maximum limits as set forth below:

a. **Salary** (including bonus, perquisites, long-term incentive, variable pay, etc.) up to ₹ 25,00,00,000/- (Rupees Twenty-five Crore only) per annum.

Perquisites: He will be entitled to furnished/non-furnished accommodation or house rent allowance, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, company-maintained car, telephone, and such other perquisites in accordance with the Company's rules, the monetary value of which will be determined in accordance with the Income Tax Rules, 1962.

b. **Company's contribution to Provident Fund and superannuation fund** or annuity fund, gratuity payment as per Company's rules and encashment of leave at the end of his tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

c. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, Mr. Kirti Ganorkar shall be entitled to receive a total remuneration, including perquisites, etc., not exceeding the ceiling limits as approved by the shareholders herein above, as minimum remuneration.

3) **Other Terms and Conditions:**

a. Subject to the provisions of the Act, Mr. Kirti Ganorkar, as a Managing Director, shall have the power of general conduct and management of the affairs of the Company. He shall be entitled to exercise all such powers and do all such acts which are directed or required of him in his capacity as the Managing Director, by the Act or any other law for the time being in force.

b. Mr. Kirti Ganorkar would be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors shall have the discretion and authority to modify the foregoing terms of remuneration within the limits as approved by the shareholders and that the Board of Directors of the Company be and is hereby authorised to take such steps as they may deem fit, expedient or desirable to give effect to this resolution."

Please click *here* for the explanatory statement

8. **Appointment of KJB & Co LLP, Practising Company Secretaries, as the Secretarial Auditors of the Company**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, KJB & Co LLP, Practising Company Secretaries, (LLPIN: AAM-3002) be and are hereby appointed as the Secretarial Auditors of the Company for a term of five (5) consecutive years, to hold such office from the conclusion of this 33rd Annual General Meeting up to the conclusion of 38th Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company, from time to time."

Please click *here* for the explanatory statement

For **Sun Pharmaceutical Industries Limited,**

(Anoop Deshpande)
Company Secretary and Compliance Officer
ICSI Membership No.: A23983

Date: July 1, 2025
Place: Mumbai

Registered Office:
SPARC, Tandalja,
Vadodara - 390 012
Gujarat, India

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this statement sets out material facts and disclosures about the Special Business at Item Nos. 4 to 8 of the Notice.

Item No. 4: Appointment of Ms. Vidhi Shanghvi (DIN: 06497350) as a Whole-time Director

In a dynamic global business environment, diversity on the Board is key to achieving sustainable growth that can generate value for stakeholders. A diverse board adds value to the board processes. Key diversity attributes include an adequate mix of age and gender of the Board members.

In view of the above, Ms. Vidhi Shanghvi is proposed to be appointed to the Company's Board of Directors. She has been with the Company for more than a decade and is currently the Vice President and Head of Consumer Healthcare, Nutrition, and India Distribution. In view of the above, the Nomination

and Remuneration Committee ("NRC") has considered her candidature and approved her appointment and remuneration as the Whole-time Director of the Company.

Based on the approval and recommendation of the NRC, the Board of Directors, has approved the appointment and remuneration of Ms. Vidhi Shanghvi, as an Additional Director and Whole-time Director for a period of five years commencing from May 22, 2025, subject to approval of the shareholders.

Ms. Vidhi Shanghvi fulfils all the conditions given under Section 196 and Schedule V of the Act to be eligible for her appointment. She is neither disqualified under Section 164 of the Act nor debarred by virtue of any order of the Securities and Exchange Board of India or any other such authority from holding office as a Director.

The terms and conditions of her appointment and remuneration are detailed in the resolution at Item No. 4.

Brief profile of Ms. Vidhi Shanghvi and other particulars, as required pursuant to Regulation 36 of Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, are provided under the head **"Profile of Directors"** forming part of this Notice.

The remuneration for her existing role for FY 2025-26 has been approved by the Board of Directors on the recommendation of the NRC as follows,

Particulars	Amount ₹ in Crores
Fixed Pay	1.78
Variable Pay	0.32
Total	**2.10**

No change is proposed in the remuneration as mentioned above as a result of Ms. Vidhi Shanghvi's appointment to the Board of Directors of the Company for the financial year 2025-26. The approval of the shareholders is being sought for a maximum remuneration of ₹ 3,00,00,000 (Rupees Three Crore only) for a term of five years, and the Board will determine the remuneration from time to time within such overall limit.

The remuneration payable includes variable pay, which is determined based on the achievement of targets, which is a combination of individual performance on financial and operational goals and overall company performance in terms of revenues and profits before tax.

In terms of Section 161(1) of the Act, Ms. Vidhi Shanghvi has been appointed as an Additional Director, holding office up to the Annual General Meeting ("AGM"). Also, appointment of a director is required to be approved by the shareholders within a time period of three months from the appointment or at the next general meeting, whichever is earlier, pursuant to Regulation 17(1C) of Listing Regulations.

Pursuant to Regulation 17(6)(e) of Listing Regulations, shareholders approval is being sought by way of Special Resolution for her remuneration, as Ms. Vidhi Shanghvi is a member of the promoter group of the Company.

The resolution is proposed as Special Resolution, since the remuneration as approved by the Board, within the maximum limit as approved by the shareholders, shall be paid as minimum remuneration, in the event of the inadequacy of profits during the term of her appointment, which may exceed the amount calculated under Schedule V of the Act.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 4, for approval of the shareholders as a Special Resolution.

Ms. Vidhi Shanghvi is the daughter of Mr. Dilip Shanghvi, Chairman and Managing Director and sister of Mr. Aalok Shanghvi, Whole-time Director and Chief Operating Officer of the Company.

Ms. Vidhi Shanghvi, Mr. Dilip Shanghvi, Mr. Aalok Shanghvi and their relatives are interested in the resolution at Item No. 4. None of the other Directors, Key Managerial Personnel of the Company, or their relatives are in any way concerned or interested in the resolution as set out at Item No. 4.

Please click ***here*** for the resolution

Item No. 5: Retirement of Mr. Sudhir Valia (DIN: 00005561), Non-executive and Non-Independent Director of the Company

Pursuant to the provisions of Section 152 of the Act, Mr. Sudhir Valia, Non-executive and Non-Independent Director of the Company, retires by rotation upon the conclusion of the 33rd AGM. He has expressed his desire to retire and has not offered to be re-appointed.

The vacancy caused by Mr. Sudhir Valia's retirement is not proposed to be filled at the AGM, or any adjournment thereof. Accordingly, the Board recommends the resolution at Item No. 5 of the Notice for the approval of the shareholders as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Sudhir Valia and his relatives, including Mr. Dilip Shanghvi, Chairman and Managing Director, are in any way concerned or interested in the resolution as set out at Item No. 5 of the Notice.

Please click ***here*** for the resolution

Item No. 6 and 7: Appointment of Mr. Dilip Shanghvi (DIN: 00005588) as an Executive Director of the Company and Appointment of Mr. Kirti Ganorkar (DIN: 10620142) as the Managing Director of the Company

As a part of the Company's best governance practices, the Nomination and Remuneration Committee ("NRC") and the Board of Directors the Company have established retirement age limits for employees and senior management personnel, including the Whole-time Director, Managing Director, Executive Chairman, Non-Executive Non-Independent

Director, and Independent Director. The approved age limit for the Managing Director is 70 years.

Mr. Dilip Shanghvi, Chairman and Managing Director, has decided to step down from his role as Managing Director in light of the retirement criteria established by the Board and to facilitate the implementation of a comprehensive succession plan that ensures the continuity of the Company's growth. Mr. Dilip Shanghvi will continue to be on the Board of Directors of the Company as the Executive Chairman.

A comprehensive process of identifying a successor to Mr. Dilip Shanghvi was carried out. This involved engaging with a third party to assess the executive talent and create a development plan, interviews, a psychometric assessment test, etc., followed by interaction with certain board members. This comprehensive exercise culminated in identifying Mr. Kirti Ganorkar to be a suitable candidate to be appointed as the Managing Director to succeed Mr. Dilip Shanghvi.

Mr. Kirti Ganorkar joined Sun Pharma in 1996 and has been heading India Business at Sun Pharma since June 2019. Under his leadership, the company's India Business has grown consistently, further increasing its market share.

Based on the review and recommendation of the NRC, the Board of Directors has proposed that Mr. Kirti Ganorkar be appointed as the Company's Managing Director for a five-year term effective 01 September 2025. It is further proposed that Mr. Dilip Shanghvi be appointed as the Executive Director of the Company for a five-year term effective 01 September 2025.

Brief profiles and other particulars, as required pursuant to Regulation 36 of Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, is provided under the head **"Profile of Directors"** forming part of the Notice.

Both Mr. Dilip Shanghvi and Mr. Kirti Ganorkar fulfil all the conditions given under Section 196 and Schedule V of the Act to be eligible for their appointment. They are neither disqualified under Section 164 of the Act nor debarred by virtue of any order of the Securities and Exchange Board of India or any other such authority from holding office as Directors.

Mr. Ganorkar is currently a Whole-time Director and a Key Managerial Personnel ("KMP") of Sun Pharma Laboratories Limited ("SPLL"). A KMP of a Company is allowed to be a KMP of a subsidiary Company at the same time. Accordingly, there is no change proposed in Mr. Ganorkar's position in SPLL due to his appointment as the Managing Director of the Company except that he shall not draw any remuneration from SPLL.

The terms and conditions of Mr. Dilip Shanghvi's and Mr. Kirti Ganorkar's appointments and remuneration are detailed in the resolutions at Item Nos. 6 and 7, respectively.

Remuneration Proposal

Mr. Dilip Shanghvi's remuneration for FY 2025-26, as approved by the Board of Directors on the recommendation of the NRC, is given below. There is no change proposed in his remuneration for FY 2025-26 upon his appointment as an Executive Director. The approval of the shareholders is being sought for a maximum remuneration of ₹ 12,00,00,000 (Rupees Twelve Crore only) for a term of five years, and the Board will determine the remuneration from time to time within such overall limit.

The NRC and the Board of Directors has reviewed and recommended the remuneration to be paid for FY 2025-26 to Mr. Kirti Ganorkar on his appointment. The approval of the shareholders is being sought for a maximum remuneration of ₹ 25,00,00,000 (Rupees Twenty-five Crore only) for a term of five years, and the Board will determine the remuneration from time to time within such overall limit.

Amount ₹ in Crores

Proposed Remuneration for FY 2025-26	Mr. Dilip Shanghvi	Mr. Kirti Ganorkar
Fixed Pay	7.30	10.40
Variable Pay	0.91	5.60
Total CTC	**8.21**	**16.00**

The remuneration payable includes variable pay, which is determined based on the achievement of targets, which is a combination of individual performance on financial and operational goals and overall company performance in terms of revenues and profits before tax.

Pursuant to Regulation 17(6)(e) of Listing Regulations, shareholders' approval is being sought by way of Special Resolution for Mr. Dilip Shanghvi's remuneration, as he is the promoter of the Company. Further, Section 196 of the Act requires the appointment of an executive director to be made by Special Resolution if the candidate has attained the age of seventy years. Mr. Dilip Shanghvi, the founder of the Company, shall attain the age of seventy years during his term of appointment. For the past four decades, he has skillfully navigated the Company through an impressive trajectory of continuous growth and innovation. As he prepares to step down from his role as Managing Director, his invaluable expertise will remain instrumental as he transitions to the position of Executive Chairman and he will continue to guide the Company into its exciting next phase of development and opportunities.

The resolutions are proposed as Special Resolutions, since the remuneration as approved by the Board, within the maximum limit as approved by the shareholders, shall be paid as minimum remuneration, in the event of the inadequacy of profits during the term of their appointment, which may exceed the amount calculated under Schedule V of the Act.

The Board of Directors recommend the resolutions as set out at Item Nos. 6 and 7 for approval of the shareholders as Special Resolutions.

Mr. Dilip Shanghvi is the father of Mr. Aalok Shanghvi, Whole-time Director and Chief Operating Officer and Ms. Vidhi Shanghvi, Whole-time Director of the Company, and brother-in-law of Mr. Sudhir Valia, Non-executive Director of the Company.

Mr. Dilip Shanghvi, Mr. Aalok Shanghvi, Ms. Vidhi Dilip Shanghvi and Mr. Sudhir Valia and their relatives are interested in the resolution at Item No. 6. None of the other Directors, Key Managerial Personnel of the Company, or their relatives are in any way concerned or interested in the resolution as set out at Item No. 6.

Mr. Kirti Ganorkar is not related to any Director or Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution as set out at Item No. 7.

Please click ***here*** for the resolution

Item No. 8: Appointment of KJB & Co LLP, Practising Company Secretaries, as the Secretarial Auditors of the Company

Secretarial Audit is required to be conducted for every financial year, as per the provisions of Section 204 of the Act, and its report forms a part of the Board's Report of the Company. Under the provisions of the Act, the Board of Directors is authorised to appoint the Secretarial Auditors and fix its remuneration on an annual basis.However, pursuant to Regulation 24A of the Listing Regulations, the appointment of the Secretarial Auditors is required to be approved by the shareholders for a term of five years.

The Board of Directors has approved and recommended the appointment of KJB & Co LLP, Practising Company Secretaries ("KJB & Co"), as the Secretarial Auditors of the Company, for a term of five consecutive years, from the conclusion of the 33rd Annual General Meeting up to the conclusion of the 38th Annual General Meeting. The remuneration of the Secretarial Auditors shall be determined by the Board of Directors from time to time, in consultation with them.

Brief profile of KJB & Co along with other particulars as required pursuant to the Listing Regulations, is provided below.

KJB & Co has consented to act as the Secretarial Auditors of the Company for the said term, and has confirmed that it is eligible to be appointed as such.

The Board recommends the resolution at Item No. 8 of the Notice for the approval of the shareholders as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives, are in any way concerned or interested in the resolution as set out at Item No. 8 of the Notice.

Please click ***here*** for the resolution

Brief Profile	KJB & Co LLP, Practising Company Secretaries ("KJB & Co") is a full-service, dynamic, and trustworthy company secretary firm that specializes in a variety of legal disciplines. It has been providing complete corporate compliance, tax compliance, transaction advisory, foreign exchange, securities law, and dispute resolution services across key cities in India. Formed in the year 2018, the firm has grown in its domain knowledge and has constantly added newer areas of practice since then. It consists of a team of more than 20 professionals dedicatedly to working towards the services rendered by the firm in different core areas, i.e. Transactions, Compliance and Assurance. Technology is one of the key enablers and differentiators at the firm, and the firm's professionals are aided in their work with more than 20 cloud-based software tools, including artificial intelligence and automation, to enable them to deliver better turnaround times for clients and operational efficiency It provides secretarial audit and assurance services to many clients and is known for its integrity and ethical practices while rendering assurance services.
Basis of Recommendation by the Board	KJB & Co is considered as expert in corporate and securities law advisory and handles regular and complex advisory assignments on corporate and securities law.
Brief Terms of Appointment	i. KJB & Co shall ensure that it is peer-reviewed during its term. ii. In the event of becoming ineligible to continue its appointment, the KJB & Co shall inform the Company promptly. iii. KJB & Co shall maintain the confidentiality of the information provided by the Company and use such information solely to carry out the audit. iv. KJB & Co shall adhere to the Professional Standards specified by the Institute of Company Secretaries of India (ICSI).
Proposed Fee	The proposed fee for FY 2025-26 is ₹ 1.04 Million per annum (Previous year: ₹ 0.99 Million per annum) plus reimbursement of out-of-pocket expenses and applicable taxes. This fee is commensurate with the industry in which the Company operates, its size and volume of operations. The Board of Directors shall be authorised to fix its annual fee.

Profile of Directors

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), the particulars of the Directors who are proposed to be appointed at the Annual General Meeting are given below:

Particulars	Ms. Vidhi Shanghvi	Mr. Dilip Shanghvi	Mr. Kirti Ganorkar
Age	38	69	58
Brief Resume of the Director	A graduate of The Wharton School, University of Pennsylvania, Vidhi Shanghvi currently leads Sun Pharma's Consumer Healthcare Business and India Distribution. With over 13 years of diverse experience, she has held leadership roles across Marketing, Brand Building, Project and Alliance Management, and Distribution. Vidhi began her career at Sun Pharma in 2012 as a Brand Manager within the India Business. In 2014, she was appointed Marketing Head for one of the Business Units within the Cardiovascular Division Cluster. During her tenure, she spearheaded key improvements in business processes and drove digital transformation initiatives that enhanced operational efficiency. Following the merger of Ranbaxy with Sun Pharma in 2015, Vidhi took charge as Business Head of Sun Pharma's Consumer Healthcare Business. Under her leadership, the business has experienced substantial growth. With a portfolio of flagship brands including Revital H and Volini, she has played a pivotal role in expanding distribution reach across pharmacies, retail stores and online e-commerce platforms in India. Along with her responsibilities in the Consumer Healthcare Business, Vidhi has been leading India Distribution, a critical component of Sun Pharma's domestic value chain.	Dilip Shanghvi is the Founder Chairman and Managing Director of Sun Pharmaceutical Industries Limited. He is also the Chairman of Sun Pharma Advanced Research Company Ltd., which is engaged in R&D of new innovative drugs and delivery technologies. He was awarded the Padma Shri in 2016 for his distinguished contribution to the Indian Trade & Industry. In January 2018, the Indian Government appointed Mr Shanghvi to the Reserve Bank of India's 21-member central board committee. He is part of the Economic Advisory Council formed by the Government of Maharashtra to achieve rapid and comprehensive development in the state. The Government of Gujarat appointed him as the Chairman of Gujarat Biotechnology University in 2022. He is a former President of Indian Pharmaceutical Alliance (IPA) and has also served as the chairman of the Board of Governors of Indian Institute of Technology (Bombay). He is a former trustee of the Rhodes Scholarship Program at Oxford University. In 2019, he was conferred with an honorary doctorate by the Tel Aviv University, Israel's largest and most comprehensive institution of higher learning. Mr. Shanghvi has played a vital role in the globalisation of the Indian pharmaceutical industry and continues to inspire generations of entrepreneurs in their journey of success.	Kirti Ganorkar has been heading India Business at Sun Pharma since June 2019. Under his leadership, the company's India Business has grown consistently, further increasing its market share. Previously, he has held various leadership roles across Business Development, Marketing, M&A, New Product Introduction, Project Management, IP and Litigation at Sun Pharma. He played a key role in driving Sun Pharma's foray into specialty by securing rights for key products such as Illumya. Kirti Ganorkar led Sun Pharma's entry into Japan and laid the initial groundwork for the Company's entry into Europe. He supported US business with stewardship of several notable generic projects from concept to commercialisation. Kirti Ganorkar is a chemical engineer and MBA.
Nature of expertise in specific functional areas	Consumer Healthcare and Nutrition, India Distribution	Global Exposure; Business Strategy; Business Development; Research and Development; Finance and Accounts	Global Exposure; Business Strategy; Business Development; Research and Development

Particulars	Ms. Vidhi Shanghvi	Mr. Dilip Shanghvi	Mr. Kirti Ganorkar
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Strategic Thinking, Planning, Problem Solving, Decision Making, People and Leadership skills Ms. Vidhi Shanghvi has been with the Company for over ten years and holds a leadership position, demonstrating the skills required for her role as the Whole-time Director.	Strategic Thinking, Planning, Problem Solving, Decision Making, People and Leadership skills Mr. Dilip Shanghvi is the founder and Promoter of the Company. As the Managing Director, he has been at the helm of business operations for more than four decades and he has skillfully navigated the Company through an impressive trajectory of continuous growth and innovation. He will focus on strengthening Sun Pharma's specialty portfolio and provide insights towards shaping company's long-term strategy. Mr. Dilip Shanghvi has vast experience in pharma industry and fulfils the above-mentioned skills required for his role in the Company.	Strategic Thinking, Planning, Problem Solving, Decision Making, People and Leadership skills Under Mr. Kirti's leadership, the Company's India Business has grown consistently, further increasing its market share. He has held various leadership roles across various functions and was instrumental in driving Sun Pharma's foray into specialty products. Mr. Kirti has experience in pharma industry and fulfils the above-mentioned skills required for his role in the Company.
Date of First appointment on the Board	May 22, 2025	March 1, 1993	-
Directorship held in other companies (excluding foreign companies and section 8 companies)	• Sun Pharma Advanced Research Company Limited • ITI Finvest Limited • Sun Petrochemicals Private Limited • Vivaldis Heath and Foods Private Limited	• Sun Pharma Advanced Research Company Limited • Alfa Infrapop Private Limited • Sun Petrochemicals Private Limited • Aditya Clean Power Ventures Limited	• Sun Pharma Laboratories Limited • Sun Pharma Distributors Limited
Memberships/ Chairmanships of Committees of other Public Companies	Sun Pharma Advanced Research Company Limited • Risk Management Committee – Member • Audit Committee – Member • Stakeholders Relationship Committee – Member • Corporate Social Responsibility Committee – Member • Fund Management Committee – Member • Securities Allotment Committee – Member	Sun Pharma Advanced Research Company Limited • Risk Management Committee – Chairman • Corporate Social Responsibility Committee – Chairman • Fund Management Committee – Chairman • Securities Allotment Committee – Member	Sun Pharma Laboratories Limited • Corporate Social Responsibility Committee – Member Sun Pharma Distributors Limited • Corporate Social Responsibility Committee – Chairman
Listed entities from which the person has resigned in the past three years	None	None	None
Inter-se relationship between Directors	She is the daughter of Mr. Dilip Shanghvi, Chairman and Managing Director and sister of Mr. Aalok Shanghvi, Whole-time Director and Chief Operating Officer of the Company.	Mr. Dilip Shanghvi is the father of Mr. Aalok Shanghvi, Whole-time Director and Chief Operating Officer and Ms. Vidhi Shanghvi, Whole-time Director, and the brother-in-law of Mr. Sudhir Valia, Non-executive Director.	None
No. of equity shares held in the Company (singly or jointly as first holder) as on the date of Notice:	28,22,427	2,30,385,155	10,060

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Remote E-voting Period

Start Date:	July 27, 2025 at 9:00 A.M. IST
End Date:	July 30, 2025 at 5:00 P.M. IST

Statutory Notes

1. Pursuant to various circulars issued by the Ministry of Corporate Affairs ("MCA") and SEBI, and other applicable provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (together referred to as "applicable provisions"), the 33rd Annual General Meeting ("AGM" / "Meeting") of the Company is being held through video conferencing ("VC") or other audio-visual means ("OAVM").

2. The Notice of 33rd AGM is being issued by the Company Secretary and Compliance Officer under the authorisation granted by the Board of Directors.

3. **Shareholders will be able to attend the AGM through VC / OAVM or view the live webcast** by following instructions detailed in 'Attendance and E-voting' section.

4. Pursuant to the applicable provisions, **Central Depository Services (India) Limited ("CDSL") has been appointed as the authorised e-voting agency** to provide the facility of casting votes by a shareholder using remote e-voting as well as the e-voting system during the AGM.

5. **Since this AGM is being held by VC / OAVM, the facility to appoint proxy to attend and cast vote for the shareholders is not available for this AGM.** However, pursuant to Section 112 and Section 113 of the Act, representatives of the shareholders such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.

6. The attendance of the shareholders attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

7. The Board of Directors have appointed Mr. Chintan Goswami, and failing him, Mr. Alpesh Panchal, Partners of KJB & Co. LLP, Practising Company Secretaries, as the Scrutinizer.

8. The Scrutinizer shall submit his report to the Chairman of the Meeting or any person authorised by him in writing. The result declared along with the Scrutinizer's Report will be submitted to BSE Limited and National Stock Exchange of India Limited, and will be placed on the Company's website at www.sunpharma.com and on the website of CDSL at www.evotingindia.com, as well as displayed on the notice board at the Registered Office and Corporate Office of the Company, within the prescribed time.

9. Statutory Registers and documents, as required by the Act, are available for inspection at the registered office of the Company on all working days, excluding Saturdays and Sundays, between 11:00 A.M. IST and 1:00 P.M. IST, and can also be inspected electronically, up to the date of the AGM.

   Shareholders who wish to inspect these documents in any manner shall send their requests to secretarial@sunpharma.com, mentioning their name, demat account number or folio number, email address, and mobile number.

Attendance and E-voting

10. **The voting rights of shareholders shall be in proportion to their shares in the paid-up share capital of the Company as on the Cut-off Date for e-voting, i.e., July 24, 2025.** Those who subsequently become shareholders of the Company, holding equity shares as of the Cut-off Date, are eligible to cast their votes and attend the AGM. Any person who is not a shareholder as of the Cut-off Date should consider the Notice for information purposes only.

11. **The remote e-voting period begins on Sunday, July 27, 2025 at 09:00 A.M. and ends on Wednesday, July 30, 2025 at 05:00 P.M.** During this period, shareholders of the Company holding shares either in physical form or in dematerialised form, as on the Cut-off Date, will be eligible to cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

12. General instructions

- Shareholders who want to cast their votes and attend the AGM should log in following the instructions in the **'Procedure for Login'** section.
- Shareholders can join the AGM in the VC / OAVM mode 30 minutes before the scheduled time of the commencement of the meeting. The facility of participation at the AGM through VC / OAVM will be made available to at least 1,000 shareholders on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
- Shareholders who have already voted during the remote e-voting period are not allowed to vote again during the AGM. However, shareholders who attend the AGM and have not voted earlier, provided they are otherwise eligible, can cast their votes during the meeting.

13. Procedure for Login

Mode	Applicable to	Instructions	Helpdesk
1	Individual Shareholders holding shares in Demat form with CDSL	1. Go to www.cdslindia.com , click on the "Login" icon, and select the "New System Myeasi" Tab. Users registered with CDSL Easi / Easiest can log in with their existing user ID and password. Unregistered users shall select the "Registration" option and proceed with login thereafter. Alternatively, users can access the e-voting page directly by selecting the "E-voting" option on the homepage at www.cdslindia.com and enter their Demat Account Number and PAN for authentication. 2. After logging in, users can find "Sun Pharmaceutical Industries Limited" and choose the option for e-voting or joining the meeting. In case the Company's name is not available in the list of ongoing events, the user can select the option "CDSL" to directly access the e-voting portal.	Email to helpdesk.evoting@cdslindia.com or call at 1800 2109911
2	Individual Shareholders holding shares in Demat form with NSDL	1. Go to https://eservices.nsdl.com and select "Beneficial Owner" under the "Login" section in IDeAS. Users registered with IDeAS can log in with their existing user ID and password. Unregistered users can register at https://eservices.nsdl.com and select "Register Online for IDeAS" or go to https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Alternatively, users can access the NSDL e-voting system at www.evoting.nsdl.com and click the "Login" icon in the 'Shareholder/ Member' section. They shall enter the User ID (sixteen-digit demat account number with NSDL) and Password/OTP for authentication. 2. After logging in, click "Access to e-voting" to reach the e-voting page. Select the company name "Sun Pharmaceutical Industries Limited" to cast votes / join the meeting. In case the Company's name is not available in the list of ongoing events, the user can select the option "CDSL" to directly access the e-voting portal.	Email to evoting@nsdl.co.in or call at 022 4886 7000 / 022 2499 7000
3	Non-Individual Shareholders holding shares in Demat form with CDSL or NSDL and All Shareholders holding shares in Physical form	1. Go to www.evotingindia.com and click on "Shareholders" and log in using the User ID as applicable: For CDSL: 16 digits beneficiary ID For NSDL: 8 Character DP ID followed by 8 Digits Client ID Shareholders holding shares in Physical Form: Folio Number registered with the Company First time users may log in using their PAN / Date of Birth / Dividend Bank details. Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number / e-voting code sent by Company / RTA or may contact the Company / RTA. 2. Click on the EVSN 250618002 for Sun Pharmaceutical Industries Limited to cast votes / join the meeting	Frequently Asked Questions ("FAQs") and e-voting manual is available at www.evotingindia.com under the "HELP" section

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or by e-mail to helpdesk.evoting@cdslindia.com or call at 1800 2109911.

Detailed guidelines for logging in the e-voting system are available at the website of the Company at https://sunpharma.com/investor-services/

Final Dividend

14. The Board of Directors at its Meeting held on May 22, 2025, recommended a Final Dividend of ₹ 5.50/- (Rupees Five and paise fifty only) per equity share of ₹ 1/- (Rupee One only) each of the Company for the year ended March 31, 2025 and the same, if approved at the AGM, will be paid per the timelines under the Act. The final dividend shall be paid to such shareholders whose names stand in the Register of Shareholders as beneficial owners as on the Record Date.

    Shareholders are requested to update their KYC details with the Depositories for the shares held in dematerialised form, and with MUFG Intime India Private Limited (previously known as Link Intime India Private Limited), the Company's Registrar and Transfer Agent ("RTA") for the shares held in physical form, so that they can receive the final dividend for the financial year 2024-25 directly through electronic credit.

15. **The Record Date for the payment of final dividend is close of business hours on July 7, 2025 ("Record Date").**

16. Pursuant to the Clause 142 of the Articles of Association of the Company, any member can waive/forgo the right to receive any dividend. A member, if so wishes, can waive/forgo the right to receive dividend for any financial year, by submitting the duly filled prescribed form to the Company's RTA on or before the Record Date. The prescribed form is available at https://sunpharma.com/investor-services/.

    Scan the QR code to view the Dividend Waiver Form

17. The Company shall deduct tax at source from dividend paid to shareholders at the prescribed rates. The particulars of deduction of tax on dividend and procedure for submission of documents in that regard are available at https://sunpharma.com/tds-on-dividends/. The shareholders are requested to submit the necessary documents on or before July 7, 2025.

    Scan the QR code to view the Procedure for submission of TDS documents

General Shareholder Information

Speaker Registration

18. Shareholders who would like to express their views / ask questions during the AGM may register themselves as a speaker by sending their request, mentioning their name, demat account number or folio number, e-mail id and mobile number, at secretarial@sunpharma.com latest by July 27, 2025.

19. Only registered speakers will be allowed to express their views / ask questions during the meeting for a maximum time of 3 (three) minutes each, once the floor is open for shareholder queries.

20. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time during the meeting.

21. The shareholders who do not wish to speak during the AGM but have queries may send their queries, mentioning their name, demat account number / folio number, e-mail id and mobile number, to secretarial@sunpharma.com. These queries will be suitably replied to by the Company by e-mail.

Dispatch of Annual Report through Electronic Mode

22. The Notice of AGM along with the Annual Report for FY25 is being sent only through electronic mode to those shareholders whose e-mail addresses are registered with the Company's RTA / Depositories. Hard copies of the Annual Report shall be sent to shareholders upon request only.

23. Shareholders may note that the Notice of the AGM along with the Annual Report for FY25 is also available for download on the website of the Company at www.sunpharma.com, on the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

24. For receiving all communication (including Notice and Annual Report) from the Company electronically, the shareholders are requested to update their e-mail addresses with the Depository / RTA.

RTA Services

25. Shareholders can access various services through the web-based application "Swayam" at https://swayam.in.mpms.mufg.com/.

26. Shareholders can also use the chatbot "iDIA" to ask questions and get information about queries by logging in at https://in.mpms.mufg.com/.

Updating KYC (Physical Shareholders)

27. Shareholders holding shares in physical form can update their PAN, KYC details, nomination, contact details, bank A/c details and specimen signature for the respective folios by submitting the application and documents, as may be applicable, to the Company's RTA. The prescribed form(s) are available at https://sunpharma.com/mandatory-kyc-update/ and on RTA's website at https://web.in.mpms.mufg.com/KYC-downloads.html.

Transfer to Investor Education and Protection Fund

28. Pursuant to Section 124 of the Act, the dividends that are unclaimed for a period of seven years shall be

transferred to the Investor Education and Protection Fund ("IEPF"). Shares on which the dividend remains unclaimed for seven consecutive years shall also be transferred to IEPF.

29. The unclaimed dividend for the financial year 2017-18 is due for transfer to IEPF on October 27, 2025. Hence, shareholders are requested to claim their unpaid dividend within the stipulated timelines.

30. Information regarding the unclaimed dividends and shares already transferred and due to be transferred to IEPF Authority is available on the company's website, along with the procedure to claim the same from IEPF Authority, and can be accessed at https://sunpharma.com/details-of-shares-to-iepf/.

Exchange of Old Share Certificates

31. The shareholders of erstwhile Tamilnadu Dadha Pharmaceuticals Limited; erstwhile Gujarat Lyka Organics Limited; erstwhile Phlox Pharmaceuticals Limited and erstwhile Ranbaxy Laboratories Limited; who have not yet sent their respective share certificates for exchange with the share certificates of the Company, that is, Sun Pharmaceutical Industries Limited, are requested to do so at the earliest, provided their shares are not already transferred to IEPF, since share certificates of the former entities are no longer tradable / valid.

32. The equity shares of the Company had been subdivided from 1 (One) equity share of ₹ 5/- each to 5 (Five) equity shares of ₹ 1/- each on November 29, 2010. Those shareholders who have not yet exchanged their old share certificates of ₹ 5/- each with new equity shares of ₹ 1/- each are requested to do so at the earliest, provided their shares are not already transferred to IEPF, since the old share certificates of ₹ 5/- each are no longer tradable.

Dematerialisation of Physical Share Certificates

33. SEBI now mandates that only shares held in dematerialised form shall be permitted for transfer. Further, the securities shall be issued in dematerialised form while processing requests for transmission / transposition / duplicate certificates, etc. Hence, the shareholders are requested to dematerialise their physical shares as soon as possible.

Corporate Information

BOARD OF DIRECTORS

Dilip S. Shanghvi
Chairman and Managing Director

Dr. Pawan Goenka
Lead Independent Director

Aalok D. Shanghvi
Whole-time Director and
Chief Operating Officer

Vidhi D. Shanghvi
Whole-time Director
(appointed with effect from May 22, 2025)

Sudhir V. Valia
Non-Executive and
Non-Independent Director

Gautam Doshi
Independent Director

Rama Bijapurkar
Independent Director

Rolf Hoffmann
Independent Director

CHIEF FINANCIAL OFFICER

C. S. Muralidharan
(up to July 1, 2025)

Jayashree Satagopan
(with effect from July 1, 2025)

COMPANY SECRETARY & COMPLIANCE OFFICER

Anoop Deshpande

AUDITORS

S R B C & CO LLP
Chartered Accountants, Mumbai

REGISTRARS & SHARE TRANSFER AGENTS

MUFG Intime India Private Limited
(previously known as Link Intime India Private Limited)
C 101, 247 Park,
L B S Marg, Vikhroli (West),
Mumbai – 400 083
Tel: (022)-49186000
Fax: (022)-49186060
Website : https://in.mpms.mufg.com/
E-mail: rnt.helpdesk@in.mpms.mufg.com

OPERATIONAL MANUFACTURING PLANTS

1. Dewas, Madhya Pradesh, India
2. Baddi, Himachal Pradesh, India
3. Dadra, Dadra & Nagar Haveli, India
4. Halol, Gujarat, India
5. Mohali, Punjab, India
6. Paonta Sahib, Himachal Pradesh, India
7. Ahmednagar, Maharashtra, India
8. Ankleshwar, Gujarat, India
9. Dahej, Gujarat, India
10. Maduranthakam, Tamilnadu, India
11. Malanpur, Madhya Pradesh, India
12. Panoli, Gujarat, India
13. Toansa, Punjab, India
14. Bengaluru, Karnataka, India
15. Sun Pharma Laboratories Ltd., Guwahati, Assam, India
16. Sun Pharma Laboratories Ltd., Jammu, Jammu & Kashmir, India
17. Sun Pharma Laboratories Ltd., Setipool, Sikkim, India
18. Sun Pharma Laboratories Ltd., Ranipool, Sikkim, India
19. Sun Pharmaceutical Medicare Ltd., Baska, Gujarat, India
20. Zenotech Laboratories Ltd., Medchal–Malkajgiri Dist., Telangana, India
21. Sun Pharmaceutical Industries (Australia), Latrobe, Australia
22. Sun Pharmaceutical Industries (Australia), Port Fairy, Australia
23. Sun Pharmaceutical (Bangladesh) Ltd., Joydevpur, Gazipur, Bangladesh
24. Taro Pharmaceuticals Inc., Brampton, Ontario, Canada
25. Taro Pharmaceutical Industries Ltd., Haifa Bay, Israel
26. Alkaloida Chemical Company Zrt., Tiszavasvari, Kabay, Hungary
27. Sun Pharma Egypt Limited, October City, Giza, Egypt
28. Ranbaxy Malaysia Sdn. Bhd., Kedah, Malaysia
29. Ranbaxy Nigeria Limited, Lagos (Magboro), Nigeria
30. S.C Terapia S. A., Cluj, Romania
31. JSC Biosintez, Penza, Russia
32. Ranbaxy Pharmaceuticals., (Pty) Ltd., Roodepoort, Johannesburg, South Africa
33. Sun Pharma North Africa, Casablanca, Morocco
34. Chattem Chemicals, Inc., Chattanooga, US
35. Ohm Laboratories Inc., New Brunswick, New Jersey, US
36. Ohm Laboratories Inc., North Brunswick, NJ, New Jersey, US
37. Pharmalucence Inc., Billerica, Massachusetts, US

OFFICES

Registered Office
Sun Pharma Advanced Research Centre (SPARC), Tandalja,
Vadodara – 390 012, Gujarat

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Maharashtra
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Fax: (022)-4324 4343
Email: secretarial@sunpharma.com

MAJOR R&D CENTRES

1 India
Sun Pharma Advanced Research Centre, F.P.27, Part Survey No. 27, C.S. No. 1050, TPS No. 24, Village Tandalja, District, Vadodara - 390 012, Gujarat

2 India
Village Sarhaul, Sector 18,
Gurugram - 122 015, Haryana

3. Israel
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4 Canada
Taro Pharmaceuticals Inc., 130 East Drive, Brampton, Ontario L6T 1C1, Canada

5 USA
Ohm Laboratories Inc.,
Terminal Road, New Brunswick,
New Jersey 08901, USA

6 USA
Sun Pharmaceutical Industries Inc.,
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